

CITY OF PASADENA

Community Development Commission Minutes
June 3, 2002 - 5:30 P.M.
City Hall Council Chamber

REGULAR MEETING

OPENING: Chair Bogaard called the regular meeting to order at 8:40 p.m.

ROLL CALL:
Commissioners:

Chair Bill Bogaard
Vice Chair Paul Little
Commissioner Victor Gordo (Absent)
Commissioner Steve Haderlein
Commissioner Chris Holden
Commissioner Steve Madison
Commissioner Joyce Streater
Commissioner Sidney F. Tyler, Jr. (Absent)

Staff:

Chief Executive Officer Cynthia J. Kurtz
General Counsel Michele Beal Bagneris
Secretary Jane L. Rodriguez

PUBLIC COMMENT

No one appeared for public comment.

**RECESS TO JOINT
MEETING**

On order of the Chair, the regular meeting of the Community Development Commission recessed at 8:40 p.m. to a joint meeting with the City Council.

JOINT PUBLIC HEARING: APPROVAL OF TERMS OF A PROPOSED DISPOSITION & DEVELOPMENT AGREEMENT BY AND BETWEEN THE PASADENA COMMUNITY DEVELOPMENT COMMISSION AND MAGUIRE PARTNERS - 385 COLORADO, L.L.C. FOR THE SALE OF COMMISSION OWNED LAND AND THE CONSTRUCTION OF A NEW COMMERCIAL OFFICE BUILDING WITHIN THE DOWNTOWN REDEVELOPMENT PROJECT AREA (WESTERN ASSET PLAZA, FORMERLY PLAZA LAS FUENTES II)

Recommendation of City Manager: It is recommended that the City Council, following the joint public hearing:

- (1) Make certain findings and authorize the Pasadena Community Development Commission (Commission) to enter into a Disposition and Development Agreement with Maguire Partners - 385 Colorado, L.L.C. (Developer);
- (2) Authorize the City Manager to accept title to "finger" of land located in the Colorado Boulevard and Los Robles Avenue right of way from Commission, and easements from Developer along Union Street, and at the corner of Euclid Avenue and Colorado Boulevard;

and

(3) Authorize the conveyance of an easement on Los Robles Avenue to Developer. (Resolution No. 8117)

Recommendation of Chief Executive Officer: It is recommended that Pasadena Community Development Commission, following the joint public hearing:

(1) Make certain findings, approving the Business Terms to be incorporated into a Disposition and Development Agreement, and authorize the Chief Executive Officer to execute said Disposition and Development Agreement and take all necessary implementing actions; and

(2) Authorize conveyance of "finger" of land located in the Colorado Boulevard and Los Robles Avenue right of way to the City. (Resolution No. CDR-213; Contract No. CDC-490)

Recommendation of Community Development Committee: On May 15, 2002, the Community Development Committee (CDC) voted 4-1 in favor of recommending that the Commission approve the business terms outlined in the agenda report and that these business terms be incorporated into a Disposition and Development Agreement (DDA) between the Commission and Developer.

After voting to support the staff recommendation, the CDC also recommended that Council direct staff to look into several other related matters as summarized below.

1) Quantify the financial impact of Western Asset Plaza on Paseo Colorado.

2) Analyze impacts to transit occupancy "bed tax" revenues.

3) Analyze revenue impacts to other businesses in the City

4) Develop performance measures and benchmarks to assist in internal tracking and monitoring of the project's implementation schedule.

Staff concurs with the above recommendations from the CDC.

Chair Bogaard opened the public hearing.

The Secretary reported the notice of public hearing was published May 20 & 27, 2002, in the Pasadena Star News; no letters were received.

The Chief Executive Officer introduced the item.

Mr. Kirk Pelsler, Development Administrator, summarized the agenda report and responded to questions.

Mr. Tony Morales, Maguire Partners, described the proposed project, projected cash flow and debt service, and responded to questions.

