

KERMAN REDEVELOPMENT AGENCY

AGENDA

**June 15, 2011– Regular Meeting
6:30 PM**

**Kerman City Hall
850 S. Madera Avenue
Kerman, CA 93630**

Agency Members: Chair Gary Yep, Richard Stockwell, Raj Dhaliwal, Jack Sidhu, Doug Wilcox

City meetings are intended to be accessible to all persons. Please let us know if you require any accommodation to allow you to access and participate in this meeting. For assistance, please call (559) 846-9380 two days prior to the meeting.

Materials related to an item on this agenda that are public documents and are submitted after distribution and posting of the agenda are available for public inspection in the City Clerk's office at 850 S. Madera Avenue, Kerman, during normal business hours. Documents that are public documents provided by others during a meeting will be available at the same location during business hours after the meeting.

Present:

Absent:

Also Present:

WELCOME – Chairperson Gary Yep

CALL TO ORDER

ROLL CALL

A. AGENDA APPROVAL

B. MINUTES – Last Regular Meeting
Minutes

C. REQUEST TO ADDRESS AGENCY

This portion of the meeting is reserved for members of the public to address the Redevelopment Agency on items of interest that are not on the Agenda and are within the subject matter jurisdiction of the Redevelopment Agency. Speakers shall be limited to three minutes. It is requested that no comments be made during this period on items on the Agenda. Members of the public wishing to address the Redevelopment Agency on items on the Agenda should notify the Chairperson when that Agenda item is called, and the Chairperson will recognize your discussion at that time. It should be noted that the Redevelopment Agency is prohibited by law from taking any action on matters discussed that are not on the Agenda. Speakers are asked to please use the microphone, and provide their name and address.

D. PUBLIC HEARINGS

E. ORDER OF BUSINESS

1. Agency Treasurer's Report:
Warrant Nos. 1260 - 1270 \$57,355.17

2. Presentation of the Preliminary Redevelopment Agency Budgets for Fiscal Year 2011/2012 [TLP]

Staff will review the proposed RDA Budgets that are included in the Council Packet, hear any direction that Council and answer any questions that Council may have.

Recommendation: Informational only

F. WRITTEN COMMUNICATIONS

1. Letter From Davis Slajchert, Managing Partner Willow Partners, LLC - Kearney Palms III Development Impact Fees Funding [RM]

Letter from Davis Slajchert June 1, 2011 attached. Mr. Slajchert is requesting assistance of an additional \$60,000 to assist in the payment of Development Impact Fees (DIF) for the Kearney Palms III (KP III) affordable senior citizens apartment complex. KP III is a 44 unit addition to the Kearney Palms complex (KP I was 80 units and KP II added 20 units).

In June 2010 the Kerman RDA approved Resolution 10-02 which authorized \$191,667 in RDA/Low & Moderate Income (LMI) Funds assistance to pay a portion of the Development Impact Fees (DIF) for the project. Total DIF for a project of this nature would be approximately \$403,000. However any project (not just an affordable housing project) is automatically eligible for a 25% DIF (\$100,820) reduction if the project is built in the RDA area as an IN-FILL project (such was the case with Rite Aide, CVS, etc). The actual Kerman RDA/LMI assistance was actually only \$90,847. Therefore, Mr. Slajchert over-estimated the actual cash assistance and per the Resolution calculated a total credit of \$191,667 (\$100,830 + \$90, 8470)

The staff report clearly presented the information but Mr. Slajchert only reviewed the Resolution which presented the assistance as the full \$191,667. Therefore, he underestimated the assistance by \$101,000.

This was a reasonable error on Mr. Slajchert's part. He has already paid \$155,000 in fees (approximately \$129,000 plus in DIF and approximately \$26,000 in plan check and inspection fees).

This miscommunication was partly staff's fault for presenting two sets of DIF fees to Mr. Slajchert.

Per the letter Willow Partners is requesting an additional \$60,000 in RDA/LMI funding and is offering to pay an additional \$41,000 for the total of \$101,000. These RDA and Developer DIF are paid 100% to the City Impact Fee Development Fund. Therefore, the City's General Fund will realize full payment.

Kearney Palms III is under development and is expected to open Feb/March 2011. Hacienda Heights another Multi-Family 68-unit affordable development in the northwest section of town is expected to receive approval notification regarding California Tax Credit funding sometime in July 2011.

Recommendation: Kerman Redevelopment Agency approved allocation of additional \$60,000 form the RDA/Low & Moderate Income Housing Funds towards the payment of Development Impact Fees to the City of Kerman for the Kearney Palms III Senior Citizens Apartment complex project

G. REQUEST FOR CLOSED SESSION

H. ADJOURNMENT