

## DRAFT MEETING MINUTES CITY OF MILPITAS

**Minutes of:** Regular Meeting of the Milpitas Redevelopment Agency  
(Including Joint Meeting with the City Council)

**Date:** Tuesday, August 19, 2008

**Time:** 7:00 PM

**Location:** Milpitas City Hall Council Chambers, 455 E. Calaveras Blvd.

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### JOINT REDEVELOPMENT AGENCY AND CITY COUNCIL MEETING

- RA 1. CALL TO ORDER** Mayor/Agency Chairman Esteves called to order the regular meeting of the Milpitas Redevelopment Agency, meeting jointly with the City Council, at 8:11 PM.
- RA 2. ROLL CALL** **PRESENT:** Mayor/Chair Esteves, Vice Mayor/Vice Chair Livengood, Agency/Councilmembers Giordano, Gomez and Polanski
- ABSENT:** None
- RA 3. MEETING MINUTES** Motion: to approve the minutes of August 5, 2008 as amended
- Motion/Second: Agency/Councilmember Gomez / Agency/Councilmember Giordano
- Councilmember Polanski asked for edits to the minutes on Item No. RA5 to correctly reflect her remarks on August 5<sup>th</sup> regarding her request for a sign providing historical information when one would be leaving the newer section of the new library while entering the old grammar school section.
- Motion carried by a vote of: AYES: 5  
NOES: 0
- RA 4. Agenda Approval and Consent Calendar** Motion: to approve the agenda and consent calendar items (\*)
- Motion/Second: Agency/Councilmember Gomez / Agency/Councilmember Giordano
- Mayor Esteves asked a question about Item No. RA6. He wondered if the Centria West was to be used as rental property dwellings? Staff responded yes.
- Motion carried by a vote of: AYES: 5  
NOES: 0
- RA 5. Amend Owner Participation Agreement with DR Horton for Centria East Residential Housing Units** Planning Director James Lindsay discussed changes requested now in the DR Horton residential development project, termed Centria west. The recommended change to the OPA was to change the number of below market rate units for sale, and to permit sale of the Centria West to another owner. He discussed market conditions on the affordable units on the project terms as well as financial assistance from the Housing Fund.
- DR Horton could structure the sales to low-income residents so that no more than \$75,000 would be needed for the down payment to buy a condominium unit. This would aid low-income buyers, rather than moderate-income residents who have been able to buy market rate housing in the current market.
- Mayor Esteves asked questions about this change in the OPA document and its

ramifications for potential Milpitas homebuyers. Staff noted that in 2005 when the agreement was made, moderate income families could not afford market rate housing while presently they can. Buyers cannot be found in today's market, so with further assistance, low-income buyers may be located to buy remaining condo. units. Offering additional down payment assistance from low income housing fund helped.

Vice Mayor Livengood asked questions to clarify what staff requested, learning that 464 remained as the total number of housing units that would be built in both Centria developments.

Mayor Esteves asked about legality of the transaction, and the City Attorney confirmed his office had thoroughly confirmed the amendment document.

Motion: Approve Amendment No. 4 to the Owner Participation Agreement with Western Pacific Housing, LLC (D.R. Horton), regarding affordable housing units to be built in the residential development project

Motion/Second: Agency/Councilmember Gomez/ Vice Chair/Vice Mayor Livengood

Motion carried by a vote of: AYES: 5  
NOES: 0

\*RA 6. Property Transfer for Centria West residential

Upon finding the following (per City Attorney memo of August 15):

1. That at the time of this proposed transfer, the Owner Participation Agreement Between the Agency and D.R. Horton (Western Pacific) is in full force and effect, no default by D.R. Horton (Western Pacific) exists with respect to that agreement, and no contractual default will occur upon consummation of the transfer.
2. That the proposed transferee, Lyon Milpitas LLC, has demonstrated sufficient qualifications and experience to perform the remaining obligations under the Owner Participation Agreement.
3. That the proposed transferee, Lyon Milpitas LLC, agrees to be bound by all the provisions of the Owner Participation Agreement, the attached regulatory agreement, and all conditions of approval attached to all discretionary approvals applicable to the Centria West development, the Agency members then moved two action items.

1) Approved the sale and transfer of property of the Centria West site from Western Pacific Housing, LLC (D.R. Horton) to Lyon Milpitas LLC, and

2) Approved a new Owner Participation Agreement with Lyon Milpitas LLC for 67 affordable units within the 327 unit Centria West project.

\*RA 7. Amendment No. 2 with EPS consultants

- 1) Approve Amendment No. 2 to the Agreement for Professional Financial Consulting Services with Economic & Planning Systems, increasing contract amount to \$158,070.
- 2) Appropriated \$35,000 from Redevelopment Agency funds to the Planning Division's FY 2008-09 operating budget.

## RA 8. ADJOURNMENT

*Meeting minutes prepared and submitted by  
Mary Lavelle, Agency Secretary*