

**MINUTES**  
**HOUSING AND COMMUNITY DEVELOPMENT COMMISSION (HCDC)**  
**Meeting – November 9, 2011**  
**Fresno City Hall, Room 2165-A (2<sup>nd</sup> Floor)**  
**2600 Fresno Street**  
**Fresno, California 93721**

**A. CALL TO ORDER**

With a quorum being present, the meeting was called to order by Vice-Chair Rodriguez at 5:23 p.m.

**Commissioners**

Present:	Judge Armando Rodriguez, VICE-CHAIR Bob Farrar, Commissioner Daniel Payne, Commissioner Stephanie Roberts, Commissioner	Absent:	Rogenia Cox, CHAIRPERSON Drew Wilson, Commissioner
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**Staff**

Present:	Claudia Cázares, Manager Housing and Community Development Bonnie Christian, Recording Secretary	Absent:	Craig Scharton, Assistant Director Development and Resource Management Department
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**B. COMMUNICATIONS**

1. Ms. Claudia Cázares, Manager of the Housing and Community Development Division, stated Commissioner Bobby Bliatout gave us notice on November 7, 2011 that he will be resigning, effective immediately. The Housing Division will be working with the Mayor's office in appointing a new member very soon.

**C. APPROVAL OF MINUTES**

1. The minutes of the HCDC Meeting on October 26, 2011 were approved.

**D. GENERAL ADMINISTRATION**

1. RECOMMEND APPROVAL OF RESOLUTION AMENDING RESOLUTION NO. 2008-138 FOR THE CALIFORNIA DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT, CALHOME (PROPOSITION 1C) GRANT PROGRAM, TO AUTHORIZE THE CITY OF FRESNO HOUSING AND COMMUNITY DEVELOPMENT DIVISION MANAGER TO SIGN PROGRAM DOCUMENTS. *(Presented by Erica Castaneda, Housing and Community Development Division)*

Ms. Erica Castaneda, Provisional Project Manager, gave a summary of the item as follows:

The Housing Division is requesting the approval of an amended resolution that designates a new authorized signer for the 2008 CalHome Program documents. The staff report title currently states to authorize the Division Manager to sign program documents; however, as of the afternoon of November 9, 2011, the resolution was revised to state the authorized signer to be the City Manager or designee. In December of 2008, the City received a \$1.5 million CalHome award for mortgage assistance in owner occupied rehabilitation. Due to an overwhelming response for mortgage assistance, it became necessary to request a one-year extension. In October of 2011, HCD granted a contract extension to September 9, 2012, and requested that the 2008 designated signer sign the one-year contract extension. Since the Planning and Development Department, and the department director's title no longer exists, an amended resolution designating a new authorized signer for the 2008 program documents is required.

MOTION: Commissioner Payne made a motion to approve Item D-1.  
SECONDED: Commissioner Farrar  
AYES: Vice-Chair Rodriguez, Commissioners Farrar, Payne and Roberts  
NOES: None  
ABSTAIN: None

2. CONSIDER APPROVING THE FOLLOWING ACTIONS RELATING TO THE PROPOSED RELOCATION AND REHABILITATION OF SIX HISTORIC STRUCTURES. AWARD A CONTRACT TO THE LOWEST RESPONSIBLE BIDDER FOR THE RELOCATION OF SIX STRUCTURES TO 450 'M' STREET (BID FILE 3129) *(Presented by Terry Cox, Redevelopment Agency)*

Ms. Terry Cox, with the Redevelopment Agency, gave a summary of the item as follows:

Ms. Cox stated she wanted to start by correcting the record. On the second paragraph, where it says \$950,000 net base bid, that's actually a budget of \$950,000 for the net base, and the actual bid was \$803,672. That's the bid that is to be discussed. On the staff report, it stated the bid came in at \$950,000, plus the \$303,000, and actually the bid is \$803,672, with an addition of \$303,000.

Ms. Cox explained initially staff prepared a bid and solicited it on May 20, 2011. They only received one bid. That was due to a combination of the complexity of the project and the licenses that were required to do the work that was included. Staff came to the Housing Commission, and also went to Council, and asked them to reject the bid, to allow them to re-write the specifications and to change the licenses so they would be more compatible with the project. Staff also allowed longer construction time, because they thought some of the companies didn't bid because they didn't feel they had enough time to do the work. In doing so, the bid actually came back \$300,000 less than the first bid, in addition to the fact they received additional work of utilities, site work, final grading, a lot more work with \$300,000 less. The bid currently stands at \$803,672, plus the \$303,000, which is the additional work that was planned for the next phase. Vice-Chair Rodriguez asked if, in approving this proposal, they are adopting the \$303,000 portion of it as well. Ms. Cox answered yes.

