



# TOWN OF PARADISE

5555 SKYWAY • PARADISE, CALIFORNIA 95969-4931  
TELEPHONE (530) 872-6291 FAX (530) 877-5059  
www.townofparadise.com

## **Management Staff:**

Lauren Gill, Town Manager  
Dwight L. Moore, Town Attorney  
Joanna Gutierrez, Town Clerk  
Craig Baker, Community Development Director  
Gabriela Tazzari-Dineen, Police Chief  
Greg McFadden, Unit Chief, CAL FIRE/  
Butte County Fire/Paradise Fire  
Gina Will, Finance Director/Town Treasurer

## **Town Council:**

Greg Bolin, Mayor  
Jody Jones, Vice Mayor  
Steve "Woody" Culleton, Council Member  
Scott Lotter, Council Member  
John J. Rawlings, Council Member

# TOWN COUNCIL AGENDA

## SPECIAL MEETING – 4:00 PM – January 06, 2015

In accordance with the Americans with Disabilities Act, if you need a special accommodation to participate, please contact the Town Clerk's Dept., at 872-6291 at least 48 hours in advance of the meeting. Hearing assistance devices for the hearing impaired are available from the Town Clerk. Members of the public may address the Town Council on any agenda item, including closed session. If you wish to address the Town Council on any matter on the Agenda, it is requested that you complete a "Request to Address Council" card and give it to the Town Clerk prior to the beginning of the Council Meeting. All writings or documents which are related to any item on an open session agenda and which are distributed to a majority of the Town Council will be available for public inspection at the Town Hall in the Town Clerk Department at 5555 Skyway, Room 3, at the same time the subject writing or document is distributed to a majority of the subject body. Regular business hours are Monday through Thursday from 8:00 a.m. to 5:00 p.m.

### **1. OPENING**

- a. Call to Order
- b. Pledge of Allegiance to the Flag of the United States of America
- c. Roll Call

### **2. COUNCIL CONSIDERATION**

- 2a. (1) Concur with the recommendation adopted by the Planning Commission on December 22, 2014 recommending Town Council approval of a Development Agreement Containing Affordable Housing Covenant granting a residential density bonus for property located at 4758 Skyway, Paradise, California, a proposed multiple-family development to be developed with fifteen (15)

rehabilitated residential apartment units with three units to be affordable apartment units; and,

(2) Find that adoption of a resolution authorizing a residential density bonus as proposed is categorically exempt from the provisions of the California Environmental Quality Act (CEQA) pursuant to CEQA Guidelines section 15301(d) Existing Facilities; and,

(3) Adopt Resolution No. 15-\_\_\_, A Resolution of the Town Council of the Town of Paradise Approving a Density Bonus Agreement with Tyler Edwards. **(ROLL CALL VOTE)**

NOTE: Town staff recommends adoption of action nos. 1, 2 and 3 above.

**3. ADJOURNMENT**

STATE OF CALIFORNIA ) COUNTY OF BUTTE )	SS.
I declare under penalty of perjury that I am employed by the Town of Paradise in the Town Clerk's Department and that I posted this Agenda on the bulletin Board both inside and outside of Town Hall on the following date:	
_____	
TOWN/ASSISTANT TOWN CLERK SIGNATURE	

**TOWN OF PARADISE**  
**Council Agenda Summary**  
**Date: January 6, 2015**

**Agenda No. 2(a)**

**ORIGINATED BY:** Craig Baker, Community Development Director

**REVIEWED BY:** Lauren Gill, Town Manager

**SUBJECT:** Consideration of a Planning Commission Recommendation for Town Council Adoption of a Proposed Resolution Authorizing the Execution of a Development Agreement Granting a Residential Density Bonus

**COUNCIL ACTION REQUESTED:** Conduct the scheduled public discussion concerning this agenda item. Upon conclusion of the public discussion, adopt either the recommended actions or an alternative action.

**RECOMMENDATION:** Adopt a **MOTION TO:**

1. Concur with the recommendation adopted by the Planning Commission on December 22, 2014;  
**AND**
2. Find that adoption of a resolution authorizing a residential density bonus as proposed is categorically exempt from the provisions of the California Environmental Quality Act (CEQA), pursuant to CEQA Guidelines section 15301(d) (Existing Facilities); **AND**
3. Adopt Town of Paradise Resolution No. 15-\_\_\_\_, "A Resolution of the Town Council of the Town of Paradise Approving a Density Bonus Agreement with Tyler Edwards"; **OR**
4. Adopt an alternative directive to town staff.

