

**TOWN OF YUCCA VALLEY  
REDEVELOPMENT AGENCY MEETING MINUTES  
MAY 17, 2011**

Chair Huntington called the meeting of the Town of Yucca Valley Redevelopment Agency to order at 8:05 p.m.

Agency Members Present: Abel, Hagerman, Luckino, Rowe, and Chair Huntington.

Staff Present: Executive Director Nuaimi, Agency Counsel Laymon, Deputy Executive Director Stueckle, Treasurer Yakimow, Community Services Director Schooler and Secretary Anderson.

**CONSENT AGENDA**

1. **Approve**, Minutes of the Regular Redevelopment Agency Meeting of May 3, 2011, as presented.
2. **Ratify**, RDA Warrant Registers total of \$136,704.82 for expenses dated May 5, 2011. Ratify RDA Payroll Register total of \$8,199.69 dated April 29, 2011.

Agency Member Hagerman moved to adopt the Consent Agenda, Items 1-2. Agency Member Luckino seconded. Motion carried 5-0 on a roll call vote.

**AYES:** Agency Members Abel, Hagerman, Luckino, Rowe and Chair Huntington  
**NOES:** None  
**ABSTAIN:** None  
**ABSENT:** None

**DEPARTMENT REPORTS**

3. **Senior Affordable Housing Development Financial Commitment Resolution and Option Agreement**

A RESOLUTION OF THE REDEVELOPMENT AGENCY, OF THE TOWN OF YUCCA VALLEY, CALIFORNIA, PROVIDING A FINANCIAL COMMITMENT TO NATIONAL COMMUNITY RENAISSANCE OF CALIFORNIA, FOR INCLUSION IN AN APPLICATION IN RESPONSE TO HUD'S SECTION 202 NOTICE OF FUNDING AVAILABILITY (NOFA) 2010-11 PURSUANT TO A FORTHCOMING DISPOSITION AND DEVELOPMENT AGREEMENT BETWEEN THE AGENCY AND NATIONAL COMMUNITY RENAISSANCE OF CALIFORNIA

With reference to the complete printed staff report provided in the meeting packets and preserved in the meeting files, Executive Director Nuaimi presented the project discussion

and gave a PowerPoint presentation showing the results of the survey given to seniors who were attending various outreach efforts regarding the project. The item is a preliminary funding commitment of the full \$3.2 million in the event CORE doesn't get the County Home funds. He noted there is well over the \$3.2 million potential offset dollars available, and is confident the Agency's funding will not be near the \$3.2 number and will probably be between \$1.5 to \$2 million, and it is hoped all that no funds will have to be spent. This project is also subject to a Disposition and Development Agreement so this is not the last time the Agency will see this.

**Margo Sturges**, Yucca Valley, spoke in support of the project but questioned the gap funding.

Executive Director Nuaimi explained that the discussion has always been that the CORE would be going after HUD funding, and County HOME funds, noting this financial commitment and option agreement is developed for the sole purpose of the HUD section 202 application, showing HUD that Yucca Valley is dedicated to this project.

Administrative Services Director Yakimow advised of the specific criteria in the HUD application regarding leveraging of resources and the local commitment.

Chair Huntington questioned how much is in the LMI fund. Administrative Services Director Yakimow advised that right now there is \$2,000,000 but there is 20% going into the fund every year and there is also bonding capacity.

Agency Member Hagerman questioned, out of the projects CORE has completed, how many received the HUD evaluation points of 102 and where does that amount fit into the projects that have been granted HUD funding. Julie Mungai, CORE, advised this is the first time HUD has come out with the specific scoring criteria, and is their attempt to make the process much more black and white. Since it is fairly black and white and a very competitive process, it is reasonable to assume that everyone who applies will try to reach that target 102 points. If you can show a commitment of more than 30% of the HUD amount you are requesting you get the full points. Agency Member Hagerman commented he would like to know where we stand from HUD's point of view, noting the feedback he hears from seniors is that this is coming and if we miss the funding this year it is going to be our fault, and questioned if CORE is putting together the best looking package for HUD. Ms. Mungai stated they are using a 3<sup>rd</sup> party consultant who specializes in HUD applications. She knows her stuff and will act as a liaison to HUD. Administrative Services Director Yakimow added that CORE was selected for this project because they demonstrated their capacity and creativity for looking at different funding alternatives.

