

CITY OF PASADENA
Community Development Commission Minutes
December 19, 2005 – 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 9:15 p.m.

ROLL CALL:

Commissioners:

Chair Bill Bogaard
Vice Chair Steve Madison (Absent)
Commissioner Victor Gordo
Commissioner Steve Haderlein
Commissioner Chris Holden
Commissioner Paul Little
Commissioner Joyce Streater (Returned at 9:16 p.m.)
Commissioner Sidney F. Tyler

Staff:

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

MINUTES APPROVED

December 5, 2005

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

APPROVAL OF PASADENA COMMUNITY DEVELOPMENT COMMISSION LOAN AGREEMENT WITH HPP DFO, LLC; AFFORDABLE HOUSING AGREEMENT WITH HPP INVESTMENT, LLC WITH AN ADDENDUM TO MITIGATED NEGATIVE DECLARATION FOR THE FAIR OAKS COURT DEVELOPMENT (6-46 PEORIA STREET AND FROM 584-612 NORTH FAIR OAKS AVENUE, 171 CARLTON AVENUE AND 504-506 CYPRESS AVENUE)

Recommendation of Chief Executive Officer: It is recommended that the Pasadena Community Development Commission (Commission) adopt a resolution:

- (1) Terminating the Owner Participation and Loan Agreement (CDC-529), Affordable Housing Agreement (CDC-480), and Acquisition and Rehabilitation Agreements (CDC-484 & CDC-507) with Heritage Housing Partners;
- (2) Finding and determining on the basis of the Addendum to the Mitigated Negative Declaration prepared for the Fair Oaks Court Development ("the Project"), that there is no significant effect on the environment nor any potential for adverse effect on wildlife resources based on the proposed amendment to the

Project;

(3) Finding and determining that the Project: (i) is consistent with the City of Pasadena General Plan, Villa-Parke Redevelopment Plan and the Fair Oaks/Orange Grove Specific Plan; (ii) will assist in the elimination of blight and provide housing for low and moderate-income households; (iii) is consistent with the Commission's Five-Year Implementation Plan;

(4) Approving the terms and conditions of the Loan Agreement with HHP Investment, LLC and the Affordable Housing Agreement with HHP-DFO, LLC;

(5) Approving a journal voucher appropriating Commission funds in an amount not to exceed \$4,174,000 from the Housing Opportunity Fund (Low and Moderate-Income Housing Trust Fund) for the Project;

(6) Approving the provision of State of California BEGIN Program funds in an amount not to exceed \$930,000 for eligible first time homebuyers purchasing affordable housing units in the Project; and

(7) Authorizing the Chief Executive Officer to execute, the Secretary to attest, the Loan Agreement, Affordable Housing Agreement, Intercreditor Agreement, etc. and take the necessary actions to complete the Project. (Resolution No. CDR-242; Agreement Nos. CDC-564 through CDC-567; Journal Voucher No. 2006-32)

Recommendation of Advisory Bodies: On November 6, 2005, the Project and transaction were presented as an information item to the Fair Oaks Project Area Committee (PAC). After review of this matter, the PAC unanimously recommended that the Commission approve the Project and New Market Tax Credits transaction.

On November 8, 2004, staff recommendations were presented to Northwest Commission and Community Development Committee (CDC). After review of this matter, the Northwest Commission and CDC, by separate vote, unanimously recommended that the Commission approve the staff recommendations.

Chair Bogaard recused himself at 9:16 p.m., due to a conflict of interest, and Commissioner Gordo assumed the Chair.

The Chief Executive Officer introduced the agenda item.

Commissioner Streator returned at 9:16 p.m.

Mr. Brian Williams, Assistant City Manager, summarized the agenda report, and responded to questions. Mr. Williams noted that page 6 of the agenda report, paragraph 3, the last sentence should be corrected to read: "Upon the maturity of the New Market Tax Credits on December 31, 2012, the trust deed loans in the amount of \$5,104,000 will be assigned to the Commission along with the payment of an amount not to exceed \$100,000, if available, ~~towards costs attributable to the 1,150 s.f. office space.~~ for payment of Commission loan servicing costs during the first 4-5 years of the loans held by the developer."

Commissioner Holden commented on the impact of market rates on the production/development of affordable housing units for low and/or moderate incomes.

Mr. Greg Robinson, Housing and Community Development Administrator, outlined the financial arrangements involved with the Project, the City's subsidy of the project, and the cost per affordable unit for the subsidy; and responded to questions.

The following persons spoke in support of the project:

Mr. Charles Loveman, Executive Director of Heritage Housing Partners, HHP-DFO, LLC
Mr. Doug Bystry, Clearinghouse CDFI representative

It was moved by Commissioner Holden, seconded by Commissioner Little, to approve the Chief Executive Officer's recommendation.

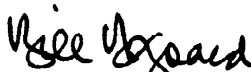
AYES: Commissioners Gordo, Haderlein, Holden, Little, Streator, Tyler

NOES: None

ABSENT: Vice Chair Madison, Chair Bogaard

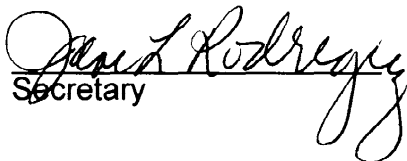
Commissioners Gordo, Little, and Streator commended staff and the developers for their work on this complicated project and plan.

On order of the Chair, the regular meeting of the Community Development Commission adjourned at 9:34 p.m.



Bill Bogaard, Chair
Community Development Commission

ATTEST:



Secretary