**NOTE:** Town staff recommends adoption of action nos. 1, 2 and 3 above.

**BACKGROUND:**

On December 22, 2014, the Planning Commission conducted a public discussion and subsequently adopted a motion recommending that the Town Council adopt a resolution authorizing the execution of the attached development agreement, pursuant to the requirements of Paradise Municipal Code (PMC) Chapter 17.44.

PMC Chapter 17.44 contains provisions for granting an increase in residential density limitations for multiple family projects in exchange for a developer agreeing to provide a certain percentage of affordable housing units. Pursuant to PMC Chapter 17.44 and California Government Code section 65915, the Town of Paradise recently received a residential density bonus application from Mr. Tyler Edwards for property located at 4758 Skyway. The property is currently developed with the Carousel Motel. Mr. Edwards' application proposes to rehabilitate the property and convert the sixteen rooms

motel into fifteen residential apartment units. Pursuant to the proposed terms of the attached development agreement drafted by Town Attorney Dwight Moore, Mr. Edwards would be required to designate three of the residential apartment units as "affordable units" for an initial period of not less than thirty years. These units would be reserved for low income tenants with incomes at or below 60% of the median household income for Butte County.

The 1.14 acre project site property is situated within the Community Commercial (CC) zoning district, which allows a residential density of up to ten dwelling units per acre. Therefore, based upon the zoning regulations assigned to the site in the absence of a residential density bonus, the site could be developed with up to eleven dwelling units. If the proposed development agreement is executed by the Town and Mr. Edwards and recorded, four additional apartment units would be permitted to be established, three of which would be designated as affordable units.

#### **DISCUSSION:**

For years, the Carousel Motel has been the source of numerous local law enforcement calls for service and significant building code violations. As a result of these chronic problems associated with the property, the Town of Paradise recently facilitated a transfer of the title to the motel to a third party through a health and safety receivership.

A health and safety receivership is a legal process through which title to a piece of real property is temporarily taken from the owner and placed with a third party court-appointed officer – the receiver. Typically, the local jurisdiction authorizes the filing of a lawsuit against the owner to initiate the process. The Receiver, under the supervision and direction of the California Superior Court, immediately borrows money against the property to correct the health and safety problems and bring the property into compliance with local/State codes. Receiverships are used primarily for severely substandard properties where the owner has a history of non-compliance with local enforcement agency orders to abate, or where emergency circumstances are discovered which pose immediate threats to health and safety. A Health and Safety Receivership virtually eliminates substandard properties at no expense to the referring agency. Mr. Edwards is currently in escrow to purchase the property from the court-appointed receiver and rehabilitate the property. The escrow is scheduled to close on January 12, 2015.

Rehabilitation and conversion of the motel to apartment units would be beneficial to the Town in that an undesirable land use would be eliminated and the establishment of fifteen apartment units, some of which would be designated as affordable units, would promote policies contained within the Housing Element of the Paradise General Plan.

Town staff has prepared and attached with this council agenda summary for your consideration and recommended adoption a Town resolution document and its related exhibit "A", the proposed development agreement. If adopted, the resolution document would approve the form and content of the development agreement and authorize its execution by the Town Manager. Several other pertinent documents are also attached for your review and use.

**FINANCIAL IMPACT:** Adoption of this Town Council resolution will result in a nominal recording cost expenditure.

Attachments

## LIST OF ATTACHMENTS

1. Town of Paradise Resolution No. \_\_\_\_; "A Resolution of the Town Council of the Town of Paradise Approving a Density Bonus Agreement with Tyler Edwards" and its attached exhibit "A"
2. Draft minutes from the December 22, 2014 Planning Commission meeting
3. Letter received on December 9, 2014 from Mr. Tyler Edwards proposing to enter into a development agreement with the Town of Paradise for a residential density bonus.

