

MINUTES
REGULAR MEETING
HOUSING AUTHORITY OF THE CITY OF SANTA BARBARA AND
SANTA BARBARA AFFORDABLE HOUSING GROUP
706 Laguna St. Santa Barbara, California
4:00 p.m. – November 1, 2017

I. CALL TO ORDER/ROLL CALL

4:01 P.M. Chair Hughes presiding

Board Members present: Geoff Green (arrived at 4:15 P.M), David Gustafson, Larry Larsson, Don Olson, Victor Suhr, Patricia Wheatley and David K. Hughes

Board Members absent: None

Staff Members present: R. Fredericks, S. Szymanski, D. Aazam and J. Schipa

II. PUBLIC COMMENT - None

III. CONSIDERATION OF MINUTES

Minutes were considered under Item V. Consent Calendar.

IV. BILLS AND COMMUNICATIONS

Additional item, a Noozhawk article, was distributed during the meeting announcing new Commissioners, Pat Wheatley and Dave Gustafson, to the Housing Authority Board.

V. CONSENT CALENDAR

MOTION

M/S Green/Wheatley moved to approve recommendations in Consent Calendar (Items No. 1 and 2).

VOTE

Ayes:	David Gustafson	Victor Suhr
	Lawrence Larsson	Patricia Wheatley
	Don Olson	David Hughes
Nays:	None	
Abstain:	None	
Absent:	Geoff Green	

1. Recommendation that the HACSB Commission and SBAHG Board approve the Minutes of their October 4, 2017 Regular Meeting.
2. Recommendation that that the Commission approve costs incurred and payments made for the month of September, 2017.

Chair Hughes ordered Item XI. Closed Session be moved forward to this point in meeting due to presence of Authority counsel.

X. CLOSED SESSION

1. Conference with Legal Counsel – Existing Litigation (Government Code Section 54956.9 (a))
Name of Case (Arbitration): Housing Authority of the City of Santa Barbara v. 1116 De La Vina Associates, L.P.

Chair Hughes ordered the meeting closed for Closed Session at 4:04 P.M. Meeting was reopened at 5:07 P.M.
No reportable action.

VI. REPORT OF EXECUTIVE DIRECTOR

1. Recommendation that the Commission receive an update on recent State legislative actions affecting the provision of affordable housing. This report is provided for information only. No action necessary.
2. Recommendation That the Commission receive an oral report on the Design Charrette held on October 21, 2017 and sponsored by the Santa Barbara Chapter of the American Institute of Architects to brainstorm improvement for commercial operations and provide housing solutions along the State Street corridor.

Secretary Fredericks provided an overview of the Design Charrette, *Making State Street Work*, referring to a large aerial photograph of State Street displayed in the conference room. During the Charrette, participants were divided into nine teams and assigned a four-block section of State Street with the goal of a more vibrant, economically vital and sustainable future for downtown. Secretary Fredericks noted common themes from the teams to address the State Street corridor retail issues included creating walkable paseos off the main street; creating smaller and shallower retail spaces that are more affordable for retailers; and closing off parts of State Street to be walkable. In regards to providing housing solutions, Secretary Fredericks noted the teams looked at utilizing surface parking lots (e.g. the MTD transit center) and airspace above the lots (e.g. El Carrillo and Artisan Court).

A member of the public, Anne Marie Gott, addressed the Board commenting that the downtown corridor is the most expensive part of Santa Barbara and creating viable retail space is not possible. She added that illegal Short Term Rentals (STRs) continue to operate all over the City and nothing is being done about it. She encouraged the Board to attend the Housing Task Force meeting in November.

Chair Hughes noted the subject of Short Term Rentals would be discussed further at a future Board meeting.

Commissioner Wheatley commented that new rental housing being built is too expensive for most of the workforce. She added that utilizing City owned land could allow for covenants and restrict income levels.