Commissioner Farrar asked, in their review and changing it, if that changed the integrity of the final job that's going to be coming out. Ms. Cox replied no, both the designs and standards of the entire job are the same, there were no changes in it.

Commissioner Roberts asked when they have bids that come in, if the selection process is off the lowest bid. Ms. Cox answered yes, the City, and the Agency also, go with the lowest responsible bidder. The bidder has to be qualified. Commissioner Roberts asked how many qualifications there are besides being licensed and bonded. Ms. Cox replied there's a lot, but she believes the main ones are the licensing, being bondable, the insurance, being able to finance, or basically having the stability to get the project done, and previous history. Those are probably the main four things staff looks for. Commissioner Roberts asked if they haven't worked with them before, if they check references, quality of work. Ms. Cox said yes, they do. This company and the other company that bid have worked with the City of Fresno extensively. Commissioner Farrar asked if they're fully vetted by the City. Ms. Cox answered yes, by the Purchasing Department. And after this is approved, before the City can sign a valid contract with them, they have to have their bond and everything signed off.

Vice-Chair Rodriguez asked what has happened to the parking garage that was supposed to be built. Ms. Cox replied the court said it must be built in that location. The developer now has to come back with a revised plan. They have discussed getting a little more land to the east, or to the north of where this is. The litigation held it up, because the developer couldn't move forward until the litigation was over with, and by court order, until the houses were placed. So they've been on standby. The buildings directly across from where the houses are being stored, those were demolished. Vice-Chair Rodriguez stated part of this project is called The Old Armenian Town, and asked if these five houses constitute Old Armenian Town all together. Ms. Cox answered no. He asked what other aspects of the Old Armenian Town are going into this project? Ms. Cox said there's two things, it's within a boundary of what is considered Armenian Town, that's the first part, that's a larger framework. The developers dubbed their project "Old Armenian Town." The theme was to be a little Armenia. These houses were selected based on their Armenian heritage and where they were placed. So that was basically the thought, to do an Armenian Town. It's not just the houses, it's the entire project, including the Court of Appeals. Vice-Chair Rodriguez asked if they will be soliciting Armenian businesses. It's been that term from the start, so he asked what makes it Armenian, just the five houses, or if there is something else that gives some credibility to the term "Old Armenian Town." Ms. Cox stated it will be the developers driving it, because it will be their buildings, their retail that they are leasing. There has been some discussion that they are going to go out for some of maybe the foods that represent the Armenian Town. They also have the option of not remaining with that name. It's not a name that's been assigned to it, it's basically been the name they've been using. The City won't have any control over the name of the project.

Ms. Christina Skaf Hathaway, with Central California Legal Services, stated, in the background of the project, it indicated that the retention of these five homes, and the restoration of them, was a mitigation measure, and she asked how it was a mitigation measure. Number two, it indicated that these homes were chosen due to their historical significance and historical value, so if they are going to invest about \$1 million, will they be getting that back somehow, in maybe increasing

the area around that, or how would they be getting that money back to the community? She asked if it was a mandatory investment. And number three, she asked what the plans are for the interior after they're restored. She said she knows they're going to do a restoration on the exterior, but asked what is going to happen to the homes after that?

Ms. Cox clarified the mitigation measure, when this project first began, it was a City of Fresno project. While it was going through the environmental report, there was some concern from the public that all of the houses would be wiped out, and there would be nothing left of that era, so as a mitigation measure, the City agreed to make a study and decide what houses had some significance or historical value. There was a study done by Myra-Franks, and from that study they decided to select five houses, and consequently one of the houses had a summer kitchen to it, which is not quite Armenian, but it was used in that house, and it's called a significant resource. So the City agreed, to complete their EIR, to do the mitigation matter of taking the five homes and placing them somewhere else. City staff included City-owned property as a possible location for the homes as part of the EIR. The court ordered the City to move the homes to the fire station site. The mitigation was not about the court order, it was about getting the EIR solidified. The City had to move the fire station, they moved them into the Hobbs Parson building, across from the stadium, which the City had restored. The fire station was then demolished to prepare for the houses. They found some environmental contamination from 1980. The fire station didn't remove their tanks, so for almost a year and three months the City had to do vapor extraction, before they could even consider grading the property for the houses.

