

COSTA MESA REDEVELOPMENT AGENCY

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AGENDA OF THE JOINT MEETING OF THE REDEVELOPMENT AGENCY AND CITY COUNCIL

May 10, 2005

EXECUTIVE DIRECTOR
DON LAMM

AGENCY ATTORNEY
KIMBERLY HALL
BARLOW



**AGENCY MEETS 2ND TUESDAY OF EACH MONTH – 6:30 P.M.
COUNCIL CHAMBERS, 77 FAIR DRIVE, COSTA MESA**

Persons desiring further information about any agenda item may visit the Redevelopment Agency's web site at www.cmredevelopment.org, call the Redevelopment Office at (714) 754-5635, or come into the Redevelopment Office on the 5th floor of City Hall.

Speakers: Please print your name and address on the blue cards provided.

In compliance with the Americans with Disabilities Act, if special assistance is required to participate in this meeting, please contact the Redevelopment Secretary at (714) 754-5635. Notification 48 hours prior to the meeting will enable the City to make reasonable arrangements to ensure accessibility to this meeting (28 CFR 35.102.35 ADA Title II).

I. PLEDGE OF ALLEGIANCE

II. ROLL CALL

III. CLERK'S STATEMENT

The Redevelopment Agency meeting agenda was posted at the City Council Chambers, Postal Office, Headquarters Police Department, the Neighborhood Community Center, and Mesa Verde Public Library on Thursday, May 5, 2005.

IV. MINUTES – minutes of the regularly scheduled meeting of April 12, 2005.

V. OLD BUSINESS – None.

VI. NEW BUSINESS

1. [Proposed Modifications to the First-Time Home Buyer Program](#)

RECOMMENDATION

1. Increase the home purchase price. cap from \$515,000 to \$608,000. Allow for the cap to be administratively adjusted once per year.
- 2.. Increase the maximum subsidy/assistance cap from \$40,000 to \$240,000 per unit.
3. Eliminate caps that limit the combination of the Costa Mesa RDA (Agency) assistance and homebuyer down payment to 20% of the home's purchase price. Instead, base the assistance amount on the affordability gap associated with each assistance application being considered.
4. Lengthen the covenant term from 10 years to 45 years. The required covenant term was recently extended to 45 years by California Health and Safety Code Section 33334.3.
5. Lengthen the Agency loan term from 30 years to 45 years, to coincide with the covenant term.
6. Eliminate the requirement that the participant pay the Agency assistance, plus 5% interest, between the 10th and 30th year of the loan term. In its place, require participants to repay the principal balance of the Agency assistance, without interest, and to pay a share of the equity appreciation when the unit is sold at the unrestricted price at any time during the 45-year loan and covenant term.

2. [Annual Budget Adoption](#)

Adopt Resolution approving the proposed Budget of the Costa Mesa Redevelopment Agency for fiscal year 2005-2006.

VII. REPORTS

- a. Executive Director
- b. Agency Attorney

VIII. WARRANT RESOLUTION

Approve Warrent Resolution CMRA-335.

IX. PUBLIC COMMENTS

To ensure fair and equal treatment of all who appear before the Redevelopment Agency, and to expedite Agency business, speakers will be limited to five minutes during Public Comments. The Chairperson may extend this time for good cause or at the request of any Agency Member through the Chairperson.

X. AGENCY MEMBERS COMMENTS AND SUGGESTION**XI. ADJOURN TO JOINT MEETING OF THE CITY COUNCIL AND RECEVELOPMENT AGENCY**

XII. CITY COUNCIL ROLL CALL**XIII. OLD BUSINESS**

- 1 [Update and Status of Proposed Project at 1938 and 1942 Anaheim Street; Direction on Preparation of Fund Reservation and Cooperation Agreement between City of Costa Mesa \(“City”\) and Costa Mesa Redevelopment Agency \(“Agency”\); Direction on Preparation of Pre-Development and Fund Reservation Agreement between Agency and Mary Erickson Community Housing/Affordable Housing Clearinghouse \(“MECH/AHC”\).](#)

RECOMMENDATION

City Council: (a) Provide direction on the business terms and funding for the proposed MECH/ACH Project as described in the Analysis section of this report. Authorize City Manager and Agency Executive Director, with approval of the City Attorney and Agency Special Counsel, to prepare and enter into a “Fund Reservation and Cooperation Agreement” between the City and Agency to reserve and transfer monies for the proposed project, as revised; or,

(b) Provide Staff direction on one or more of the *Alternatives* set forth in the staff report.

Redevelopment Agency: (a) Authorize Agency Executive Director, with approval of Agency Special Counsel and City Attorney, to prepare and enter into a “Pre-Development and Fund Reservation Agreement” between the Agency and MECH/ACH; or,

(b) Provide Staff direction on one or more of the *Alternatives* set forth in the staff report.

XIV. REPORTS

- a. City Manager
- b. City Attorney

XV. PUBLIC COMMENTS**XVI. ADJOURN JOINT MEETING OF THE CITY COUNCIL AND REDEVELOPMENT AGENCY**