

MINUTES OF THE REGULAR MEETING OF THE IRVINE COMMUNITY LAND TRUST SEPTEMBER 15, 2010

CALL TO ORDER

The Regular Meeting of the Irvine Community Land Trust was called to order by President Mary Ann Gaido at 3:38 p.m., September 15, 2010, at the City of Irvine City Hall, 1 Civic Center Plaza, Room L-102, Irvine, CA, 92606.

ROLL CALL

Present:	President:	Mary Ann Gaido
	Secretary/Treasurer:	Nancy Donnelly (Arrived at 5:00 pm)
	Board Member:	Beth Krom
	Board Member:	Scott Darrell
	Board Member:	Bryan Starr
	Board Member:	Patrick Strader

Absent: None

Also present were; Mark Asturias, Executive Director; Bill Ihrke, Counsel; Adam Eliason, CivicStone, Jim Draughon, RSG, and Terri Goggin, Recording Secretary.

ADDITIONS OR DELETIONS TO THE AGENDA:

There were no additions or deletions to the agenda.

INTRODUCTIONS:

Two staff members from Jamboree Housing, Victoria Ramirez and Michael Massie, were introduced.

EXECUTIVE DIRECTOR'S REPORT:

Mark Asturias asked CivicStone consultant, Adam Eliason to give a property status update to the Board. Adam stated that currently the Land Trust owns five condominiums, with two more in escrow and another one in negotiations. The property at 80 Clearbrook was sold and closed escrow in July. Staff will be issuing a Request for Proposal shortly for the rehabilitation work on the three newly purchased units. Adam announced that there is an advertisement on the local cable television station, ICTV, showcasing the Land Trust's available units. This outreach has attracted 27 interested parties who have been directed to Neighbor Housing Services (NHS) for further consulting and informational seminars prior to the qualification and lottery process.

Adam stated that in the future more information will be provided to the potential buyers to be sure they understand the complete process including resale options for them as owners. Another option would be to offer the properties as rental properties. Some prospective buyers have passed on the opportunity to buy one of the properties due to the limitations on resale pricing.

Board Member Beth Krom asked what the blocks were in qualifying potential buyers for the condos. Adam responded that it is usually their credit problems that prevent interested parties from qualifying. Beth suggested casting our nets in a variety of directions and working with entities that are interactive with families needing housing such as Families Forward. Adam reported that Mark had done an outreach with Habitat for Humanity and Mark added that he has approached the management staff of other local organizations and offered to do a presentation for their employees or congregations.

Board President Mary Ann Gaido suggested approaching employers of large organizations such as the two large hospitals in Irvine and working with the employees directly to assist them in the qualifying process. Mark responded that many employees may make too much money to qualify for low income housing. Adam said that the income limits are \$52,050 for a one-person household, \$59,450 for a two-person household, and \$66,900 for a three-person household on up to \$98,100 for an eight-person household. Staff has been meeting with other local organizations providing information that may be shared with their congregations, employees and clients. Mark has spoken to University of California Irvine and Irvine Unified School District recently about doing presentations sharing information with their employees. Mark has also met with several church leaders in the area and staff has sent out letters and brochures to organizations with information about the Land Trust. Adam will be contacting the Multiple Listing Service (MLS) to possibly list the condominiums on the MLS which would obligate the Land Trust to pay a commission to the selling agent.

PUBLIC COMMENTS:

There were no public comments.

BOARD BUSINESS:

1. RE-ELECTION OF AT-LARGE DIRECTORS

The Board voted to elect the existing At-Large Directors to serve new two-year terms ending September 30, 2012.

MOTION: It was moved by Board Member Starr, seconded by Board Member Strader and approved by the following vote to re-elect the At-Large Directors for another 2-year term ending September 30, 2010.

AYES:	5	Darrell, Gaido, Krom, Starr, Strader
NOS:	0	
ABSENT:	1	Donnelly (arrived at 5:00 pm)

2. APPROVAL OF MINUTES

Approve the minutes of the Irvine Community Land Trust Meeting held on May 5, 2010.

MOTION: It was moved by Board Member Krom, seconded by Board President Gaido and approved by the following vote to approve the minutes of the meeting of the Irvine Community Land Trust held on May 5, 2010.

AYES:	5	Darrell, Gaido, Krom, Starr, Strader
NOS:	0	
ABSENT:	1	Donnelly (arrived at 5:00 pm)

3. 2009 FINANCIAL STATEMENT AND TAX RETURNS

The contract with Diehl, Evans & Company will expire this year. Since they have been working in concert with the City of Irvine staff is asking permission and authorization for the Executive Director to file the financial statement and tax returns.

MOTIONS: It was moved by Board Member Krom, seconded by Board Member Starr and approved by the following vote to:

- 1. Receive and file the 2009 Financial Statement and tax returns; and**
- 2. Authorize the Executive Director to forward the Financial Statement and Audit to the City of Irvine and to file future tax returns on behalf of the land Trust with the State of California and Internal Revenue Service.**

AYES:	5	Darrell, Gaido, Krom, Starr, Strader
NOS:	0	
ABSENT:	1	Donnelly (arrived at 5:00 pm)

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****At this point, Board Member Scott Darrell excused himself from the discussion and voting due to a possible conflict in interest as he works for an organization affiliated with Jamboree Housing Corporation.*

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4. REDEVELOPMENT HOUSING FUND GRANT AGREEMENT

The Board is requested to approve a Redevelopment Housing Fund Grant Agreement between the Irvine Redevelopment Agency and the Irvine Community Land Trust totaling two million dollars; and, authorize the Board President to execute a Redevelopment Housing Fund Grant Agreement, substantially in the form as the attached draft, and authorize the Executive Director to execute all necessary implementing documents and amendments on behalf of the Land Trust.