Regarding the historic value, there was a study that Myra-Franks had done of the entire Old Armenian Town, and anything prior to 1920 were structures they were looking for at the time. The houses, when completed, will be restored, rehabilitated, and the houses are going to look like a neighborhood. They'll have sidewalks, walkways up to the front of them, landscaping similar to the Old Armenian Town, fruit trees, and in the back there will be a little park area, and they're hoping business people can have their lunch in the back. The plan is that these houses are going to be used for commercial use. They will be done to the highest standards. The City's vision will be that either the City of Fresno will continue to own it, or the developer, which is preferable, will purchase it and use it as part of their office spaces. Those offices will be built to suit after the restoration/rehabilitation is completed. Commissioner Farrar asked if the offices are going to be in the houses. Ms. Cox answered yes. The City thinks that by keeping the five houses, and having the developer or another entity purchase all of them, will ensure, with the covenants that are on them, that they remain in their top condition, versus selling them individually and trying to make sure the conditions are kept up to standards.

Ms. Midge Barrett, with Heritage Fresno, a preservation group in town, stated Heritage Fresno came about when the Armenian Evangelical Church went down. These homes were a mitigation measure in regard to the church building going down. Vice-Chair Rodriguez asked where the church was located, and Ms. Barrett answered it was on "M" Street, exactly in front of the courthouse. She said she also wanted to make it clear that the project was named "Armenian Town." At least once every couple of weeks someone asks her when all the pretty houses are coming back. She said they are not coming back. Just the six homes are going to come back. The reason they're in that location is because the court wanted to keep them in proximity with the Armenian Bakery, that's going to be across the street, and the Armenian Holy Trinity Church, so there will be a little semblance of an Armenian town. So there were real people and real families who lived in that ghetto. That's the other reason for the historic part of it, it was a ghetto, because there were land covenants, and if you were an Armenian you couldn't buy a home anywhere but there. That's what makes it very historic, not because a developer is coming in and putting in something called "Armenian Town." She wanted to make clear that nobody ripped the Fire Department out for this project to go in. Commissioner Farrar inquired about the tanks and things that were there not being the Fire Department's. Ms. Barrett responded that they were the Fire Department's, but the Fire Department was planning on moving a long time before this, and that's what made the land available. The reason that site was chosen was to keep it in proximity, so there could be some semblance. She said if anybody had been thinking, it should have been a state park and we would have put Saroyan's neighborhood on the map.

MOTION: Commissioner Payne made a motion to approve Item D-2.

SECONDED: Commissioner Farrar

AYES: Vice-Chair Rodriguez, Commissioners Farrar, Payne and Roberts

NOES: None

ABSTAIN: None

3. MATTERS PERTAINING TO U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT 2011 LEAD-BASED PAINT HAZARD CONTROL GRANT PROGRAM:

a. RESOLUTION – 39th Amendment to the Annual Appropriation Resolution No. 2011-133 appropriating \$2,475,000 in grant funding awarded to the City by the U.S. Department of Housing and Urban Development for the 2011 Lead-Based Paint Hazard Control Grant Program.

b. RESOLUTION – Adopt the 1<sup>st</sup> Amendment to the Annual Position Authorization Resolution No. 2011-134 adding three employees to administer the 2011 Lead-Based Paint Hazard Control Grant Program.

- c. Approve Programmatic Policies and Procedures for the 2011 Lead-Based Paint Hazard Control Grant Program.  
(Presented by Claudia Cázares, Housing and Community Development Division)

Ms. Claudia Cázares, Housing and Community Development Manager, gave a summary of the item as follows:

The first resolution is to appropriate the funding, \$2,475,000, into the Housing Division's budget. The second resolution is what the City calls Position Authorization Resolution, which allows the division to add three new employees to the department, all grant-funded, to administer the Lead-Based Paint Hazard Control Grant Program. The third item is to approve the policies and procedures for administration of the Lead-Based Paint Hazard Control Grant Program. The positions will include a Sr. Community Revitalization Specialist, a Community Revitalization Specialist, and an Administrative Clerk, who will administer the program under the Housing Division. They are all grant-funded. Most of their salary is coming out of the Lead-Based Paint Hazard Control Grant Program, and the balance of their funding is coming out of another new program called CLPPP, and that's from the State of California, Childhood Lead Poisoning Prevention Program, which allows for staff time as well. Those are three-year grants, and the City considers those permanent for the next three years, and hopefully the Housing Division will be able to continue their employ with a new grant at that time. The Policies and Procedures, that are Exhibit C to this report, are very similar to the procedures used for all of the rehabilitation programs. One of the items that was changed was insertion of the standard HIPAA language to the Policies and Procedures. So whenever information is requested from the clients, they will have the standard HIPAA language, about their information not being public information and it not being shared with anybody without their knowledge and written approval.

