

**MINUTES  
REGULAR MEETING  
HOUSING AUTHORITY OF THE CITY OF SANTA BARBARA AND  
SANTA BARBARA AFFORDABLE HOUSING GROUP  
Santa Barbara, California via Zoom  
4:00 P.M. – October 6, 2021**

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

4:00 P.M. Chair Boss presiding

Board Members present: Steven Faulstich, Rose Muñoz, David Rowell and Patricia Wheatley

Board Members absent: Mary Fenger

Staff Members present: R. Fredericks, S. Szymanski, B. Peirson, T. Carter, V. Loza, A. Villarreal Redit, J. Schipa, C. Montenegro Uhl, T. Hood, A. Fink and D. Ward

City Council liaison, Meaghan Harman, present

**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 Wheatley/Rowell moved to approve recommendation in Consent Calendar (Items No. 1 - 3).

**VOTE**

Ayes: Steven Faulstich Patricia Wheatley  
Rose Muñoz Lucille Boss  
David Rowell

Nays: None

Abstain: None

Absent: Mary Fenger

1. Recommendation that the HACSB Commission and SBAHG Board approve the Minutes of their September 1, 2021 Regular Meeting.
2. Recommendation: That the HACSB Commission and SBAHG Board approve the Minutes of their September 29, 2021 Special Meeting.
3. Recommendation that the Commission approve costs incurred and payments made for the month of August 2021.

**VI. REPORT OF EXECUTIVE DIRECTOR**

1. Recommendation that the Commission receive a presentation by Adventures in Caring on their partnership with the Housing Authority.

Simon Fox, Executive Director of Adventures in Caring, provided an overview of the program via a PowerPoint presentation. He confirmed to the Board that the second phase goal will be serving 100 residents.

2. Recommendation that the Commission: (1) approve a Second Amendment with Family Service Agency (FSA) for the period of October 1, 2021 to July 31, 2022 increasing the current contract amount for the Supportive Services Program by \$22,595 to the amount of \$186,432; and (2) authorize the Executive Director, or his designee, to execute said contract on behalf of the Housing Authority.

**DOCUMENTS**

- September 15, 2021 Executive Director's Report prepared by Resident Programs Supervisor

**SPEAKERS**

Staff: R. Fredericks, A. Villarreal Redit

**MOTION**

M/S Muñoz/Faulstich moved to (1) approve a Second Amendment with Family Service Agency (FSA) for the period of October 1, 2021 to July 31, 2022 increasing the current contract amount for the Supportive Services Program by \$22,595 to the amount of \$186,432; and (2) authorize the Executive Director, or his designee, to execute said contract on behalf of the Housing Authority.

**VOTE**

Ayes:	Steven Faulstich	Patricia Wheatley
	Rose Muñoz	Lucille Boss
	David Rowell	

Nays: None

Abstain: None

Absent: Mary Fenger

**VII. TREASURER'S REPORT – None**

**VIII. COMMITTEE REPORT – None**

**IX. UNFINISHED BUSINESS – None**

**X. NEW BUSINESS**

1. Recommendation that the Commission: (1) hold a public hearing and take public comment on proposed amendments to the Housing Authority's Administrative Plan governing the operation of its Section 8 Housing Choice Voucher (HCV) program; and (2) adopt a resolution approving said amendments to the Administrative Plan.

**DOCUMENTS**

- September 15, 2021 Executive Director's Report prepared by Housing Programs Supervisor

**SPEAKERS**

Staff: R. Fredericks, A. Fink

Chair Boss opened a public hearing at 4:39 P.M. and closed the public hearing at 4:39 P.M. No comments were made.

MOTION

M/S Rowell/Muñoz moved to adopt Resolution No. 2761, of the Housing Authority of the City of Santa Barbara, approving amendments to the Housing Authority's Administrative Plan governing the operation of its Section 8 Housing Choice Voucher (HCV) program.

