

RESOLUTION NO. ____-2021

**RESOLUTION OF THE FORT BRAGG CITY COUNCIL
SUPPORTING THE FORMATION OF A PUBLIC BENEFIT CORPORATION
RECOGNIZED BY THE INTERNAL REVENUE SERVICE AS A 501(C)(3)
UNDER NON-PROFIT STATUS – A COMMUNITY LAND TRUST
TO PROVIDE PERMANENTLY AFFORDABLE HOUSING AND
HOMEOWNERSHIP OPPORTUNITES FOR VERY LOW, LOW AND
MODERATE INCOME HOUSEHOLDS**

WHEREAS, the 2019 Housing Element update included several new policies and programs to guide decision makers on actions to take over the next eight years to meet housing needs of our community; and

WHEREAS, Program H-2.4.4 states: Complete research regarding Community Land Trust and consider working with community partners to establish a Community Land Trust that serves Fort Bragg; and

WHEREAS, in an effort to accelerate housing production throughout California, the State allocated grant funds to cities and counties through Senate Bill 2 (SB-2), as well as Local/Regional Early Action Planning (LEAP/REAP) grants; and

WHEREAS, the City of Fort Bragg utilized these grant funds to secure professional services to assist staff in the development of a feasibility study to better understand how the Community Land Trust (CLT) model might provide affordable housing to our community; and

WHEREAS, the CLT model appears to be an effective economic mechanism that provides a tool to set aside land and establish permanently affordable housing for very low, low, and moderate income households; and

WHEREAS, a CLT's 501(c)(3) status must be active for a two-year period before becoming eligible for Fannie Mae lending; and

WHEREAS, filing the necessary 501(c)(3) paperwork would expedite the process of establishing a CLT should Council decide to move forward; and

WHEREAS, the consultant working on this project, Dev Goetschius with Burlington Associates of Community Development, LLC, has extensive experience providing technical assistance regarding starting and managing CLTs, and has agreed to facilitate the 501(c)(3) process within the budget of their existing contract with the City; and

WHEREAS, on February 8, 2021, this item was brought forward for City Council consideration and City Council directed staff to draft a resolution, supporting the formation of a Public Benefit Corporation, recognized by the Internal Revenue Service as a 501(c)(3) under non-profit status in order to meet Fannie-Mae requirements for CLT lending as a proactive measure;

NOW, THEREFORE, BE IT RESOLVED that the City Council of the City of Fort Bragg does hereby endorse and support forming a Public Benefit Corporation recognized by the Internal Revenue Service as a 501(c)(3) under Non-Profit status and authorizes the City Manager to execute the documents necessary to form a 501(c)(3) under Non-Profit status to form a Community Land Trust.

The above and foregoing Resolution was introduced by _____, seconded by _____, and passed and adopted at a regular meeting of the City Council of the City of Fort Bragg held on the 22nd day of February, 2021 by the following vote:

AYES:
NOES:
ABSENT:
ABSTAIN:
RECUSED:

BERNIE NORVELL
Mayor

ATTEST:

June Lemos, CMC
City Clerk