VII. TREASURER'S REPORT – None

VIII. COMMITTEE REPORT – None

IX. UNFINISHED BUSINESS – None

XI. NEW BUSINESS

1. Recommendation that the Commission adopt a resolution approving an increase in the existing loan amount of \$250,000 for a total of \$500,000 for pre-development activities necessary for the development of a new affordable rental housing complex for homeless veterans at 813 East Carrillo Street and appropriate the funds needed for this additional financing from the Authority's Non-HUD reserves.

DOCUMENTS

- October 23, 2017 Executive Director's Report

SPEAKERS

Staff: R. Fredericks

Staff noted 9% Low Income Housing Tax Credits continue to be the best funding source for the project.

MOTION

M/S Olson/Wheatley moved to adopt Resolution No. 2672, of the Housing Authority of the City of Santa Barbara, approving an increase in the existing loan amount of \$250,000 for a total of \$500,000 for pre-development activities necessary for the development of a new affordable rental housing complex for homeless veterans at 813 East Carrillo Street and appropriate the funds needed for this additional financing from the Authority's Non-HUD reserves.

VOTE

Ayes:	Geoff Green	Victor Suhr
	David Gustafson	Patricia Wheatley
	Lawrence Larsson	David Hughes
	Don Olson	
Nays:	None	
Abstain:	None	
Absent:	None	

2. Recommendation That the Commission: (1) view the 9-unit apartment complex located at 2120-2124 Oak Park Lane; (2) discuss with staff the merits of pursuing the acquisition of this property as an addition to the Authority's Non-HUD/locally financed housing program with the intention of serving low to moderate income households; (3) if interested in acquiring the subject property at a sales price of \$2,750,000 plus closing costs, per the general terms discussed, adopt a resolution approving the purchase and appropriating Non-HUD unrestricted reserves to complete the purchase; (4) adopt a second resolution approving the total Bond indebtedness in the amount of \$2,075,000; and (5) determine that the acquisition of the subject property is exempt from the California Environmental Quality Act (CEQA) and that the Authority's Executive Director is directed to file a Notice of Exemption from the California Environmental Quality Act (CEQA) with the Santa Barbara County Clerk.

DOCUMENTS

- September 19, 2017 Executive Director's Report prepared by Director of Property, Development and Administration

SPEAKERS

Staff: R. Fredericks

Vice Chair Olson commented that the property is a good opportunity. Secretary Fredericks noted this transaction is similar in financing structure to the purchase of 1616-1618 Castillo Street which Commission approved and is anticipated to close near the end of November 2017.

MOTION

M/S Gustafson/Green moved to adopt Resolution No. 2673, of the Housing Authority of the City of Santa Barbara, approving the purchase of a 9-unit apartment complex located located at 2120-2124 Oak Park Lane and appropriating Non-HUD unrestricted reserves to complete the purchase at a sales price of \$2,725,000 plus closing costs, per the general terms discussed, and that the Authority's Executive Director is directed to file a Notice of Exemption from the California Environmental Quality Act (CEQA) with the Santa Barbara County Clerk.

VOTE

Ayes: Geoff Green Victor Suhr
David Gustafson Patricia Wheatley
Lawrence Larsson David Hughes
Don Olson

Nays: None

Abstain: None

Absent: None

MOTION

M/S Green/Wheatley moved to adopt Resolution No. 2674, of the Housing Authority of the City of Santa Barbara, approving bond indebtedness in the amount of \$2,075,000 and associated other actions.

VOTE

Ayes: Geoff Green Victor Suhr
David Gustafson Patricia Wheatley
Lawrence Larsson David Hughes
Don Olson

Nays: None

Abstain: None

Absent: None

XII. CLOSED SESSION – This item was moved forward in meeting.

XIII. COMMISSION MATTERS

1. Secretary Fredericks updated the Board on the progress of Grace Village, currently under construction, stating the projected completion date is early 2018, but uncertain due to weather.
2. Secretary Fredericks announced the speaker during December Board meeting will be executive director of the Center for Economic Research and Forecasting at California Lutheran University.

XIII. ADJOURNMENT

Meeting adjourned at 5:45 P.M. on order of Chair Hughes.



ROB FREDERICKS, SECRETARY

APPROVED:



DAVID HUGHES, CHAIR