

CITY OF PASADENA
Community Development Commission Minutes
October 25, 2004 – 5:30 P.M.
Pasadena Senior Center, Multi-Purpose Room
85 East Holly Street

REGULAR MEETING

OPENING:

Chair Bogaard called the regular meeting to order at 7:55 p.m., and recessed to the joint meeting with the City Council at that time.

ROLL CALL:

Commissioners:

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

Staff:

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

JOINT ACTION: 2004-2005 INVESTMENT POLICY

Recommendation of City Manager/Chief Executive Officer:

It is recommended that the City Council and the Pasadena Community Development Commission adopt the City Treasurer's Statement of Investment Policy and Investment Strategy for Fiscal Year 2005.

Commissioner Little, Chair of the Finance Committee, highlighted the agenda report.

Mr. Jay Goldstone, Director of Finance Department, responded to questions regarding contracts issued by insurance companies as investments.

It was moved by Commissioner Little, seconded by Vice Chair Tyler, to approve the City Manager/Chief Executive Officer's recommendation. (Motion unanimously carried) (Absent: Commissioner Streater)

JOINT ACTION: APPROVAL OF COMMUNITY BANK TERM CREDIT LOAN TO THE CITY OF PASADENA IN THE AMOUNT OF \$1,300,000 AND APPROVAL OF \$1,300,000 LOAN BY THE CITY OF PASADENA TO THE PASADENA COMMUNITY DEVELOPMENT COMMISSION RELATED TO PLAZA LAS FUENTES PHASE II PROJECT

Recommendation of City Manager/Chief Executive Officer:

- (1) It is recommended that the City Council adopt a resolution:
- (a) Approving the terms and conditions of a loan between the City and Community Bank, subject to the terms and conditions as contained in Exhibit "A" of the agenda report; and final documentation.
 - (b) Approving a loan to Pasadena Community Development Commission (the "Commission") from the City in the amount of \$1.3 million in accordance with a promissory note/reimbursement and repayment agreement which reflects the terms and conditions of the Community Bank loan.
 - (c) Authorizing the City Manager to execute: (1) the requisite loan documents between Community Bank and the City, and (2) a promissory note/reimbursement and repayment agreement between the City and the Commission. (Resolution No. 8406)
- (2) It is recommended that the Commission take the following actions:
- (a) Approve a loan in the amount of \$1.3 million to the Commission from the City in accordance with a promissory note/reimbursement agreement which reflects the same terms and conditions of the Community Bank loan.
 - (b) Authorize its Chief Executive Officer to execute the promissory note/reimbursement repayment agreement between the City and the Commission.

Commissioner Little summarized the agenda report.

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

On order of the Chair, the joint meeting with the City Council adjourned at 7:59 p.m., and the regular meeting of the Community Development Commission recessed to the regular meeting of the City Council at this time.

On order of the Chair, the regular meeting of the Community Development Commission reconvened at 8:01 p.m. (Absent: Commissioner Streator)

MINUTES APPROVED

September 27, 2004

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

On order of the Chair, the regular meeting of the Community Development Commission recessed at 8:02 p.m. to the regular meeting of the City Council.

On order of the Chair, the regular meeting of the Community Development Commission reconvened at 11:23 p.m. (Absent: Commissioner Streator)

AMENDMENT AGREEMENT TO OWNER PARTICIPATION, PURCHASE, DEVELOPMENT, LOAN AND LEASE AGREEMENT NO. CDC-517 BETWEEN LOS ANGELES COMMUNITY DESIGN CENTER AND PASADENA COMMUNITY DEVELOPMENT COMMISSION FOR THE ORANGE GROVE GARDENS 38-UNIT AFFORDABLE RENTAL HOUSING PROJECT AT 252-284 E. ORANGE GROVE BLVD.

Recommendation of Chief Executive Officer: It is recommended that the Pasadena Community Development Commission ("PCDC") take the following actions:

(1) Approve the key terms of the Amendment Agreement to Owner Participation, Purchase, Development, Loan and Lease Agreement No. CDC-517 as described in the staff report, including: (a) the provision of additional loan assistance in the amount of \$801,000; (b) the elimination of the requirement for a payment in-lieu of property taxes; (c) the subordination of PCDC's fee interest to the Citibank construction trust deed loan with full cure rights; (d) pledge to provide supplemental permanent financing in the event Section 8 Project-Based Vouchers are not approved by HUD; (e) authorizing the Chief Executive Officer to take any and all steps necessary to implement the Agreement as amended.

(2) Approve a journal voucher appropriating \$801,000 from the PCDC Housing Opportunities Fund for the Orange Grove Gardens project. (Agreement Amendment No. CDC-517-1; Journal Voucher No. 2005-19)

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

Mr. Richard Bruckner, Director of Planning and Development Department, responded to questions regarding changes in the project.

Ms. Kathleen Head, Keyser Marston Associates, Inc. representative (consultant), responded to questions involving costs and funding issues.

Discussion followed on the City's role in funding rather than constructing affordable housing projects, the use of inclusionary housing funds for this project, the impact of fluctuating costs in the current construction market, and the current obligations of the developer and City in moving the project forward.

Following discussion, the Chief Executive Officer confirmed inclusionary housing in-lieu funds would not be used to fund this action.


Councilmember Gordo expressed concerns regarding the design changes in the project that might conflict with prior agreement reached between the developer and the community regarding the look of the project.

Ms. Amy Anderson, Los Angeles Community Design Center Housing Director, briefly discussed the current status of the project, outlined the changes made to the project, displayed boards for the project, and responded to questions.

Ms. Lisa Luboff, Orange Grove Gardens Project Manager, described a number of the value engineering changes made to the project.

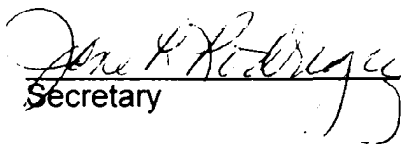
It was moved by Vice Chair Tyler, seconded by Commissioner Little, to approve the Chief Executive Officer's recommendation, with the understanding that no additional funds will be allocated by the Commission for this project in the future.

On order of the Chair, the regular meeting of the Community Development Commission adjourned at 12:03 a.m., October 26, 2004.



Bill Bogaard, Chair
Community Development Commission

ATTEST:



Secretary