Agency Member Luckino questioned if the ownership deed for the project will be in the name of Core or the Town. Ms. Mungai stated that it will initially be CORE, but will convert to a single asset corporation. Agency Member Luckino questioned CORE's financial commitment

in this project outside of trading tax credits. Ms. Mungai advised in a sense it is nothing and explained the financial structuring for the nonprofit. Agency Member Luckino advised that a year ago the Agency had a for-profit entity come to the table, was told it was a bad deal because there was no cash investment. Executive Director Nuaimi advised that proposal was also going to not only use up all the LMI funds but was also going to use all the Agency's bonding capacity and only generate 32 units. Agency Member Luckino expressed concern regarding waiving of impact fees for the project, noting the Town would not waive them for other developers. Deputy Executive Director Stueckle commented on the issue of impact fees and equity between this project and for-profit, noting the ordinance doesn't differentiate between for-profit and nonprofit, but provides for an exception for affordable housing providers, so it is applicable across the board under the Town's ordinance.

Executive Director Nuaimi advised that staff will be bringing back the Disposition and Development Agreement that will tie the many details of this transaction together. He noted the Agency has the resources to make the \$3.2 commitment but he does not believe it will have to pay those funds in the end.

Agency Member Luckino questioned what would happen if the RDA goes away. Executive Director Nuaimi advised the Agency has already committed these dollars for specific purposes, noting that, even with all dialogue going on, there are still plenty of housing advocates out there who say at a minimum the 20% set aside should continue. He noted the Town will be establishing a Housing Authority.

Chair Huntington advised the elimination of RDA is included in the latest budget proposal.

Agency Member Hagerman moved to: (a) Adopt Resolution No. RDA-11-05 providing a financial assistance commitment to CORE pursuant to a Disposition and Development Agreement in the amount of \$3.2 million in accordance to the standard terms and conditions in the referenced Letter of Financial Commitment for the proposed Senior Affordable Housing Project, and direct staff to forward a Letter of Commitment indicated same to CORE for inclusion in the HUD 202 application; (b) Approve the Option Agreement providing site control of the Dumosa/Hwy 62 property to CORE for the proposed Senior Affordable Housing Project. Agency member Rowe seconded.

Agency Member Abel stated he understands the concern but even in the worst case, if all other funding came about the Agency would be leveraging quite a bit.

Chair Huntington stated that the listing of development costs at the top of the sheet it states non prevailing wage. Ms. Mungai advised that is an error and it would be prevailing wages. Chair Huntington noted he also saw amounts for plan check fees etc., so there are a lot of little pockets for gap funding. He questioned the figures for median income. Ms. Mungai explained the methodology noting the numbers given are for a 4 person household and

divided for senior housing.

Motion carried 5-0 on a roll call vote.

**AYES:** Agency Members Abel, Hagerman, Luckino, Rowe and Chair Huntington

**NOES:** None

**ABSTAIN:** None

**ABSENT:** None

Ms. Mungai expressed gratitude to the Agency, its Chair and staff, stating it has been a pleasure to work with everyone and CORE is excited to work with the Town on this project and are fully committed to it.

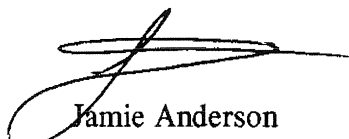
**PUBLIC COMMENTS**

None

**ADJOURNMENT**

There being no further business, Chair Huntington adjourned the meeting at 8:50 p.m.

Respectfully submitted,



Jamie Anderson  
Agency Secretary