



SYNOPSIS

Sacramento Housing and Redevelopment Commission February 20, 2008

ROLL CALL

The Sacramento Housing and Redevelopment Commission meeting was called to order at 6:05 p.m. by Chair Roy Fowler.

PRESENT: Burruss, Chan, Coriano, Dean, Fowler, Gore, Morgan, Otto, Shah, Stivers, (one vacancy)

ABSENT: None

STAFF PRESENT: Vickie Smith, LaShelle Dozier, Dana Phillips, MaryLiz Paulson, Lisa Bates, Nick Chhotu, Cindy Cavanaugh, Christine Weichert, Greg Ptucha, Katherine Klein McFadden, Jim Hare, Emily Halcon, Diane Luther, Sarah Hansen.

APPROVAL OF AGENDA

Agenda approved as submitted.

APPROVAL OF ACTION SUMMARY SYNOPSIS

1. Synopsis – February 6, 2008 – approved as amended. Commissioner Shah requested that staff re-word the section on page three to now read “Commissioner Shah asked about the experience of the developer for the project. Commissioner Shah commended the Soccer Planet staff for bringing in a consultant with soccer experience, but recommend bringing in someone with development experience”. Commissioner Morgan indicated that Arnold Mohr and Lisa Burton’s names were misspelled in the original version.

2. CITIZENS COMMENTS

None.

BUSINESS

3. Owner Participation Agreement and Conditional Grant Agreement with the Young Women’s Christian Association (YWCA) of Contra Costa County/Sacramento for the YWCA Residential Hotel Project

Alan Saunders, SHRA Housing Finance Analyst, presented the item.

Commissioner Burruss asked if the YWCA can remedy their past cash flow problems. Staff responded that the consolidation of the Sacramento YWCA with the Contra Costa County YWCA should help with this issue. Staff also noted that the employees at the YWCA apartments work full time.

Commissioner Shah commended SHRA on the use of Mental Health Services Act (MHSA) funds for this project.

Commissioner Chan asked if current American's with Disabilities Act (ADA) requirements will be met when the building is renovated. Staff responded that they will be fully met when the project is complete.

The Commission recommended approval of the staff recommendation for item listed above. The votes were as follows:

AYES: Burruss, Chan, Coriano, Dean, Fowler, Gore, Morgan, Otto, Shah, Stivers.

NOES: None.

ABSENT: None.

4. Conditional Grant Agreement and Amendment to Owner Participation Agreement for Hotel Berry

Katherine Klein McFadden, SHRA Management Analyst, presented the item.

Commissioner Coriano asked about the likelihood of getting additional funds for the project through the Tax Credit Allocation Committee (TCAC). Katherine indicated that they have taken all measures possible to increase the likelihood of receiving funds through TCAC.

Commissioner Otto asked how projects throughout downtown, such as the relocation of the Greyhound Station, are coordinated. Jim Hare, Assistant Director, replied that Greyhound passengers will no longer be able to use the Hotel Berry for overnight stays, and it will be more professionally managed in the future. SHRA staff continues to work closely with City Downtown Department staff on downtown issues.

Commissioner Gore asked about commercial facilities at the Hotel Berry. Staff responded that they will be reconfigured, but will remain in place.

The Commission recommended approval of the staff recommendation for item listed above. The votes were as follows:

AYES: Burruss, Chan, Coriano, Dean, Fowler, Gore, Morgan, Otto, Shah, Stivers.

NOES: None.

ABSENT: None.

5. Approval of Management Assessment Subsystem Certification for the Sacramento City and County Housing Authorities

Nick Chhotu, Assistant Director, presented the item.

Commissioner Burruss suggested that the document be changed to “when” we achieve high performer status.

Commissioner Coriano asked if the report was generated from the YARDI database or done by hand. Nick indicated it is a little of both.

The Commission recommended approval of the staff recommendation for item listed above. The votes were as follows:

AYES: Burruss, Chan, Coriano, Dean, Fowler, Gore, Morgan, Shah, Stivers.

NOES: None.

ABSENT: None.

ABSTAIN: Otto

6. Acquisition of Property, Auburn Boulevard and Garfield Avenue

Christine Weichert, Assistant Director, presented the item.