Vice-Chair Rodriguez asked if one motion will cover all three resolutions, or if Ms. Cázares wants to have them addressed as separate actions. Ms. Cázares replied she thinks one motion could cover all three resolutions. Commissioner Payne stated it says permanent salaries are \$449,000 and the fringes are \$169,000, and asked if that is the portion coming out of the grant fund, or if it is the total salary and part of this is being paid for by the City or the other grant that she was talking about. Ms. Cázares said it's all coming out of the Lead Grant, and that's over three years. Commissioner Payne asked what Specialized Services/Tech is which the \$1,838,000 will go for. Ms. Cázares responded as approved by the Lead Grant, part of it is assessment. As the reports come in, the Housing Division actually does control of the lead. That's coming out of the \$1.8 million also. So it will be repairing the windows, sanding, painting, taking care of chipping paint, replacement of cabinets if they're painted with lead-based paint materials; linoleum. Commissioner Payne asked if that's out of the \$1.8 million, and Ms. Cázares answered that's correct. Commissioner Payne asked if there is a target number of homes that she thinks they can service for \$1.8 million. She answered she believes she told HUD they would do 140 to 142 homes. Some of the homes will have \$15,000 to \$20,000 worth of work, and some of them will only need \$3,000 worth of work.

Commissioner Roberts asked how they will be hiring the three new employees. Ms. Cázares said she's asked that question of the Personnel Department and they haven't responded yet. She said the Administrative Clerk will most likely be someone who was laid off that will be called back, seniority-wise. The Sr. Community Revitalization Specialist and the Community Revitalization Specialist, technically there is no list, those are brand-new positions made this fiscal year, and she is not sure how they are going to handle that, if they're going to do an open recruitment, or open it just to current employees. Commissioner Roberts asked what kind of time frame they're looking at from beginning to end for each home, for the process of evaluating, qualifying and fixing the lead issues. Ms. Cázares responded from beginning to end about four months. Commissioner Roberts asked approximately how many per month they can do. Ms. Cázares answered they've been about two months deep into administering the current program, so she isn't sure what the capacity is. She is hoping to be able to do, under contract, around ten per month. Staff from other activities in the Housing Division will be available to assist. Commissioner Farrar asked if these homes are existing homes, and not homes for sale. Ms. Cázares answered yes. They also do rental properties as well.

Ms. Hathaway asked, to clarify, the \$449,600 for the permanent salaries over three years, if those are just allocated for the three new employees. Ms. Cázares stated that's correct, but also a very small portion will go to administrative, so a small portion will go to pay part of her salary as the project director's salary. Commissioner Farrar asked if that was because she will be handling more people, and she stated because she's overseeing the grant. Commissioner Payne stated that's usually written in the grant. They allow you so much money for existing administration. Ms. Hathaway asked what the Permanent Fringe of \$169,000 encompasses. Ms. Cázares said the Permanent Fringe is usually health/medical and retirement, those are the two major components.

MOTION: Commissioner Farrar made a motion to approve Item D-3.  
SECONDED: Commissioner Roberts  
AYES: Vice-Chair Rodriguez, Commissioners Farrar, Payne and Roberts  
NOES: None  
ABSTAIN: None

Vice-Chair Rodriguez stated that all three resolutions are included in the motion.

**E. INFORMATIONAL REPORTS**

None

**F. COMMISSIONERS' ITEMS**

1. Commissioner Payne reminded the commissioners that the Veterans' Day Parade is Friday, and he will be an announcer. It will be the only world-wide televised parade. There will be over 10,000 people in the parade. It is the largest parade west of New York.

**G. UNSCHEDULED ORAL COMMUNICATIONS**

None

**H. ADJOURNMENT**

There being no further business to bring before the Housing and Community Development Commission, the meeting was adjourned at 6:04 p.m.

Next Regularly Scheduled Commission Meeting: December 14, 2011

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Attest: Armando Rodriguez, Vice-Chair

Attest:

  
Claudia Cázares, Manager  
Housing and Community Development