Mr. Richard Bruckner, Director of Planning and Development, and Mr. Michael Estrada, legal counsel for the City and Commission, responded to additional questions.

Mr. Bruckner reviewed the Community Development Committee's recommendation (referenced above), and noted this is additional work to be accomplished by staff following approval of this item, and staff will report back on this follow-up work. Mr. Bruckner noted that some of this follow-up work cannot be accomplished until the building is fully leased and all the tenants are known.

Commissioner Madison noted that there may be opportunities for cross-marketing Pasadena, and expressed hope that staff would work with all the tenants in the building to market Pasadena.

Vice Chair Little suggested the developer have a 10% local hire target and that a local hire performance report for this project be reported back to the Commission. Mr. Morales, representing the developer, responded that they will ask the contractor and subcontractors to set a 10% local hire target, and this will be set forth in the text of the development agreement as a goal and will be used as a benchmark to report progress to the Commission.

The following people spoke in support of the project:

Mr. Robert Maguire III, Maguire Partners
Mr. Brett Canon, Director of Operations, Western Asset

Mr. Robert Wittry, Pasadena, resident, questioned if there was a conflict of interest if the Community Development Commission owns the land and there is not full mitigation of all the environmental impacts. He also expressed concern that buses will be funded only for 12 years and not the entire life of the building.

Mr. Michael Estrada, City/Commission's legal counsel, responded there is no conflict of interest because there is no benefit to the individual members of the Council and Commission.

It was moved by Commissioner Haderlein, seconded by Vice Chair Little, to close the public hearing. (Motion unanimously carried) (Absent: Commissioners Gordo, Tyler)

Following discussion, it was moved by Commissioner Haderlein, seconded by Vice Chair Little, to approve the City Manager/Chief Executive Officer's recommendation, as amended to require a 10% local hire target. (Motion unanimously carried) (Absent: Commissioners Gordo, Tyler)

It was clarified that the 10% local hire target is a goal and not a requirement.

REGULAR MEETING
RECONVENED

Councilmember Madison
was excused at 9:32 p.m.

On order of the Chair, the joint meeting of the Community Development Commission and City Council adjourned at 9:32 p.m., and the regular meeting of the Community Development Commission reconvened at this time. (Absent: Commissioners Gordo, Madison, Tyler)

APPROVAL OF MINUTES

April 1, 2002

It was moved by Commissioner Streator, seconded by Vice Chair Little, to approve the above minutes as submitted. (Motion unanimously carried) (Absent: Commissioners Gordo, Madison, Tyler)

APPROVAL OF OWNER PARTICIPATION AND LOAN AGREEMENT BETWEEN THE PASADENA COMMUNITY DEVELOPMENT COMMISSION AND VILLA APARTMENTS HOUSING FOUNDATION FOR THE REHABILITATION OF PROPERTY AT 2089 E. VILLA STREET AS AFFORDABLE RENTAL HOUSING FOR DEVELOPMENTALLY AND PHYSICALLY DISABLED ADULTS

Recommendation of Chief Executive Officer: Adopt a resolution:

(1) Finding and determining that the rehabilitation of the Villa Apartments ("Project") described in the proposed Owner Participation Loan Agreement ("OPLA") is categorically exempt under the California Environmental Quality Act ("CEQA") and, specifically, under Section 15301 of the State CEQA Guidelines, and authorizing the Secretary of the Commission to file with the County Clerk a Notice of Exemption for the Project pursuant to Section 15301 of the State CEQA Guidelines;

(2) Approving the terms and provisions of the OPLA between the Commission and Villa Apartments Housing Foundation ("Developer"), including the provision of a Commission loan to the Developer in the amount of \$250,000 drawn from the Federal National Mortgage Association (Fannie Mae) American Communities Fund Credit Facility Loan funds for the rehabilitation of the Project;

(3) Authorizing the Chief Executive Officer of the Commission to execute, and the Secretary to attest, the OPLA and any and all documents necessary to effectuate the terms and provisions of the OPLA; and

(4) Approving a journal voucher entry appropriating to the Villa Apartments project \$250,000 from the Commission's Fannie Mae American Fund Credit Facility Loan account (Account No. 221-684110-52307). (Resolution No. CDR-212; Contract No. CDC-486; Journal Voucher 2002-77)

Recommendations of Advisory Bodies: The Housing Subcommittee of the Community Development Committee reviewed this item on March 7, 2002 and supported the proposed action; no changes were suggested to the proposed project and Commission financing terms.