**TOWN OF PARADISE  
RESOLUTION NO. 15-\_\_**

**A RESOLUTION OF THE TOWN COUNCIL OF THE TOWN OF PARADISE  
APPROVING A DENSITY BONUS AGREEMENT WITH TYLER EDWARDS**

**WHEREAS**, Government Code Section 65915 and Paradise Municipal Code Chapter 17.44 authorize a density bonus for projects with affordable residential units; and,

**WHEREAS**, on December 22, 2014, the Planning Commission recommended that the Town Council approve a density bonus agreement with Tyler Edwards relating to 4758 Skyway, Paradise.

**NOW, THEREFORE, BE IT RESOLVED BY THE TOWN COUNCIL OF THE TOWN OF PARADISE AS FOLLOWS:**

**Section 1.** The Town Council hereby approves the density bonus agreement between the Town and Tyler Edwards.

**Section 2.** The Town Manager is hereby authorized to execute the density bonus agreement with Tyler Edwards in the form attached hereto as Exhibit A.

**PASSED AND ADOPTED** by the Town Council of the Town of Paradise on this 6th day of January, 2015, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

By \_\_\_\_\_  
Greg Bolin, Mayor

ATTEST:

\_\_\_\_\_  
Joanna Gutierrez, CMC, Town Clerk

APPROVED AS TO FORM:

\_\_\_\_\_  
Dwight L. Moore, Town Attorney

RECORDING REQUESTED BY  
AND AFTER RECORDATION  
MAIL TO:

Town of Paradise  
5555 Skyway  
Paradise, CA 95969

\_\_\_\_\_  
Attn: Town Clerk

---

FOR RECORDER'S USE ONLY

(The recordation of this document is not subject to recording fees pursuant to  
California Government Code Section 27383)

**DENSITY BONUS AGREEMENT CONTAINING**  
**AFFORDABLE HOUSING COVENANT**

This Affordable Housing Covenant is made on \_\_\_\_\_, 2015, between the TOWN OF PARADISE ("Town"), acting to carry out the obligations under the density bonus provisions of California Government Code section 65915 and Paradise Municipal Code Chapter 17.44 relating to an affordable housing project for the Town of Paradise and Tyler Edwards, Inc. ("Owner"), with respect to that certain parcel of real property (the "Site") legally described on Exhibit A. The Town and the Owner agree that the Site shall be subject to the conditions, restrictions, reservations and rights of Town specified below:

1. **USE OF THE SITE.** The Owner hereby covenants and agrees, for itself, its lessees, successors and assigns, as follows:

A. **Development.** The Site will be developed with 15 rehabilitated residential apartment units including three units that will be affordable apartment units ("Affordable Units"), along with appurtenant parking and landscaping improvements (the "Project").

B. **Rent and Income Restrictions.** Based on Health and Safety Code section 65915, three Affordable Units of the Project shall be leased to households with incomes at or below 60% of Median Income adjusted by actual household size at rents that do not exceed 30% of 60% of the Median Income adjusted by household size, less a utility allowance.



C. Reporting Requirements. Annual reports and annual income recertifications shall be submitted by the owner to the Town. The reports, at a minimum, shall include:

- (1) The number of persons per unit
- (2) Tenant name
- (3) Initial occupancy date
- (4) Rent paid per month
- (5) Gross income per year
- (6) Percent of rent paid in relation to income.

Annual income recertifications shall also contain those documents used to certify eligibility. Town may, from time to time during the term of this Covenant, request additional or different information and Owner shall promptly supply such information in the reports required hereunder. Owner shall maintain all necessary books and records, including property, personal and financial records, in accordance with requirements prescribed by Town with respect to all matters covered by this Covenant. Owner, at such time and in such forms as Town may require, shall furnish to Town statements, records, reports, data and information pertaining to matters covered by this Covenant. Upon request for examination by Town, Owner, at any time during normal business hours, shall make available all of its records with respect to all matters covered by this Covenant. Owner shall permit Town to audit, examine and make excerpts or transcripts from these records.

2. MAINTENANCE. The Owner and all successors in interest, agree that they shall maintain the improvements and landscaping on the Site in a clean and orderly condition and in good condition and repair and keep the Site free from accumulation of debris and waste materials.

3. TRANSFER NOTICE. The Owner shall notify Town of any sale, transfer, convey, encumber, assign or lease of the whole or any part of the Site at least ninety (90) days prior to any proposed transfer.