Recommended actions from Agenda Items 4, 5, and 6 will be voted on after the presentation of Item 6.

5. CITY OF IRVINE COMMUNITY DEVELOPMENT BLOCK GRANT AND HOME INVESTMENT PARTNERSHIP GRANTS TO THE IRVINE COMMUNITY LAND TRUST

1. Approve a Community Development Block Grant Agreement in the amount of \$77,749 between the City of Irvine and the Irvine Community Land Trust.
2. Authorize approval of an amendment, if approved by the City of Irvine, to increase the Community Block Grant Agreement award by \$386,415.
3. Authorize approval of a HOME Investment Partnership Agreement, if approved by the City of Irvine, in the amount of \$288,727.
4. Authorize the President and Executive Director to execute all agreements and implementing documents.

6. AFFORDABLE HOUSING AND LOAN AND OPERATING AGREEMENTS – STONEGATE HOUSING PARTNERS, LP, A CALIFORNIA LIMITED PARTNERSHIP

1. Approve the Affordable Housing and Loan Agreement and Operating Agreements, substantially in the form attached, with Stonegate Housing Partners L.P., a California Limited Partnership.
2. Authorize the Executive Director to execute all implementing documents necessary for the Stonegate Affordable Housing Project.

Note: Two of the Board Members, Patrick Strader and Bryan Starr both live in the Stonegate development but both are more than 500 feet from this Project.

Executive Director Mark Asturias discussed the terms of the Operating Agreement stating that Jamboree is the controlling interest in the partnership and as the managing member protects the partnership. The Land Trust is a voting member. Bill Ihrke stressed that decisions to be made on Stonegate are subject to the Brown Act, Land Trust Bylaws and Articles of Incorporation and this is consistent with those.

The Stonegate Project is near the intersection of Irvine Boulevard and Sand Canyon Avenue. Jamboree has a ground lease with Irvine Company and construction will begin in the Fall of 2010 with completion expected to be in December 2011. Stonegate consists of a total of 134 units and will be built in two phases. Project financing was also discussed and explained by Mark that the City of Irvine Redevelopment Agency will loan Jamboree Housing Corporation two million dollars which will be repaid. This transaction was recommended by the Community Services Commission and then approved by the Irvine City Council at its meeting on September 14, 2010.

It is understood that the Land Trust and Jamboree will continue to seek additional funding to offset the loan until project is completed and permanent funding is obtained. The funding that has already been received is a HOME grant to Jamboree for \$397,000, and a grant to the Land Trust for \$77,749 from the City, a HOME grant of \$288,727, and a CDBG grant in the amount of \$386,415 to offset the two million dollar loan. The cost of the Project could be between \$17 million and \$21 million.

Michael Massey and Victoria Ramirez from Jamboree Housing Corporation described the Stonegate housing project as six acres and sixty units with ten units in Phase 1 designated as Mental Health Services Act (MHSA) units for homeless or at-risk people who also have a mental illness. Board Member Beth Krom said that there aren't that many models for high functioning mentally ill people. Michael stated that Irvine is the model and that Jamboree has stepped up to meet the needs of special needs populations. He also expressed that this project has been a challenge for Jamboree but building this partnership has been fantastic and the Land Trust has moved fast.

MOTIONS: It was moved by Board Member Krom, seconded by Board President Gaido and approved by the following vote to:

1. **Approve a Redevelopment Housing Fund Grant Agreement between the Irvine Redevelopment Agency and the Irvine Community Land Trust totaling two million dollars;**
2. **Authorize the Board President to execute a Redevelopment Housing Fund Grant Agreement, substantially in the form as the attached draft, and authorize the Executive Director to execute all necessary implementing documents and amendments on behalf of the Land Trust;**
3. **Approve a Community Development Block Grant Agreement in the amount of \$77,749 between the City of Irvine and the Irvine Community Land Trust;**
4. **Authorize approval of an amendment, if approved by the City of Irvine, to increase the Community Block Grant Agreement award by \$386,415;**
5. **Authorize approval of a HOME Investment Partnership Agreement, if approved by the City of Irvine, in the amount of \$288,727;**
6. **Authorize the President and Executive Director to execute all agreements and implementing documents;**
7. **Approve the Affordable Housing and Loan Agreement and Operating Agreements, substantially in the form attached, with Stonegate Housing Partners, L.P. a California Limited Partnership; and,**
8. **Authorize the Executive Director to execute all implementing documents necessary for the Stonegate Affordable Housing Project.**

AYES: 4 Gaido, Krom, Starr, Strader

NOS: 0

ABSENT: 2 Darrell (excused), Donnelly (arrived at 5:00 pm)

BOARD COMMENTS:

Executive Director Mark Asturias announced to the Board that there will be a groundbreaking ceremony for the Stonegate project to be held sometime in November of this year. Information will be forthcoming.

President Mary Ann Gaido asked if there will now be additional liability for Land Trust Board Members. Counsel Bill Ihrke assured her there will not be additional liability.

Board Member Bryan Starr commended staff on a job well done on this project.

ADJOURNMENT:

MOTION: It was moved by Board Member Krom, seconded by Board Member Strader and approved by the following vote to adjourn at 5:10 pm:

AYES: 5 Krom, Donnelly, Gaido, Starr, Strader
NOS: 0
ABSENT: 1 Darrell (excused)

SECRETARY