The Community Development Committee reviewed the subject recommendation on May 23, 2002. The Committee recommended approval of the proposed Project.

The Chief Executive Officer introduced the item.

Mr. Jim Wong, Project Manager, summarized the agenda report and responded to questions.

Mr. Richard Bruckner, Director of Planning and Development, responded to questions from Council.

It was moved by Vice Chair Little, seconded by Commissioner Haderlein, to approve the Chief Executive Officer's recommendation. (Motion unanimously carried) (Absent: Commissioners Gordo, Madison, Tyler)

Vice Chair Little noted that it took Villa Apartments Housing Foundation a long time to put together funds for the project, and stated it is a challenge for organizations to put together funding from various sources for low-income housing projects. He stated that as we ask our federal and state legislators for assistance in addressing the need for low-income housing, we may want our legislators to consider ways to streamline the processes for people to do housing projects.

Chair Bogaard responded that perhaps this could be included as a sub-goal and as an important product for the Housing Affordability Task Force. He suggested that perhaps some legislative proposals or concepts could be formulated and presented to our legislative representatives.

APPROVAL OF OWNER PARTICIPATION AND LOAN AGREEMENT AND MCKINNEY ACT SUPPORTIVE HOUSING PROGRAM SUB-RECIPIENT AGREEMENT BETWEEN THE PASADENA COMMUNITY DEVELOPMENT COMMISSION AND AFFORDABLE HOUSING SERVICES, INC. FOR SPECIAL NEEDS HOUSING PROJECT AT 1516 N. NAVARRO AVENUE

Recommendation of Chief Executive Officer: Adopt a resolution:

(a) Finding and determining that the project ("Project") described in the proposed Owner Participation and Loan Agreement ("OPLA") and McKinney Supportive Housing Program Sub-Recipient Agreement ("SRA") is categorically exempt under the California Environmental Quality Act ("CEQA") and, specifically, under Section 15301 of the State CEQA Guidelines, and authorizing the Secretary of the Commission to file with the County Clerk a Notice of Exemption for the Project pursuant to Section 15301 of the State CEQA Guidelines;

(b) Finding and determining that the use of Federal funds under the HOME Investment Partnership Program ("HOME Program") for the Project in accordance with the terms and provisions of the OPLA is categorically excluded from the National Environment Policy Act of 1969 and authorizing the Chief Executive Officer to make the appropriate certifications to the U.S. Department of Housing and Urban Development ("HUD") to effect the use of the HOME Program funds for the Project.

(c) Approving the terms and provisions of both the OPLA and SRA between the Commission and Affordable Housing Services,

Inc. ("AHS"), including the provision of Commission financial assistance for the project totaling \$401,750, consisting of a \$200,000 loan utilizing Commission HOME funds and a \$201,750 grant under the federal Stewart B. McKinney Homeless Assistance Act ("McKinney Act") Supportive Housing Program;

(d) Authorizing the Chief Executive Officer of the Commission to execute, and the Secretary to attest, the OPLA and SRA and any and all documents necessary to effectuate the terms and provisions of the OPLA and SRA; and

(e) Approving a journal voucher entry appropriating to the AHS Navarro House project: (a) \$200,000 from the Commission's HOME Rental Rehabilitation Program account, and (b) \$201,750 in McKinney Act supportive Housing Program funds available to the Commission from the U.S. Department of Housing and Urban Development. (Resolution No. CDR-210; Contract Nos. CDC-487 & CDC-488; Journal Voucher No. 2002-76)

Recommendations of Advisory Bodies: The proposed project and financing terms were reviewed and supported by the Housing Subcommittee of the Community Development Committee on March 7, 2002. The Northwest Commission considered the subject recommendation on April 9, 2002 and recommended approval. The Community Development Committee considered the subject recommendation on May 15, 2002 and recommended approval.