4. NO DISCRIMINATION. The Owner covenants by and for itself and any successors in interest that there shall be no discrimination against or segregation of any person or group of persons on account of race, color, creed, religion, sex, marital status, sexual preference, national origin or ancestry in the sale, lease, sublease, transfer, use, occupancy, tenure or enjoyment of the Site, nor shall the Owner itself or any person claiming under or through it establish or permit any such practice or practices of discrimination or segregation with reference to the selection, location, number, use or occupancy of tenants, lessees, subtenants, sublessees or vendees in the Site.

5. NONDISCRIMINATION AND NONSEGREGATION CLAUSES. All deeds, leases or contracts made relative to the Site, the improvements thereon or any part thereof, shall contain or be subject to substantially the following nondiscrimination and nonsegregation clauses:

A. **In deeds:** The grantee herein covenants by and for himself or herself, his or her heirs, executors, administrators and assigns, and all persons claiming under or through them, that there shall be no discrimination against or segregation of any person or group of persons on account of race, color, creed, religion, sex, marital status, sexual preference, national origin or ancestry in the sale, lease, sublease, transfer, use, occupancy, tenure or enjoyment of the land herein conveyed, nor shall the grantee, or any person claiming under or through him or her, establish or permit any such practice or practices of discrimination or segregation with reference to the selection, location, number, use or occupancy of tenants, lessees, subtenants, sublessees or vendees in the land herein conveyed. The foregoing covenants shall run with the land.

B. **In leases:** The lessee herein covenants by and for himself or herself, his or her heirs, executors, administrators and assigns, and all persons claiming under or through him or her, and this lease is made and accepted upon and subject to the following conditions:

That there shall be no discrimination against or segregation of any person or group of persons on account of race, color, creed, religion, sex, marital status, sexual preference, national origin or ancestry in the leasing, subleasing, transferring, use, occupancy, tenure or enjoyment of the land herein leased, nor shall the lessee himself or herself, or any person claiming under or through him or her, establish or permit any such practice or practices of discrimination or segregation with reference to the selection, location, number, use or occupancy of tenants, lessees, sublessees, subtenants or vendees in the land herein leased.

C. **In contracts:** There shall be no discrimination against or segregation of any person or group of persons on account of race, color, creed, religion, sex, marital status, sexual preference, national origin or ancestry in the sale, lease, sublease, transfer, use, occupancy, tenure or enjoyment of the land, nor shall the transferee, or any person claiming under or through him or her, establish or permit any such practice or practices of discrimination or segregation with reference to the selection, location, number, use or occupancy of tenants, lessees, sublessees, subtenants or vendees in the land.

6. **NO IMPAIRMENT OF LIEN.** No violation or breach of the covenants, conditions, restrictions, provisions or limitations contained in this Covenant shall defeat or render invalid or in any way impair the lien or charge of any mortgage, deed of trust or other financing or security instrument; provided, however, that any successor of Owner to the Site shall be bound by such covenants, conditions, restrictions, limitations and provisions, whether such successor's title was acquired by foreclosure, deed in lieu of foreclosure, trustee's sale or otherwise.

7. **DURATION.** The covenants contained in paragraphs 1, 2 and 3 of this Covenant shall be deemed to run with the land and shall remain in effect for a period of not less than thirty (30) years from the date of recordation of this Covenant. The covenants

against discrimination contained in paragraphs 5 and 6 of this Covenant shall be deemed to run with the land.

8. SUCCESSORS AND ASSIGNS. The covenants contained in this Covenant shall be binding for the benefit of the Town and its respective successors and assigns and any successor in interest to the Site or any part thereof, and such covenants shall run in favor of the Town and such aforementioned parties for the entire period during which such covenants shall be in force and effect, without regard to whether the Town is or remains an owner of any land or interest therein to which such covenants relate. The Town, and such aforementioned parties, in the event of any breach of any such covenants, shall have the right to exercise all of the rights and remedies, and to maintain any actions at law or suits in equity or other proper proceedings to enforce the curing of such breach. The covenants contained in this Covenant shall be for the benefit of and shall be enforceable only by the Town, and its respective successors and such aforementioned parties.

