

**Minutes of the Regular Meeting of the
LEMOORE REDEVELOPMENT AGENCY
July 17, 2007**

ATTENDANCE:

Board Chairman Murray; Board Members, Grego, Hornsby, Martin, Rodarmel; Executive Director Britz; Agency Counsel Cantú Montoy; Public Works Director Wlaschin; Finance Director Cota; Police Chief Morrell; Planning Director Smyth; Redevelopment Project Manager Holwell; Administrative Analyst Tyler; Secretary Lima.

The meeting convened at 8:04 p.m.

CONSENT CALENDAR:

It was moved by Board Member Grego, seconded by Board Member Rodarmel, and carried that the Board approve the following Consent Calendar:

- A. Approval – Minutes July 3, 2007
- B. Approval – Warrant Register 06-07 & Warrant Register 07-08

Ayes: Grego, Rodarmel, Martin, Hornsby, Murray

JOINT MEETING OF THE LEMOORE CITY COUNCIL AND THE LEMOORE REDEVELOPMENT AGENCY:

At 8:05 p.m., the Agency adjourned to sit as a Joint Meeting of the Lemoore City Council and Lemoore Redevelopment Agency and reconvened at 9:13p.m.

REPORT AND RECOMMENDATION – CONSIDERATION OF LOAN OPTIONS FOR RESIDENTIAL SOLAR IMPROVEMENTS:

The Council/Agency directed Redevelopment Project Manager to develop a pilot program at \$1,000/kW to a maximum of a 5kW system per home. Bring the pilot program and a budget adjustment of \$100,000 for the General Fund and \$150,000 for the Redevelopment Agency back at a future meeting.

DISCUSSION- PROPOSED INCLUSIONARY HOUSING POLICY:

Planning Director Smyth reported that City Attorney Cantú Montoy had prepared a brief report regarding the framework of a possible ordinance. Ms. Smyth stated there were two corrections to be made to Ms. Cantú Montoy's memo. Under item 1. Council Direction Re: Inclusionary Housing, A. Percent of Affordable Housing.; bullet 1 should read "Developments of 20 units or more of *single family* housing...". Bullet 3 "...so that (10% to low Income *renters* and..." Ms. Smyth turned the presentation over to City Attorney Cantú Montoy. Ms. Cantú Montoy stated while several cities have inclusionary housing ordinances; there are no specific state laws that address inclusionary housing, while there are several state laws that address affordable housing.

The courts have upheld inclusionary housing ordinances for the cities of Sacramento and Napa. An inclusionary housing ordinance should include:

- a. General Application Requirements
- b. Availability of Alternatives to Onsite Production
- c. Clear Definitions
- d. Findings Based on Data
- e. Waiver Provisions
- f. Incentives/Concessions
- g. Elimination of Potential Issues Regarding Rent Control Laws
- h. Affordability Covenants

Bob Keenan, President of the Home Builders Association of Tulare/Kings Counties (HBA), stated the HBA recognizes the need for affordable housing and supports those programs that help fund, build, and subsidize affordable housing. The HBA of Tulare/Kings Counties is opposed to inclusionary housing, as is the California Building Industry Association statewide if it affects the pricing of market housing. Where it has been put in place pricing has been artificially increased well above the actual cost of market housing. Mr. Keenan quoted from a letter from the Director of the California Department of Housing and Community Development and presented Council with a copy of that letter. The HBA asked that the Council find a way to develop affordable housing that would not affect or increase the cost of market housing. Mr. Keenan concluded his presentation informing the Council that there was a lawsuit in San Diego that had a different outcome than the Napa suit and there is a current case including either Monterey or Santa Monica.

The discussion included:

- a. Not subsidizing affordable housing at the expense of market buyers.
- b. Including duplexes and 4-plexes in single family housing.
- c. Incentives for affordable housing in addition to RDA programs.
- d. Condominiums.
- e. Density bonus.
- f. Varying the square footage of homes in single family subdivisions.

Steve Butler of Butler Investment Group. Mr. Butler stated he is a market rate builder of multifamily units. He has taken the information the City Council has already considered regarding inclusionary housing to his lender; if inclusionary housing is mandated he will not be able to get a loan to build his proposed projects in Lemoore, nor could he make a profit on those projects.

Council directed staff to research how developments in cities where inclusionary housing is mandated are financed for developers that do not receive tax credits. Also staff is to model in today's dollars a typical 100 unit single family neighborhood with 10 affordable units using all subsidizes outlined and come close or entirely cover the gap.

CLOSED SESSION PUBLIC COMMENT:

There was no comment.

CLOSED SESSION:

At 9:14 p.m., the Board adjourned to Closed Session regarding existing litigation. There was no announcement.

ADJOURN: The meeting adjourned at 9:23 p.m.

Full digital audio recording is available.

Approved the 7th day of August, 2007.

John F. Murray, Chairman

Attest:

Nanci C. O. Lima, Secretary