Mr. Jim Wong, Project Manager, summarized the agenda report.

Mr. Richard Bruckner, Director of Planning and Development, responded to questions and noted a flag lot will no longer be required for this project.

It was moved by Commissioner Streator, seconded by Commissioner Haderlein, to approve the Chief Executive Officer's recommendation. (Motion unanimously carried) (Absent: Commissioners Gordo, Madison, Tyler)

APPROVAL OF OWNER PARTICIPATION AND LOAN AGREEMENT BETWEEN THE PASADENA COMMUNITY DEVELOPMENT COMMISSION AND SAN GABRIEL HOUSING FOUNDATION FOR THE CONSTRUCTION OF A 13-UNIT APARTMENT BUILDING AT 915 RIO GRANDE STREET FOR VERY LOW INCOME AND LOW INCOME DEVELOPMENTALLY DISABLED ADULTS

Recommendation of Chief Executive Officer: Adopt a resolution:

(1) Finding and determining that the construction of the Pasadena Accessible Apartments ("Project") as described in the proposed Owner Participation Loan Agreement ("OPLA") is categorically exempt under the California Environmental Quality Act ("CEQA") and, specifically, under Section 15303 of the State CEQA Guidelines, and authorizing the Secretary of the Commission to file with the County Clerk a Notice of Exemption for the Project pursuant to Section 15303 of the State CEQA Guidelines;

(2) Approving the terms and provisions of the OPLA between the Commission and San Gabriel Housing Foundation ("SGHF"), including the provision of Commission loan assistance to SGHF in the amount of \$169,638 drawn from the Federal National Mortgage Association (Fannie Mae) American Communities Fund Credit Facility Loan funds for the construction of the Project;

(3) Authorizing and directing the Chief Executive Officer of the Commission to execute, and the Secretary to attest, the OPLA and any and all documents necessary to effectuate the terms and provisions of the OPLA; and

(4) Approving a journal voucher entry appropriating to the Pasadena Accessible Apartments project \$169,638 from the Commission's Fannie Mae American Fund Credit Facility Loan account (Account No. 221-684110-52037). (Resolution No. CDR-211; Contract No. CDC-489; Journal Voucher 2002-78)

Recommendations of Advisory Bodies: The Housing Subcommittee of the Community Development Committee reviewed this item on March 7, 2002 and supported the proposal; no changes were suggested to the proposed project and Commission financing terms. The Northwest Commission reviewed the subject recommendation on May 14, 2002 and recommended approval.

The Community Development Committee (Committee) reviewed the subject recommendation on May 23, 2002. The Committee recommended approval of the proposed project.

The City Manager introduced the item.

Mr. Jim Wong, Project Manager, summarized the agenda report.

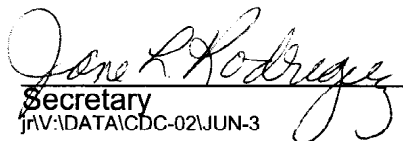
Mr. Richard Bruckner, Director of Planning and Development, and Ms. Stella Lucero, Project Planner, responded to questions.

Mr. Ron Cohen, Executive Director, United Cerebral Palsy, spoke in support of the project.

It was moved by Vice Chair Little, seconded by Commissioner Streator, to approve the Chief Executive Officer's recommendation. (Motion unanimously carried) (Absent: Commissioners Gordo, Madison, Tyler)

On order of the Chair, the regular meeting of the Community Development Commission adjourned at 9:54 p.m.

ATTEST:


Secretary
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Bill Bogaard, Chair
Community Development Commission