9. SUBORDINATION. Upon written request by Owner, Town shall agree that the terms and conditions of this Covenant shall be subject to and subordinate to the terms and conditions of financing obtained by Owner, through a lender acceptable to the Town (the "Lender") and upon terms and conditions reasonably approved by the Town (including without limitation the conditions set forth in Health and Safety Code Section 33334.14), to be secured by a mortgage against the Site.

IN WITNESS WHEREOF, the Town and Owner have caused this instrument to be executed on their behalf by their respective officers thereunto duly authorized, as of \_\_\_\_\_.

TOWN OF PARADISE

By: \_\_\_\_\_  
Lauren M. Gill, Town Manager

OWNER

By: \_\_\_\_\_  
Tyler Edwards, Inc.

APPROVED AS TO FORM:

\_\_\_\_\_  
Dwight L. Moore, Town Attorney



# TOWN OF PARADISE

5555 SKYWAY • PARADISE, CALIFORNIA 95969-4931  
TELEPHONE (530) 872-6291 FAX (530) 877-5059  
www.townofparadise.com

## DRAFT PLANNING COMMISSION MINUTES

**December 22, 2014  
6:00 PM**

The December 22, 2014 Special Planning Commission Meeting was called to order by Vice Chairwoman Stephanie Neumann at 6:03 p.m.

COMMISSION PRESENT: Martin Nichols, Daniel Wentland and Stephanie Neumann, Vice Chairwoman. Chairman Zuccolillo arrived at 6:10 p.m.

COMMISSIONERS ABSENT: Jim Clarkson.

### 1. OTHER BUSINESS

Community Development Director Baker reported to the Planning Commission that they are being asked to consider adopting a motion recommending Town Council approval of a Development Agreement with Tyler Edwards that would grant a density bonus for a proposed Multiple-Family Development Project located at 4758 Skyway. The property is currently developed with the Carousel Motel. Mr. Baker informed the Planning Commission that time is of the essence because the property is in escrow.

Michael Zuccolillo arrived at 6:10 p.m.

Commissioner Nichols asked if the Carousel Motel was in compliance with Town regulations and if a new owner sells the property does the 30-year time commitment change. Town Attorney Moore informed the Commission that the 30-year time period will not change.

Commissioner Wentland stated that he had questions about what type of septic system would be needed for the development and that he met with the Town's Onsite Official Doug Danz and all his questions were answered.

Chair Zuccolillo opened the matter for public comment.

Tyler Edwards introduced himself and his wife Jennifer to the Commissioners, stated his experience in property management and that he plans to manage this property himself but has connected with two other professional property management companies that could manage the property on his behalf. Responding to a question from Commissioner Neumann, Mr. Edwards disclosed that his budget for the project consists of a \$400,000 cash resource with other funding to come from private investors. There will be no grant funding associated with the project.

Chair Zuccolillo closed public comment on this matter.

MOTION by Wentland, seconded by Neumann, recommended Town Council approval of a Development Agreement granting a residential density bonus for property located at 4758 Skyway, Paradise, California, a proposed multiple-family development to be developed with fifteen (15) rehabilitated residential apartment units with three units to be affordable apartment units. Roll call vote was unanimous; Clarkson absent and not voting.

**2. ADJOURNMENT**

Chairman Zuccolillo adjourned the special Planning Commission meeting at 6:15 p.m.

Date Approved:

By: \_\_\_\_\_  
Michael Zuccolillo, Chairman

\_\_\_\_\_  
Joanna Gutierrez, CMC, Town Clerk

12-7-2014

Dear Town of Paradise,

My name is Tyler Edwards and I am currently in the process of purchasing 4758 Skyway. Currently known as the Carrousel Motel. Currently there are 16 Motel rooms and a 2 bedroom living quarters for the Motel Manager. After doing a study on the area of Paradise. I believe that there is not much of a need for another Motel. However I do feel that there is a need smaller housing units for people who may be on a fixed income, mostly people who are 55 years of age or older.

I would like to propose to the Town of Paradise the project of taking the current abandoned Motel and converting it into a combination of 16- 2 bedroom and studio unit apartments.

I believe that this renovation project will bring additional living for the people of Paradise and improve the visible appearance of this property.

Thank you,

Tyler Edwards  
(530) 403-9830  
TylerEdwardsInc@gmail.com

RECEIVED  
DEC - 9 2014  
TOWN OF PARADISE  
COMMUNITY DEVELOPMENT DEPT.