



**Sacramento
Housing &
Redevelopment
Agency**

SYNOPSIS

**Sacramento Housing and Redevelopment Commission
February 4, 2009**

ROLL CALL

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

PRESENT: Burruss, Chan, Fowler, Gore, Morgan, Otto, Shah, Stivers (two vacancies)

ABSENT: Dean

STAFF PRESENT: Vickie Smith, La Shelle Dozier, Christine Weichert, David Levin, MaryLiz Paulson, Lisa Bates, Chris Pahule, Nick Chhotu, Emily Halcon, Cindy Cavanaugh, Greg Wessel, Geoffrey Ross, Joel Riphagen, Jim Shields, Cecette Hawkins, Erika Bumgardner.

APPROVAL OF AGENDA

The Chair announced that item #6 would be heard before item #5.

1. APPROVAL OF ACTION SUMMARY SYNOPSIS

The action summary for January 21, 2009 was approved with amendments recommended by Commissioners Chan and Shah.

CITIZEN COMMENTS

None

CONSENT

3. Lease Amendment with Phoenix Schools Inc. for Riverview Plaza Commercial Property

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

AYES: Burruss, Chan, Fowler, Gore, Morgan, Otto, Shah, Stivers

NOES: none

ABSENT: Dean

BUSINESS

4. Proposed Eleventh Amendment to the Redevelopment Plan for the Del Paso Heights Redevelopment Project Area

Erika Bumgardner presented the item.

Commissioner Shah asked about the project list for the area. Staff responded that there is no specific new project planned. Projects in the pipeline add up to more than what will be received in Tax Increment. This is why the time extension is being recommended.

Commissioner Chan asked for information about why this amendment was needed which staff provided.

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

AYES: Burruss, Chan, Fowler, Gore, Morgan, Otto, Shah, Stivers

NOES: none

ABSENT: Dean

INFORMATIONAL ITEMS

5. Neighborhood Stabilization Program Workshop

Geoffrey Ross and Chris Pahule presented the item.

Commissioner Shah asked how the private equity firm will be identified in the vacant property program. Staff indicated that ideally the partner will have the ability to raise a large amount of capital to purchase units which will be leveraged with NSP funds. He also asked that the working group of SHRA partners that helped formulate the NSP be made public.

Commissioner Stivers commended staff for the targeted approach outlined in the report.

6. Inclusionary Housing Workshop

Emily Halcon presented the item.

Commissioner Burruss commented on the issue of the multi-family units being built before the single family units in an inclusionary project. It is his understanding that residents would like to see this reversed.

Commissioner Shah commented on community concerns related to small infill developments. Staff clarified that the inclusionary requirement does not apply to projects below ten units.

Commissioner Otto recommended that more constraints be put on the use of in-lieu fees.

Commissioner Stivers asked if the 200 unit cap on the number of units will apply in the future. Staff responded that it would apply if the development receives any SHRA funding.

Commissioner Burruss requested a map showing how the housing is dispersed in the area which staff agreed to provide.

Commissioner Shah commented that he supported including the inclusionary units with a given project whenever possible.

The following members of public spoke in opposition to the ordinance:
Richard Guess, Keith Sharwood, Tristan Gott, David DeLuz, Brandy Kollenborn.

The following members of the public spoke in favor of the ordinance:
Joan Burke (Loaves and Fishes) and Sandra Hamameh (Sacramento Housing Alliance).

Commissioner Stivers distributed a list of five points which he suggested the Commission may want to recommend to Council. They were:

1. Changes should be made to the ordinance now so that the building community has time to adapt before the next building cycle begins. The effective date of changes that expand the ordinance to new areas could be delayed for two years in order to spur a quicker comeback in residential construction.
2. The ordinance should be expanded city-wide. As a general rule, inclusionary units should be on-site, but in-lieu fees are appropriate for smaller projects of less than 30 units and may be appropriate in high-poverty residential areas (i.e. areas with a significant number of existing residents).
3. Affordable homeownership requirements should be focused on low-income families. Affordable prices for higher-income groups are too close to market prices and will make units too hard to sell.
4. Where developers meet the inclusionary requirements through the rental housing partnership model, the affordability requirements should be 3% ELI, 6% VLI, and 6% LI, like in the County. This will ensure that all income groups are served.

5. Developers using the rental housing partnership model should contribute enough resources so that an agency subsidy is not required, except to subsidize ELI units. In-lieu fees paid by the developers of smaller projects or projects in high-poverty areas should be set at a level of parity with required contributions of developers under the rental housing partnership model. In-lieu fees should be used within the same council district to subsidize ELI units.

The commissioners agreed to forward these points in a joint letter to Council.

Commissioner Stivers indicated he would also most likely attend the council meeting when the Inclusionary Ordinance will be discussed.

EXECUTIVE DIRECTOR'S REPORT

La Shelle Dozier reviewed the following items:

- 1) Activities Calendar
- 2) Announced that Commissioner Fernando Coriano passed away on January 17th.
- 3) Announced that SHRA won an award from HUD for the most innovative Housing Authority in the Western Region. Project cited was the Tiara Mariposa Housing development in Citrus Heights.
- 4) February 27th is the application deadline for the two commission vacancies.

ITEMS AND QUESTIONS OF COMMISSION MEMBERS

Commissioner Burruss indicated that he and Commissioner Shah attended the services for Commissioner Coriano and that he will be missed.

ADJOURNMENT

As there was no further business to be conducted, Chair Burruss adjourned the meeting at 7:45 p.m. in memory of Commissioner Coriano.

AGENCY CLERK