

**AFFORDABLE HOUSING
NOTICE OF FUNDING AVAILABILITY (NOFA)
EXECUTIVE LOAN COMMITTEE**

Minutes of Thursday, April 27, 2006 Meeting

8:00 – 10:00 a.m.

600 B Street, 4th Floor

Large Conference Room

San Diego, California 92101

Members present: Sal Salas, Chair and Jim Waring
Members absent: Kurt Chilcott and Robert McNeely

1. Public Comment

None

2. Approval of Minutes

There being no quorum of the Committee, the approval of the January 12, 2006 minutes was continued to the May 25, 2006 meeting.

3. Introduction of Jim Waring

Jim Waring was introduced as the Deputy Chief Operating Office for Land Use and Planning. He will temporarily represent the City of San Diego on the Executive Loan Committee.

4. La Entrada (RA/CCDC)

Redevelopment Division Project Coordinator, Jim LoBue, presented the Committee with an update on the La Entrada development project in the Barrio Logan Redevelopment Project Area. He also distributed a memo dated April 21, 2006. The project was originally presented and approved by the ELC as a 94-unit development. It has been redesigned to 85 units with more bedrooms (256). Due to cost increases, the project's subsidy request is in excess of the original \$9 million and a request has been made to CCDC to subsidize the project outside of the NOFA process in order to expedite the entitlement process and allow the project to apply for 9% tax credits in the second round of FY 2006. Dale Royal, Senior Project Manager with Centre City Development Corporation summarized the comments from the CCDC Board made at their March 29, 2006 meeting. Several options for how CCDC might be repaid or credited within the NOFA process for their contribution to La Entrada were discussed. General comments from the CRT members indicated they would be reluctant to "repay" CCDC for a subsidy to La Entrada, but they would be willing to provide CCDC with "credit" to a future NOFA-type program. The ELC supported the concept of providing CCDC with a "credit" to a future NOFA-type program.

5. Financing Strategy for NOFA Pipeline Projects

Michele St. Bernard, Project Manager with the Redevelopment Division, provided the ELC with an update on the community outreach and staff recommendations for (1) meeting the remaining Redevelopment Division commitment for the first NOFA and (2) generating additional funds for the projects in the Collaborative pipeline. Staff will be recommending either a line of credit or bond issuance supported by several Redevelopment Division managed project areas to be pooled and used for affordable housing development. Tentative docket date is June 20, 2006.

6. Collaborative Management Team Meetings

Production Credit Discussion

Michele St. Bernard, Project Manager with the Redevelopment Division, informed the ELC that senior members of their staff have been meeting to discuss issues such as production credits and priorities for

the expenditure of future Affordable Housing Collaborative funds. She specifically referenced the memo from Glenn Wasserman regarding the potential under CRL to aggregate project areas "if the agency finds, based on substantial evidence, after a public hearing, that the aggregation will not cause or exacerbate racial, ethnic, or economic segregation." Research on this issue will continue.

Formatted: Font: 11 pt, Font color: Black

7. General Discussion

There was a general discussion regarding the priorities for expenditure of the Collaborative funds. This included:

- Should the Collaborative set limits on developer profits?
- Revise priorities for unit mix and type? More rental vs. for-sale? Less special purpose more families?
- Types of regulatory changes that may benefit affordable housing production.
- How aggressive should the Agency be in acquiring property?
- Condo conversion issues
- Ceiling amounts for subsidies?
- Land banking and Acquisition/Rehabilitation as new priorities?

8. Meeting Adjourned

Draft Prepared: 05/18/06 ms

Final Approved:
Motion by:
Committee Vote:

Revisions to Draft: *Double Underlined and Italic*
Revisions Prepared: