

**MINUTES  
ADJOURNED 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. – October 3, 2018**

**I. CALL TO ORDER/ROLL CALL**

4:00 P.M. Chair Wheatley presiding

Board Members present: David Gustafson, David K. Hughes, Larry Larsson and Victor Suhr

Board Members absent: Lucille Boss, Geoff Green

Staff Members present: R. Fredericks, S. Szymanski, D. Aazam, B. Peirson, T. Carter, C. Montenegro-Uhl and J. Schipa

**II. PUBLIC COMMENT – None**

**III. CONSIDERATION OF MINUTES**

Minutes were considered under Item V. Consent Calendar.

**IV. BILLS AND COMMUNICATIONS – None**

**V. CONSENT CALENDAR**

**MOTION**

M/S Hughes/Gustafson moved to approve recommendations in Consent Calendar (Items 1 – 3).

**VOTE**

Ayes:	David Gustafson	Victor Suhr
	David Hughes	Patricia Wheatley
	Lawrence Larsson	
Nays:	None	
Abstain:	None	
Absent:	Lucille Boss, Geoff Green	

1. Recommendation that the HACSB Commission and SBAHG Board approve the Minutes of their September 12, 2018 Adjourned Meeting.
2. Recommendation that the HACSB Commission approve the Minutes of their September 12, 2018 Special Meeting.
3. Recommendation that that the Commission approve costs incurred and payments made for the month of August 2018.

**VI. REPORT OF EXECUTIVE DIRECTOR**

1. Recommendation that the Commission receive a presentation by John Fowler of People's Self Help Housing on their Employer Sponsored Housing program.

John Fowler, CEO/President, and Morgen Benevedo, Director of Multifamily Housing Development, with Peoples' Self-Help Housing (PSHH) were present to provide an overview of their employer sponsored housing program. The program was targeting 80% - 120% AMI (\$45,750 - \$93,200 for two-person family) and was designed to utilize no government funding. The per unit cost for employer buy-in was estimated at \$65,000, a factor PSHH believes may have contributed to the program not taking off. Planning Commission members John Campanella and Deborah Schwartz were in attendance for the presentation.

2. Recommendation that the Commission receive information on recent housing bills passed by the California Legislature and housing related propositions on the November 2018 Ballot.

#### DOCUMENTS

- September 24, 2018 Executive Director's Report

#### SPEAKERS

Staff: R. Fredericks

Secretary Fredericks discussed the various bills and propositions regarding affordable housing. Planning Commissioners Campanella and Schwartz also provided comments.

3. Recommendation that the Commission receive an oral report on the status of developments in planning and/or under construction.

#### SPEAKERS

Staff: D. Aazam

Mr. Aazam provided an overview of several projects: Grace Village's final Certificate of Occupancy was received; speed bumps have been added to the parking lot; a canvas cover now provides shade for the garden area; staff is working on conversion of the construction loan to a permanent loan; and the logistics of the on-site food pantry continue to be worked out. Regarding Garden Court, debt forgiveness of the outstanding loan was well received by the City Finance committee and will go before the City Council on October 16. The Gardens on Hope received its building permit and grading has begun. The original single-family home on the lot for Johnson Court was demolished. Planning Commissioner Schwartz inquired as the timeframe for development of Grace Village, to compare to the timeframe for The Gardens on Hope that was met with resistance in the approval process. Staff will provide this information.

#### *Santa Barbara Affordable Housing Group Item:*

4. Recommendation that the Board approve and authorize the transfer to the Housing Authority any and all developer fee revenue earned by the Santa Barbara Affordable Housing Group.

#### DOCUMENTS

- September 26, 2018 Executive Director's Report prepared by Treasurer

#### SPEAKERS

Staff: R. Fredericks

#### MOTION

M/S Hughes/Suhr moved to approve and authorize the transfer to the Housing Authority any and all developer fee revenue earned by the Santa Barbara Affordable Housing Group.

VOTE

Ayes: David Gustafson Victor Suhr  
David Hughes Patricia Wheatley  
Lawrence Larsson

Nays: None

Abstain: None

Absent: Lucille Boss, Geoff Green

VII. TREASURER'S REPORT – None

VIII. COMMITTEE REPORT – None

IX. UNFINISHED BUSINESS – None

X. NEW BUSINESS

1. That the Commission adopt a resolution approving amendments to the Authority's Manual of Policies and Procedures implementing a 2.0% across-the-board salary increase for management, supervisory and general employees effective October 6, 2018.

