

MINUTES

of a regular meeting of the Board of Directors of the Redevelopment Agency of the City of Redlands held in the City Council Chambers, Civic Center, 35 Cajon Street, at 3:59 P.M. on March 19, 1996.

PRESENT

Swen Larson, Chairman
Pat Gilbreath, Vice Chairman
William E. Cunningham, Member
Gilberto Gil, Member
Geni A. S. Banda, Member

Gary M. Luebbers, Executive Director
Daniel J. McHugh, Agency Attorney
Lorrie Poyzer, Agency Secretary
Marjie Pettus, Administrative Services Director
John Andrews, Redlands Daily Facts
Sulipsa Luque, The Sun

ABSENT

None

The minutes of the adjourned regular meeting of March 5, 1996, and the regular meeting of March 5, 1996, were unanimously approved as submitted on motion of Mrs. Gilbreath, seconded by Mr. Gil.

NEW BUSINESS

Set-Aside Funds - Judith Wirtz-Gray - Administrative Services Director Pettus reported that Ms. Wirtz-Gray owns the property located at 209, 213, and 217 Judson Street. There are three 3-bedroom and nine 2-bedroom units in the complex and current tenants meet the low- and mod-income requirements for set-aside eligibility. Ms. Wirtz-Gray is seeking funds from the multi-unit rehabilitation category to repair and upgrade her apartment units. The property is adjacent to the Craig and Kay Court area which has been plagued with problems ranging from tenant disputes to vandalism and crime. Ms. Wirtz-Gray has been the victim of arson fires and malicious property destruction. In addition to making repairs, installing security lights and keeping graffiti painted over, she has replaced the on-site manager, evicted tenants and is working to develop her complex into a drug/crime free, no tolerance property. She has also been working with the police and fire officials to improve security and tenant screening. When the Agency Board established the multi-unit funding category, their intent was to provide assistance to property owners to improve existing multi-unit housing stock. This property meets the criteria for the multi-unit rehabilitation funding. Ms. Wirtz-Gray, Police Chief Nelson, and Police Officer Stephen Kurz addressed the Agency Board. Extending complements to Ms. Wirtz-Gray and her new on-site managers Bob and Linda Hallay for their efforts, Mr. Gil moved to approve the request for Redevelopment set-aside funds in the multi-unit rehabilitation category in an amount not to exceed \$155,000.00, subject to the Agency Board's review of the funding plan in two weeks and with the understanding the applicant will join the San Bernardino

County Crime Free Housing Program, and directed staff to take the appropriate action. Motion seconded by Mr. Larson and carried with Mr. Cunningham voting NO (as he wanted to review the funding plan prior to final action).

Set-Aside Funds - Arrowhead Christian Academy - Administration Services Director Pettus reported that Arrowhead Christian Academy, a non-profit 501(c)3 corporation, has requested \$1,420,000.00 in Redevelopment set-aside funds for the construction of 40 single-family homes for low- and moderate-income families -- primarily qualified first time home buyers. Arrowhead Christian Academy is forming a Community Housing Development Organization (C.H.D.O.). Currently, the organization is filing their Articles in Incorporation and by-laws and the application is expected to be submitted to the Economic and Community Development Department by mid-March, 1996. The subject property is located on the northeast corner of Pioneer Avenue and Texas Street. Three Arrowhead Christian Academy Board of Directors' members addressed the Agency Board. If the Agency Board approved this funding, the current funding plan would need to be amended and the existing categorical allocations would not be funded. No action was taken on this request.

Set-Aside Funds - Southern California Housing - Administrative Services Director Pettus reported that Southern California Housing Development Corporation (SCHDC) is a regional non-profit housing corporation with experience in the acquisition, rehabilitation and management of apartments projects affordable to low-income families. They are requesting Redevelopment set-aside funds in the amount of \$637,368.00 to assist with the purchase of the Deodar apartments located at New York and State Streets. The Deodar Apartments is an 88 unit complex built in September, 1987. The project is a County Housing Authority 1988 bond issues which is in default due to the owner's Chapter 11 bankruptcy. Historically, the apartment complex has been rented at fair market rents to working professionals, many university students, and young families. SCHDC proposes to rent the units at the following rates: 20 percent at 40 percent of median-very low; 20 percent at 50 percent of median-very low, and 60 percent at 60 percent of median-low. The apartments are not located in the identified target area as established by the Agency Board for neighborhood revitalization. It was also noted that staff has received inquiries from private investors also interested in purchasing the Deodar apartments through private sources and renting the units at fair market rents. Representing SCHDC, Tony Mize urged the Agency Board to approve their request. Rancho Cucamonga Councilmember Diane Williams vouched for SCHDC's "track record" in her city. Mrs. Gilbreath moved to direct staff to notice a public hearing to consider an amendment to the Agency's implementation plan to reallocate low- and moderate-income housing monies among existing program categories. The motion was seconded by Mr. Larson but withdrawn when it became evident there was not sufficient support on the Agency's Board. Mrs. Banda moved to deny the request submitted by Southern California Housing Development Corporation; her motion did not receive a second. No further action was taken on the matter.

The Redevelopment Agency meeting recessed at 5:15 P.M. and reconvened at 9:20 P.M.

JOINT MEETING - REDEVELOPMENT AGENCY AND CITY COUNCIL

Agreement - Auditing Services - Mrs. Gilbreath moved to approve an auditing services agreement with Vavrinek, Trine, Day & Co. for the fiscal year 1995-96 and authorized the Chairman of the Board to sign the agreement on behalf of the Redevelopment Agency. Motion seconded by Mrs. Banda and carried unanimously.

Bond Underwriter Selection - Mrs. Gilbreath moved to extend the opportunity to Stone & Youngberg LLC to serve as the Agency's bond underwriter. Motion seconded by Mr. Larson and carried unanimously.

Bond Counsel - Proposals for bond counsel services were received from Jones, Hall, Hill & White, San Francisco; Stradling, Yocca, Carlson & Rauth, Newport Beach; Brown, Diven & Hentscke, San Diego; Orrick, Herrington & Sutcliffe, Los Angeles; Best, Best & Krieger, Riverside; Kutak Rock, Pasadena; and MacFarland and Anderson, Lake Forest. Executive Director Luebbers recommended a committee of two RDA Board members, the Finance Director, and himself be formed to review these proposals. It was determined that Mrs. Gilbreath and Mr. Cunningham would serve on this committee.

ADJOURNMENT

There being no further business, the Board of Directors' meeting of the Redevelopment Agency adjourned at 9:29 P.M. The next regular meeting will be held on April 2, 1996.

Secretary