

ALKALI FLAT PROJECT AREA COMMITTEE

# *Meeting Minutes*

**WEDNESDAY, November 17, 2004 – 6:00 PM**

ALKALI FLAT NEIGHBORHOOD CENTER/  
BRANCH BOYS AND GIRLS CLUB  
COMMUNITY ROOM  
1117 G STREET  
SACRAMENTO, CALIFORNIA

Item 1 6:07 Catherine Camacho called the meeting to order.

Roll call was conducted:

Present: Sofia Parra, Marilyn Prosser, Sean Wright, Diane Gubatayao, Randy Owen, Charlotte Delgado, Catherine Camacho, Dan Frankfield and Laura Lough.

Item 2 Approve October Minutes

Ms. Delgado motioned to accept the minutes as prepared; all voted to accept the minutes.

Item 3 American River Parkway Plan (Sharon Huntsman)

Ms. Camacho introduced Sharon Huntsman. Ms. Huntsman gave the PAC a brief background and update on the American River Parkway Plan. Ms. Huntsman asked for interested parties to sign the circulation sheet to be a part of the mailer for upcoming events. Some PAC members signed up but others preferred to be noticed by SHRA for events.

Most in the group felt that the plan should include restoration and/or preservation of the natural environment.

Item 4 Globe Mills (Jim Hare, SHRA)

Ms. Camacho began the discussion by explaining comments to the Globe Mills EIR. She stated that the EIR contained information not shared with the PAC. She also stated that there was a window of opportunity to comment on the EIR. Therefore, she had to comment before presenting to the PAC. Ms. Camacho further stated that she supported the project and then introduced Cyrus Youssefi and Jim Hare.

Mr. Youssefi updated the group as to which project is moving forward. He pointed out that project "M" is moving forward. Project M has 112 senior apartments and 31 market rate apartments. He also stated that they will have the numbers for the Tax Credits at the beginning of December.

Mr. Hare stated that they brought the worst case scenario to the EIR with the notion that they can respond back with more acceptable proposals. He also delivered a schedule of the Globe Mills project. He pointed out that Globe will be discussed at the City's Design Review and Preservation board on December 15<sup>th</sup>, which is when the next PAC

meeting will be held. Mr. Erias recommended meeting on a different night so that PAC members can attend. The group agreed to meet on December 14<sup>th</sup>.

Item 5

12<sup>th</sup> Street Collaborative, (Leslie Fritzsche, SHRA)

Leslie Fritzsche was introduced and described the 12<sup>th</sup> Street Collaborative proposal. Ms. Fritzsche stated that the 12<sup>th</sup> Street Collaborative proposal was for the Agency to provide some financing for the group's purchase of 1123 D Street (the Maria Hastings site). She stated that the current request is structured as follows:

\$975,000	purchase price
\$225,000	construction
\$130,000	indirect
\$26,000	Bank fees
<u>\$200,000</u>	<u>operating capital</u>
1,556,000	total costs

\$960,000	bank loan
\$96,000	owner equity
\$500,000	Alkali Flat

The \$500,000 request was broken into 2 parts, a \$260,000 forgivable loan after 3 successful years of operation and a \$240,000 loan due upon sale of building.

Many in the PAC felt that the request was too generous for this project. Concerns centered on:

- Need a fixed percent of subsidized children being served
- The project does not compare to other redevelopment projects
- Agency money can be at risk because the project is over encumbered
- What to do with children already being served
- Subsidy request is too much

Representatives from the 12<sup>th</sup> Street Collaborative responded by assuring the PAC that they will have a fixed number of subsidized children – 50%

The over encumbrance will be minimized by appreciation of the property as well as paying down debt.

They do not plan on the wholesale dismissal of the current children being served. They will add subsidized children through normal attrition.

After much debate the PAC agreed to the flowing terms:

A total of \$400,000 to assist in the acquisition and renovations.  
The loan would be structured as a \$200,000 forgivable loan which would be forgiven by \$20,000 each year beginning in the sixth year after the Collaborative assumes ownership of the property. The second portion of the assistance, \$200,000, would accrue interest at 4% annually and be due upon sale of the business and/or property. Both loans would be secured by deeds of trust on the property.

Mr. Frankfield made the motion to accept the preceding structure. Mr. Wright seconded the motion. Ms. Camacho put the item to vote. All in attendance voted aye for the revised structure.

Item 6 Housing Choice Voucher (Chris Erias)

Mr. Erias stated that the Agency, specifically HCV, was short 1.8 million dollars for the month of December. Each RDA will use \$155,000 of low/mod tax increment funds to help cover the gap. Vickie Smith stated that it is a loan and that HOME funds will be used to pay the money back. The item goes before Council on 11/23.

Some in the group felt that Alkali was paying more than its fair share considering they do not have that many HCV recipients in the area.

Item 7,8  
& 9 Updates/Comments/Adjournment  
Meeting adjourned 10:00 pm