DOCUMENTS

- September 13, 2018 Executive Director's Report prepared by Human Resources Manager

SPEAKERS

Staff: R. Fredericks, T. Carter

MOTION

M/S Gustafson/Hughes moved to adopt a Resolution No. 2694 of the Housing Authority of the City of Santa Barbara, approving amendments to the Authority's Manual of Policies implementing a 2.0% across-the-board salary increase for management, supervisory and general employees effective October 6, 2018.

VOTE

Ayes: David Gustafson Victor Suhr  
David Hughes Patricia Wheatley  
Lawrence Larsson

Nays: None

Abstain: None

Absent: Lucille Boss, Geoff Green

2. Recommendation that the SBAHG Board of Directors adopt a resolution (1) approving SBAHG's acceptance of permanent financing of the property from Montecito Bank and Trust ("MBT Loan") in an amount not to exceed \$5,600,000; (2) authorize the Executive Director to execute and take all necessary actions relative to entering into such permanent loan agreement, entering into a Subordination Agreement subordinating the Housing Authority's existing debt secured by the property to the MBT Loan, and any other agreements or documents related thereto; and (3) make the determination that the financing of the subject property is exempt from the California Environmental Quality Act (CEQA) and that SBHAG's CEO is directed to file a Notice of Exemption with respect to CEQA with the Santa Barbara County Clerk.

Recommendation that the Housing Authority Commission adopt a Resolution (1) authorizing the Executive Director to execute and take all necessary actions relative to entering into a Subordination Agreement subordinating the Housing Authority's existing debt secured by the property to the MBT Loan, and any other

agreements or documents related thereto; and (2) make the determination that the financing of the subject property is exempt from the California Environmental Quality Act (CEQA) and that Executive Director is directed to file a Notice of Exemption with respect to CEQA with the Santa Barbara County Clerk.

DOCUMENTS

- September 26, 2018 Executive Director's Report prepared by Director of Property, Development and Administration

SPEAKERS

Staff: R. Fredericks, D. Aazam

MOTION

M/S Hughes/Gustafson moved to adopt Resolution No. 20 of the Santa Barbara Affordable Housing Group, (1) approving SBAHG's acceptance of permanent financing of the property from Montecito Bank and Trust ("MBT Loan") in an amount not to exceed \$5,600,000; (2) authorize the Executive Director to execute and take all necessary actions relative to entering into such permanent loan agreement, entering into a Subordination Agreement subordinating the Housing Authority's existing debt secured by the property to the MBT Loan, and any other agreements or documents related thereto; and (3) make the determination that the financing of the subject property is exempt from the California Environmental Quality Act (CEQA) and that SBHAG's CEO is directed to file a Notice of Exemption with respect to CEQA with the Santa Barbara County Clerk.

VOTE

Ayes:	David Gustafson	Victor Suhr
	David Hughes	Patricia Wheatley
	Lawrence Larsson	
Nays:	None	
Abstain:	None	
Absent:	Lucille Boss, Geoff Green	

MOTION

M/S Gustafson/Larsson moved to adopt Resolution No. 2695 of the Housing Authority of the City of Santa Barbara, (1) authorizing the Executive Director to execute and take all necessary actions relative to entering into a Subordination Agreement subordinating the Housing Authority's existing debt secured by the property to the MBT Loan, and any other agreements or documents related thereto; and (2) make the determination that the financing of the subject property is exempt from the California Environmental Quality Act (CEQA) and that Executive Director is directed to file a Notice of Exemption with respect to CEQA with the Santa Barbara County Clerk.

VOTE

Ayes:	David Gustafson	Victor Suhr
	David Hughes	Patricia Wheatley
	Lawrence Larsson	
Nays:	None	
Abstain:	None	
Absent:	Lucille Boss, Geoff Green	

XI. CLOSED SESSION – None

XII. COMMISSION MATTERS

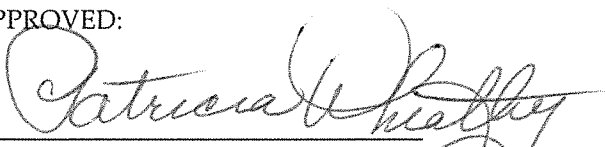
Secretary Fredericks provided several announcements/reminders for the Board in the month of October: Family Self Sufficiency Graduation Ceremony on October 4, Groundbreaking Ceremony for Johnson Court on October 8, and Housing Santa Barbara Day on October 13.

**XIII. ADJOURNMENT**

Meeting adjourned at 5:22 P.M.

  
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ROB FREDERICKS, SECRETARY

APPROVED:

  
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PATRICIA WHEATLEY, CHAIR