VOTE

Ayes: Steven Faulstich Patricia Wheatley  
Rose Muñoz Lucille Boss  
David Rowell

Nays: None

Abstain: None

Absent: Mary Fenger

2. Recommendation that the Commission: (1) hold a public hearing and take public comment on proposed amendments to the Housing Authority's Admissions and Continued Occupancy Policy for its Essential Workforce Housing program; and (2) adopt a resolution approving said amendments.

DOCUMENTS

- September 21, 2021 Executive Director's Report prepared by Housing Programs Supervisor

SPEAKERS

Staff: R. Fredericks, A. Fink

Chair Boss opened a public hearing at 4:42 P.M. and closed the public hearing at 4:42 P.M. No comments were made.

MOTION

M/S Wheatley/Faulstich moved to adopt Resolution No. 2762, of the Housing Authority of the City of Santa Barbara, approving amendments to the Housing Authority's Admissions and Continued Occupancy Policy for its Essential Workforce Housing program.

VOTE

Ayes: Steven Faulstich Patricia Wheatley  
Rose Muñoz Lucille Boss  
David Rowell

Nays: None

Abstain: None

Absent: Mary Fenger

3. Recommendation that the Commission: (1) adopt a resolution approving the purchase of the property located at 4455 Hollister Avenue in unincorporated Santa Barbara County and containing 11 studio apartments for a purchase price of \$2,975,000 plus closing costs; (2) approve and accept a potential loan from Pacific Western Bank of up to \$1,700,000, which may be funded at closing or after closing of the purchase; (3) appropriate unrestricted Non-HUD reserves to complete the purchase; and (4) 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 23, 2021 Executive Director's Report prepared by Director of Property, Development and Administration

SPEAKERS

Staff: R. Fredericks, D. Aazam

MOTION

M/S Rowell/Wheatley moved to adopt Resolution No. 2763, of the Housing Authority of the City of Santa Barbara, approving the purchase of the property located at 4455 Hollister Avenue in unincorporated Santa Barbara County and containing 11 studio apartments for a purchase price of \$2,975,000 plus closing costs; (2) approve and accept a potential loan from Pacific Western Bank of up to \$1,700,000, which may be funded at closing or after closing of the purchase; (3) appropriate unrestricted Non-HUD reserves to complete the purchase; and (4) 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.

VOTE

Ayes: Steven Faulstich Patricia Wheatley  
Rose Muñoz Lucille Boss  
David Rowell  
Nays: None  
Abstain: None  
Absent: Mary Fenger

4. Recommendation that the Commission adopt a resolution authorizing an amendment to its existing predevelopment loan to 116 East Cota Street Associates, L.P. and increasing the principal amount of said loan from the current not-to-exceed \$500,000 to a not-to-exceed \$700,000.

DOCUMENTS

- September 14, 2021 Executive Director's Report prepared by Director of Property, Development and Administration

SPEAKERS

Staff: R. Fredericks, D. Aazam

Secretary Fredericks noted the funding gap caused by increased construction material and labor costs. He also noted that staff is looking at alternative sources to fill the funding gap. Mr. Aazam confirmed the investor/lender noted similar gaps in funding for other tax credit projects, and we are unable to apply to CTCAC for additional funds. He added staff is in the process of applying for CDBG funding.

MOTION

M/S Wheatley/Muñoz moved to adopt Resolution No. 2764, of the Housing Authority of the City of Santa Barbara, authorizing an amendment to its existing predevelopment loan to 116 East Cota Street Associates, L.P. and increasing the principal amount of said loan from the current not-to-exceed \$500,000 to a not-to-exceed \$700,000.

VOTE

Ayes: Steven Faulstich Patricia Wheatley  
Rose Muñoz Lucille Boss  
David Rowell

Nays: None  
Abstain: None  
Absent: Mary Fenger

5. Recommendation that the Commission: (1) adopt a resolution which approves and authorizes the Executive Director to execute and implement a project agreement between the City and the Housing Authority and related instruments for development of approximately 60 rental housing units at 400 West Carrillo Street; and (2) adopt a resolution increasing the amount of the loan for predevelopment activities from \$150,000 to \$500,000.

