

CITY OF SANTA BARBARA
REDEVELOPMENT AGENCY MINUTES

Regular Meeting
July 21, 2009
Council Chamber, 735 Anacapa Street

CALL TO ORDER

Chair Marty Blum called the joint meeting of the Agency and the City Council to order at 2:01 p.m.

ROLL CALL

Agency members present: Iya G. Falcone, Dale Francisco, Roger L. Horton, Grant House, Helene Schneider, Das Williams, Chair Blum.

Agency members absent: None.

Staff present: Executive Director/Secretary James L. Armstrong, Agency Counsel Stephen P. Wiley, Deputy Director Paul Casey, Deputy City Clerk Susan Tschech.

PUBLIC COMMENT

No one wished to speak.

CONSENT CALENDAR

Motion:

Agency members House/Falcone to approve the Consent Calendar as recommended.

Vote:

Unanimous roll call vote.

1. Subject: Minutes (11)

Recommendation: That the Redevelopment Agency Board waive the reading and approve the minutes of the special meeting of June 23, 2009.

Action: Approved the recommendation.

REDEVELOPMENT AGENCY REPORTS

2. Subject: Loans For Affordable Housing At 416-424 East Cota Street (660.04/14)

Recommendation: 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 loans of \$2,000,000 to the Housing Authority of the City of Santa Barbara and \$284,583 to Artisan Court L.P., using Redevelopment Agency Housing Setaside funds, appropriate these amounts from the Agency's housing fund unappropriated reserves, approve subordination of the loans to the construction financing and regulatory agreements required under the tax credit program, if required, and authorize the Executive Director or Deputy Director to execute loan agreements and related documents in a form approved by Agency Counsel;
- B. That the Agency Board approve amending the terms of the Agency's 2006 site acquisition loan of \$2,000,000 to the Housing Authority so that the terms of the existing Agency loan are made consistent with the terms of the new Agency loan and to approve subordination of the existing loan to the construction financing and regulatory agreements required by the tax credit program, if required, and authorize the Executive Director or Deputy Director to execute the required documents in a form approved by Agency Counsel;
- C. That Council approve a loan of \$915,417 of federal Home Investment Partnerships Program (HOME) funds to Artisan Court L.P. and authorize the Community Development Director to execute a loan agreement and related documents in a form approved by the City Attorney;
- D. That Council and the Agency Board adopt, by reading of title only, A Joint Resolution of the Council of the City of Santa Barbara and the Redevelopment Agency of the City of Santa Barbara Finding that the Use of Redevelopment Agency Housing Setaside Funds for Development of Affordable Housing Located Outside the Central City Redevelopment Project Area (CCRP) at 416-424 East Cota Street Will Be of Benefit to the CCRP;
- E. 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

(Cont'd)

2. (Cont'd)

- F. That the Agency and Council take the above 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.

Documents:

- July 21, 2009, report from the Agency Deputy Director/Community Development Director.
- Proposed Resolution.

The title of the resolution was read.

Speakers:

- Staff: Housing Programs Supervisor Steven Faulstich, Agency Deputy Director/Community Development Director Paul Casey.
- Housing Authority of the City of Santa Barbara: Deputy Executive Director Rob Fredericks.

Motion:

Agency/Council members House/Horton to approve the recommendations; Redevelopment Agency Resolution No. 1016 and Agreement Nos. 519 and 520; City Council Resolution No. 09-065 and Agreement No. 23,159.

Vote:

Unanimous roll call vote.

3. Subject: Loan For Mom's Place Affordable Housing Project Sponsored by Transition House At 421 East Cota Street (660.04/15)

Recommendation: 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 Mom's L.P. 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 Mom's L.P. and authorize the City Administrator or Community Development Director to execute a loan agreement and related documents in a form approved by the City Attorney;
- 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;

(Cont'd)

3. (Cont'd)

- C. That the Agency Board approve amending the Agency's 1999 acquisition loan and 2009 predevelopment loan to Transition House so that the terms of the existing loans are consistent with the proposed new HOME loan, approve assigning the two existing Agency loans to Mom's L.P., and authorize the Executive Director or Deputy Director to execute the required documents in a form approved by Agency Counsel;
- 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, and authorize the Executive Director or Deputy Director to execute required documents in a form approved by Agency Counsel; and
- E. That Council and the Agency Board approve a new replacement affordability control covenant with Mom's L.P. covering all 16 units and approve subordination of the covenant to the liens of the bridge loan and the state's loan and to regulatory agreements and covenants required under the Low Income Housing Tax Credit Program and the state's Supportive Housing Program, 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 authorize the City Administrator or Community Development Director to execute required documents in a form approved by the City Attorney.

Documents:

July 21, 2009, report from the Agency Deputy Director/Community Development Director.

Speakers:

- Staff: Project Planner Simon Kiefer.
- Transition House: Executive Director Kathleen Baushke.

Motion:

Agency/Council members Falcone/House to approve the recommendations; City Council Agreement No. 23,160.

Vote:

Unanimous voice vote.

ADJOURNMENT

Chair Blum adjourned the meeting at 4:11 p.m.

SANTA BARBARA
REDEVELOPMENT AGENCY

SANTA BARBARA
CITY CLERK'S OFFICE

MARTY BLUM
CHAIR

SUSAN TSCHECH, CMC
DEPUTY CITY CLERK