

CITY OF SANTA BARBARA

**FINANCE COMMITTEE**

MEETING AGENDA

DATE: July 14, 2009

Roger L. Horton, Chair

TIME: 12:30 p.m.

Helene Schneider

PLACE: David Gebhard Public Meeting Room  
630 Garden Street

Iya Falcone

James L. Armstrong  
City Administrator

Robert D. Peirson  
Finance Director

**ITEMS TO BE CONSIDERED:**

**1. Subject: Statement Of Investment Policy For Fiscal Year 2010**

Recommendation: That Finance Committee review the City's Statement of Investment Policy for Fiscal Year 2010 and recommend approval to City Council.

**2. Subject: Loans For Affordable Housing At 416-424 East Cota Street**

Recommendation: That the Finance Committee consider and recommend that the Redevelopment Agency Board and the City Council take the following actions regarding the proposed 56-unit "Artisan Court" affordable housing project at 416-424 East Cota Street to be developed by the Housing Authority of the City of Santa Barbara using new City and Agency loans totaling \$3,200,000:

- A. That the Agency Board approve a loan of \$2,284,583 of Redevelopment Agency Housing Setaside funds to Artisan Court L.P., and appropriate this amount from the Agency's housing fund unappropriated reserves;
- B. That the Agency Board approve amending the terms of its 2006 site acquisition loan of \$2,000,000 to the Housing Authority so that the terms of the existing Agency loan are consistent with those of the new Agency loan, approve subordination of the existing loan to the construction financing and to regulatory agreements required under the tax credit program, and assignment of the existing loan to Artisan Court L.P.;
- C. That Council approve a loan of \$915,417 of federal Home Investment Partnerships Program (HOME) funds to Artisan Court L.P.;
- D. That Council and the Agency Board approve the subordination of their affordability control covenant to the lien of the construction lender and to regulatory agreements required under the tax credit program, and make the finding that there is no reasonably available and economically feasible alternative for financing this project without subordination of the affordability control covenant; and
- E. That the Agency and Council take these actions subject to the condition that Artisan Court L.P. receives approval of a commitment of low income housing tax credits according to their application to the California Tax Credit Allocation Committee dated June 9, 2009.

**3. Subject: Loan For Affordable Housing At 421 East Cota Street**

Recommendation: That the Finance Committee recommend that the City Council and Redevelopment Agency Board take the following actions regarding the proposed "Mom's Place" affordable housing project at 421 East Cota Street to be developed by Transition House using a new City loan of \$680,000:

- A. That Council approve a loan of \$680,000 of federal Home Investment Partnerships Program (HOME) funds to Transition House with subsequent assignment to Mom's L.P.;
- B. That Council approve funding the proposed new HOME loan subject to the condition that Mom's L.P. receives low income housing tax credits and state loan funds, or other comparable financing as approved by staff and the City Attorney;
- C. That the Agency Board approve amending its 1999 acquisition loan and its 2009 predevelopment loan to Transition House so that the terms of the existing loans are consistent with the proposed new HOME loan and to approve assignment of the two existing Agency loans to Mom's L.P.; and
- D. That the Agency Board approve subordination of the Agency loans to a new bridge loan, to a new permanent loan from the State of California, and to the regulatory agreements and covenants required under the Low Income Housing Tax Credit Program and the state's Supportive Housing Program.