

MINUTES
Seven Hundredth Twenty-Sixth Meeting
HOUSING AUTHORITY
CITY OF SANTA BARBARA
814 Laguna St.
Santa Barbara, California
5:30 p.m. – February 20, 2008

I. CALL TO ORDER/ROLL CALL

5:37 P.M. Chair Silverstein presiding

Board Members present: Barbara Allen, Stanley Eisele, David Hughes, Mary Johnston-de Leon, Robert Niehaus, Cheryl Rogers, Christine Silverstein

Staff Members present: R. Pearson, S. Szymanski, R. Fredericks, M. Trejo, R. Lawrence, R. Maccianti, T. Carter, V. Loza, A. Hughes

II. PUBLIC COMMENT - None

III. CONSIDERATION OF MINUTES

1. Consideration of the Minutes of the Regular Meeting of February 6, 2008

MOTION

M/S Allen/Rogers moved to approve the Minutes of the Regular Meeting of February 6, 2008 as presented.

VOTE

Ayes:	Barbara Allen	Robert Niehaus
	Stanley Eisele	Cheryl Rogers
	Mary Johnston-de Leon	Christine Silverstein
Nays:	None	
Abstain:	David Hughes	
Absent:	None	

IV. BILLS AND COMMUNICATIONS - None

V. CONSENT CALENDAR - None

VI. REPORT OF EXECUTIVE DIRECTOR

1. Recommendation that the Commission view the real property located at 2912 De La Vina St. (an existing Taco Bell operation having a 1,288 SF building on a 17,860 SF lot with a lease that runs to 5-31-12) and discuss with staff the merits of pursuing the acquisition of this property as an addition to the Authority's Non HUD housing program for the development of special needs housing

DOCUMENTS

- February 14, 2008 Executive Director's Report together with copy of listing information

SPEAKERS

Staff: R. Pearson

Mr. Pearson answered questions from members of the Board regarding the potential purchase of the property located at 2912 De La Vina St. such as purchase and construction financing and target population to be served. After discussion the Board felt that is a desirable site and directed Staff to continue forward with negotiations for its potential acquisition.

2. Recommendation that the Commission receive an oral report on Housing Authority real estate development activities

Mr. Pearson gave a brief overview on the status of Los Portales and Haagen developments as well as on the option to buy the Cottage Gardens LIHTC funded complex come December 2008 when the lease expires.

With respect to the Los Portales project, the Commission asked Mr. Pearson whether or not a for sale, price restricted project of this nature still made good economic sense for the parties given the slump we are witnessing in home sales in other parts of Santa Barbara county and the nation. Mr. Pearson responded that as of last October Bermant made the commitment and did fund additional processing fees for the project—specifically some \$70,000 in City fees for the project's needed EIR and that the EIR is nearing completion. He stated that completing the project's development review process and securing development approvals will take until mid summer. Mr. Pearson went on to say that he continues to be concerned about the project's viability given the shifting market and the long delays that the project has faced. He also reminded the Commission of the Housing Authority's commitment last August (8-1-07 Commission meeting) to allow Bermant to use the project's real estate (owned by the Housing Authority and optioned to Bermant) to further secure a potential predevelopment loan from the Santa Barbara Foundation (SBF) to Bermant for the project. The loan was to be for up to \$250,000 at a maximum interest rate of 5%. Further, the loan was to be a recourse loan to Bermant for the benefit of the Housing Authority and SBF, but because it was secured by the Authority's real estate did have the effect of potentially reducing the Authority's equity in the property if ever called upon. He reported that as of today, Bermant has not made a call on SBF for the agreed upon predevelopment loan of \$250,000 for the project and thus we have not further encumbered the property as authorized by the Commission on August 1, 2007.

VII. TREASURER'S REPORT

1. Recommendation that the Commission review and order filed the quarterly Financial Statements for period ending December 31, 2007 for programs with a March 31st Fiscal Year End

DOCUMENTS

- February 12, 2008 Executive Director's Report prepared by Director of Finance together with quarterly Financial Statements for period ending 12-31-07 for programs with 3-31-07 FYE

SPEAKERS

Staff: R. Pearson, R. Lawrence

After review of the quarterly Financial Statements, Chair Silverstein suggested having the financial summaries brought up to the front of the report; drop the percentages column as it is confusing and add a line item for Total Operating Expense, before the Net Operating Income line. Staff will make the changes for the next quarterly Financials that will be brought to the Board for review. The same changes will apply to Financial Statements with FYE 3-31-07.

MOTION

M/S Niehaus/Johnston-de Leon moved to accept and order filed the quarterly Financial Statements for period ending December 31, 2007 for programs with a March 31st Fiscal Year End.

