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Good Neighbors
San Diego
Housing Commission

CITY OF SAN DIEGO

AFFORDABLE HOUSING COLLABORATIVE EXECUTIVE LOAN COMMITTEE

MINUTES

THURSDAY, OCTOBER 23, 2008

3:00 P.M. – 5:00 P.M.

CIVIC CENTER PLAZA

1200 THIRD AVENUE, SUITE 1400, LARGE CONFERENCE ROOM
SAN DIEGO, CALIFORNIA 92101

1. **Roll Call**

Members present: Cruz Gonzalez, Kim Kilkenny (alternate for William Shaw), Janice Weinrick.

Members absent: Sal Salas

Others Present: Dan Cady, Dave Gatzke, Eri Kameyama, Michael Lengyel, Michelle Rosenthal and Michele St. Bernard.

2. **Approval of Minutes**

These items were tabled until the November 20, 2008 meeting

3. **Public Comment**

None

4. **Administrative Items**

None

5. **Arbor Crest North**

Michael Lengyel, North Park Project Manager, presented a request for an allocation of \$3.8 million of Redevelopment Agency 20% low and moderate income housing funds for the Arbor Crest North project. The developer, Community HousingWorks, would construct 83 residential units, including 82 affordable restricted units and one unrestricted manager's unit. The developer intends to apply for 9% tax credits in the July 2009 tax credit round. Relocation, demolition and potential replacement of 15 existing units will be required. The San Diego Housing Commission is participating in the project with a \$5.7 million acquisition loan and the request to the Agency includes approximately \$550,000 in relocation/escrow closing assistance payable before tax credits are awarded. Since CHW would deed the property back to the Housing Commission if the project fails to receive tax credits after three application rounds, security for the \$550,000 would not be necessary. Findings of benefit will be presented to the Agency board to allow for expenditure of North Bay and City Heights low- and

moderate-income housing funds in the North Park Project Area. There was no public comment on this project.

Questions from the committee and discussion items included:

- Rationale for the subsidy per unit includes the depth of affordability in the project, the number of 3-bedroom units and the declining value of tax credits.
- Value of the purchase price – loss of site assemblage if seller is foreclosed upon, some premium being paid for a fully entitled project.
- Construction schedule – a 2010 start is anticipated if July 2009 tax credits are awarded, with a 14 month construction period.

Motion to approve, passes (Gonzalez/Kilhain, 3-0-0).

6. **General Discussion**

The status of the Affordable Housing Opportunity Fund was briefly discussed and a spreadsheet summarizing Opportunity Fund activities was distributed.

7. **Meeting Adjourned**

Motion to adjourn. (Kilhain/Gonzalez, passes 3-0-0)

Draft Prepared: 102708 ms

Final Approved: 012209
Motion by: Weinrick/Shaw
Committee Vote: 4-0-0

Revisions to Draft: *Double Underlined and Italic*
Revisions Prepared: N/A