Due to the extended length of the discussion for this item, comments are being summarized when possible.

Commissioner Morgan indicated that American River College staff seemed pleased with the possibility of additional housing in the area for their students.

Commissioner Burruss asked if the corner parcel was included. Staff indicated that it is not currently included because the asking price for the parcel is high. Tower Development is considering purchasing it as an alternative. Commissioner Burruss asked if staff would be back to the Commission to ask for additional funds for this project. Staff responded that it was unclear at this point whether additional funds would be needed. Staff indicated that the property is being purchased at fair market value so it can likely be resold later with little difficulty at the same price.

Commissioner Chan asked how the sales price was calculated. Staff indicated that it was based on the appraisal of the existing structure and is in line with other similar developments in the County. Staff also confirmed that both a Phase I and a Phase II environmental assessment have been completed on the property.

Commissioner Shah indicated that he was concerned about allocating funds to a proposal that the developer cannot prove is viable. He also indicated that he is concerned about the sources of financing for the project which he believes are too risky. He also expressed the opinion that the funds needed to possibly relocate all of the tenants is problematic since it exceeds the amount allocated to the project. Commissioner Shah also asked if the project is feasible without Agency funds. Staff indicated that the project does need the Agency subsidy for the housing component to make the overall project feasible. Staff also indicated that the specific final proposal will be brought back to the Commission for their review and recommendation.

Commissioner Otto indicated that she supported the project and that it would be a good catalyst development for the area.

Commissioner Gore indicated that he appreciated the comments and discussion tonight and indicated his support for the project as one of the only ways to provide affordable housing in the Foothill Farms area.

Tim Lee, from Tower Development, reviewed his firm's qualifications for the project, familiarity with the area, and expressed his support for the project.

Jeff Berger, who represents the current owner of the property, indicated that they have been discussing this project with SHRA and the County for nearly two years, and they can no longer delay selling the property. Commissioner Shah asked what the alternative is if they do not sell to SHRA. Mr. Berger indicated that the site will be developed as retail.

Elizabeth Grey, Carol Elder, and Vernita Hillwig, who are all members of the Old Foothill Farms Board of Directors, indicated their support for the project.

John Tarantino, who is a tenant at the site running the Meineke Muffler Business, expressed that he does not support the project and does not want to move.

Trong Nguyen asked if the buildings that remain will be renovated. Staff indicated that they will be renovated.

Richard Maddox, from the County's Economic Development Division, expressed support for the project.

The Commission recommended approval of the staff recommendation for item listed above. The votes were as follows:

AYES: Burruss, Fowler, Gore, Morgan, Otto, Stivers.

NOES: Chan, Coriano, Dean, Shah.

ABSENT: None.

ABSTAIN: None

SPECIAL PRESENTATIONS

7. Economic Analysis of the Mixed Income Housing Ordinance

Emily Halcon, SHRA Management Analyst, presented the item.

Commissioner Burruss indicated that he is hopeful that issues with the ordinance can be resolved related to homeownership. He also asked how the flood insurance issue affects homeowners in Natomas. Staff indicated that they would look into this issue and report back to Commissioner Burruss.

Commissioner Stivers mentioned that he does not agree that there are too little homeownership units being produced.

8. Ten Year Plan Update

Diane Luther, Assistant Director, presented the item.

Commissioner Burruss suggested that students from local colleges be used to provide case management services. Diane indicated that she would pass on this suggestion.

Commissioner Shah asked how many units in the Hotel Berry project count toward the overall ten year goal. Staff indicated that ten of these units will count.

EXECUTIVE DIRECTOR'S REPORT

LaShelle Dozier reviewed the following items

- 1) Activities Calendar
- 2) Foreclosure Workshop
- 3) Blue Bungalow Grand Opening
- 4) Update on Google Map feature on SHRA Housing Authority web site.

ITEMS AND QUESTIONS OF COMMISSION MEMBERS

None.

ADJOURNMENT

As there was no further business to be conducted, Chair Fowler adjourned the meeting at 8:05 p.m.

AGENCY CLERK