VOTE

Ayes:	Barbara Allen	Robert Niehaus
	Stanley Eisele	Cheryl Rogers
	David Hughes	Christine Silverstein
	Mary Johnston-de Leon	
Nays:	None	
Abstain:	None	
Absent:	None	

2. Recommendation that the Commission review and order filed the quarterly Financial Statements for period ending December 31, 2007 for programs with a December 31st Fiscal Year End

DOCUMENTS

- February 12, 2008 Executive Director's Report prepared by Director of Finance together with quarterly Financial Statements for period ending 12-31-07 for programs with 12-31-07 FYE

SPEAKERS

Staff: R. Pearson, R. Lawrence

MOTION

M/S Allen/Rogers moved to accept and order filed the quarterly Financial Statements for period ending December 31, 2007 for programs with a December 31st Fiscal Year End.

VOTE

Ayes:	Barbara Allen	Robert Niehaus
	Stanley Eisele	Cheryl Rogers
	David Hughes	Christine Silverstein
	Mary Johnston-de Leon	
Nays:	None	
Abstain:	None	
Absent:	None	

3. Recommendation that the Commission review and order filed the quarterly Investment Report for period ending 12-31-07

DOCUMENTS

- January 31, 2008 Executive Director's Report prepared by Department of Finance together with Trust Investment Report and detailed Interest Income on General Fund Investments

SPEAKERS

Staff: R. Pearson, R. Lawrence

MOTION

M/S Johnston-de Leon/Niehaus moved to accept and order filed the quarterly Investment Report for period ending 12-31-07.

VOTE

Ayes:	Barbara Allen	Robert Niehaus
	Stanley Eisele	Cheryl Rogers
	David Hughes	Christine Silverstein
	Mary Johnston-de Leon	
Nays:	None	
Abstain:	None	
Absent:	None	

4. Recommendation that the Commission adopt the Resolution setting forth costs incurred and payments made for the period ending January 2008

DOCUMENTS

- February 12, 2008 Executive Director's Report prepared by Department of Finance
- Resolution referenced above together with January 2008 list of expenditures

SPEAKERS

Staff: R. Pearson, R. Lawrence

MOTION

M/S Rogers/Allen moved to adopt Resolution No. 2307 of the Housing Authority of the City of Santa Barbara, as presented, ratifying and approving the expenditure of Housing Authority funds by the Executive Director for necessary supplies and services rendered to the Housing Authority and paid during January 2008.

VOTE

Ayes:	Barbara Allen	Robert Niehaus
	Stanley Eisele	Cheryl Rogers
	David Hughes	Christine Silverstein
	Mary Johnston-de Leon	
Nays:	None	
Abstain:	None	
Absent:	None	

VIII. COMMITTEE REPORT - None

IX. UNFINISHED BUSINESS - None

X. NEW BUSINESS

1. Recommendation that the Commission adopt the Resolution approving fully restated plan documents for the Housing Authority's Money Purchase Pension and Deferred Compensation Plans and granting the Executive Director the authority to execute contracts and agreements necessary to transfer said Plans to Principal

DOCUMENTS

- February 11, 2008 Executive Director's Report prepared by Human Resources Analyst
- Resolution referenced above together with Housing Authority's fully restated Money Purchase Pension and Deferred Compensation Plans

SPEAKERS

Staff: R. Pearson, T. Carter

MOTION

M/S Hughes/Niehaus moved to adopt Resolution No. 2308 of the Housing Authority of the City of Santa Barbara, as presented, approving fully restated plan documents for the Housing Authority's Money Purchase Pension and Deferred Compensation Plans and granting the Executive Director the authority to execute contracts and agreements necessary to transfer said Plans to Principal.

VOTE

Ayes:	Barbara Allen	Robert Niehaus
	Stanley Eisele	Cheryl Rogers
	David Hughes	Christine Silverstein
	Mary Johnston-de Leon	
Nays:	None	
Abstain:	None	
Absent:	None	

2. **CLOSED SESSION-CONFERENCE WITH REAL PROPERTY NEGOTIATOR –**
Recommendation that the Commission hold a closed session per Government Code Section 54956.8 to consider instructions to Authority's Real Property Negotiator Robert G. Pearson regarding property located at 512-518 Bath St. – Bradley Property

The Commission went into Closed Session with Robert Pearson as well as Skip Szymanski and Rob Fredericks to discuss the subject item. At the conclusion of the Closed Session, Chair Silverstein reopened the meeting and advised that there was nothing to report out from the Closed Session.

XI. COMMISSION MATTERS - None

XII. ADJOURNMENT

Meeting adjourned at 6:45 p.m. on order of Chair Silverstein.

ROBERT G. PEARSON, SECRETARY

APPROVED:

CHRISTINE SILVERSTEIN, CHAIR