#### DOCUMENTS

- September 22, 2021 Executive Director's Report prepared by Director of Property, Development and Administration

#### SPEAKERS

Staff: R. Fredericks, D. Aazam

Vice Chair Rowell recommended staff consider approaching City if investor's yield is short, to maintain the project at moderate income, noting the receptiveness of the Council. Mr. Szymanski noted construction wouldn't begin for approximately 3 years, and in that time, staff will be working with the City regarding funding. Vice Chair inquired about the option in the Project Agreement for the City to purchase the property back in the future. Mr. Aazam answered that the City has the right to repurchase 10 years after construction; the purchase price would be set at original cost of construction, increased by inflation and to ensure the 5% minimum yield is achieved. He added that if the owner entity sells the property, they have to offer the City a right of first refusal and the City could buy the property at this stated formula pricing instead of an outside purchase price. If the property ends up selling to a third party at a higher amount, the City gets 20% of net proceeds. Mr. Szymanski added the City will transfer the property to the Housing Authority, and therefore any agreements with investors would be entered into by the Housing Authority, whether it served middle income or low income as a tax credit development.

#### MOTION

M/S Faulstich/Rowell moved to adopt Resolution No. 2765, of the Housing Authority of the City of Santa Barbara, approving and authorizing the Executive Director to execute and implement a project agreement between the City and the Housing Authority and related instruments for development of approximately 60 rental housing units at 400 West Carrillo Street.

#### VOTE

Ayes: Steven Faulstich                      Patricia Wheatley  
          Rose Muñoz                            Lucille Boss  
          David Rowell

Nays: None  
Abstain: None  
Absent: Mary Fenger

#### MOTION

M/S Faulstich/Rowell moved to adopt Resolution No. 2766, of the Housing Authority of the City of Santa Barbara, increasing the amount of the loan for predevelopment activities from \$150,000 to \$500,000 for development of approximately 60 rental housing units at 400 West Carrillo Street.

#### VOTE

Ayes: Steven Faulstich                      Patricia Wheatley

Rose Muñoz

Lucille Boss

David Rowell

Nays: None

Abstain: None

Absent: Mary Fenger

6. Recommendation that the Commission approve a resolution proclaiming a local emergency persists, re-ratifying the proclamation of a state of emergency by governor Gavin Newsom dated March 4, 2020, and re-authorizing remote teleconference meetings of the Board of Commissioners of the Housing Authority of the City of Santa Barbara for the period of 30 days pursuant to the Brown Act Provisions.

#### SPEAKERS

Staff: R. Fredericks

#### MOTION

M/S Wheatley/Muñoz moved to adopt Resolution No. 2767, of the Housing Authority of the City of Santa Barbara, proclaiming a local emergency persists, re-ratifying the proclamation of a state of emergency by governor Gavin Newsom dated March 4, 2020, and re-authorizing remote teleconference meetings of the Board of Commissioners of the Housing Authority of the City of Santa Barbara for the period of 30 days pursuant to the Brown Act Provisions.

#### VOTE

Ayes: Steven Faulstich

Patricia Wheatley

Rose Muñoz

Lucille Boss

David Rowell

Nays: None

Abstain: None

Absent: Mary Fenger

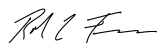
#### XI. CLOSED SESSION – None

#### XII. COMMISSION MATTERS

1. Chair Boss reminded the Commission that the NAHRO conference begins October 7, 2021.
2. Secretary Fredericks summarized recent visit to St. Mary's Seminary which is being considering for housing for homeless individuals. He added that staff continues to look for appropriate Homekey sites within the City.

#### XIII. ADJOURNMENT

Meeting adjourned at 5:34 P.M.



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ROB FREDERICKS, SECRETARY

APPROVED:



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Lucille T. Boss (Nov 4, 2021 14:39 PDT)

LUCILLE BOSS, CHAIR