

## RESOLUTION NO. 4359-2021

### 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 OPPORTUNITIES FOR VERY LOW, LOW AND MODERATE INCOME HOUSEHOLDS

**WHEREAS**, the City of Fort Bragg's Housing Element...; and

**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 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/managing CLTs, and has agreed to facilitate 501(c)(3) process within the budget of existing contract; and

**WHEREAS**, on February 8, 2021, this item was brought forward for Council consideration and 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 for the purpose of a Community Land Trust.

The above and foregoing Resolution was introduced by Morsell-Haye, seconded by Albin-Smith, and passed and adopted at a regular meeting of the City Council of the City of Fort Bragg held on the 22<sup>nd</sup> day of February, 2021 by the following vote:


**AYES:** Councilmembers Albin-Smith, Morsell-Haye, Rafanan, Peters and Mayor Norvell.  
**NOES:** None.  
**ABSENT:** None.  
**ABSTAIN:** None.  
**RECUSED:** None.



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**BERNIE NORVELL**  
Mayor

**ATTEST:**

*for* 

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June Lemos, CMC  
City Clerk