



City of Corona

400 S. Vicentia Ave.
Corona, CA 92882

Minutes - Draft

Infrastructure Committee

COUNCIL MEMBER JASON SCOTT
COUNCIL MEMBER EUGENE MONTANEZ

ADVISORY MEMBER
VICE CHAIR KIRK BENNETT
COMMISSIONER JEFF RUSCIGNO

Thursday, June 8, 2017

2:00 PM

Council Board Room

1. Call To Order

The meeting was called to order by Council Member Jason Scott at 2:00 pm. In addition to Advisory Members the following individuals were in attendance:

Darrell Talbert, City Manager
Joanne Coletta, Comm. Dev. Dir.
Terri Manuel, Planning Manager
Tom Koper, Asst. Public Works Dir.

Cynthia Lara, Admin. Svcs. Manager
Sylvia Edwards, Asst. to the City Mgr.
Ryan Cortez, Econ. Dev. Coordinator

Other Attendees

Bill Brooks, Armstrong & Brooks
Manny Valencia, Legacy Drywall
Todd Cottle, C & C Development
Barry Cottle, C & C Development
Bob Botts, C & C Development
Joe Morgan, Resident

Agenda Items

TAKEN OUT OF ORDER

2.

Discussion regarding a change of zone on six acres from R-1A (one acre minimum) to R-1-20 (20,000 square feet minimum) located on the south side of Golden Harvest Drive approximately 440 feet west of Lemon Grove. (Community Development)

Action: Information & Discussion

Ms. Joanne Coletta, Community Development Director, introduced to the Committee a preliminary proposal by Mr. Manny Valencia with his engineer, Mr. Bill Brooks, for a change of zone on the south side of Golden Harvest Drive from a one-acre lot size zoning to a 20,000 square foot lot size zoning with a potential subdivision of nine lots ranging from 20,000 to 31,000 square feet (averaging 22,000 s.f). A recent zone change on the

adjacent property to the west from R-1A to R-1-20 yielding a third lot was met with some area property owner opposition, and therefore, a policy direction with going forward with the same zoning proposal on more land in the immediate area is being sought. Ms. Coletta explained that the underlying General Plan and South Corona Community Facilities Plan designations of Estate Residential allow for a density of 1.47 dwelling units per acre which can still enable an R-1-20 Zone. Ms. Coletta distributed exhibits illustrating the zoning in the vicinity and the subdivision concept that features the vacation of a portion of Golden Harvest Drive resulting in two cul-de-sacs extending from each Lester Avenue and Lemon Grove. The subject site would be accessed from a dog-leg cul-de-sac extending from Lemon Grove. The Fire Department has confirmed that the connection along Golden Harvest is not necessary to maintain the standard response time along any of the area roadways. Ms. Coletta pointed out that the proposed zoning for 20,000 square foot lots is not incompatible with the zoning already in place in the general area including A-14.4 to the north and other R-1-20 zones to northwest and southwest. Although the R-1-A Zone accommodates an existing subdivision to the immediate south, the pad areas are approximately 30,000 square feet because of topography and natural drainage features across that site.

Mr. Brooks stated that the subdivision concept would yield lot areas similar to the pad areas of the subdivision to the south. In response to the Committee's inquiry about implications of limiting the lots to 30,000 square feet, Mr. Brooks responded that it would result in a loss of three lots and that there is no intervening zone between the R-1-A and the R-1-20.

To the Committee's inquiry regarding formation of an HOA, Mr. Tom Koper, Assistant Public Works Director, affirmed there would be an HOA formed for maintenance of the basin, and the lots will become part of a Community Facilities District that would assume the maintenance should the HOA discontinue.

Council Member Montanez noted the opposition raised with the change of zone on the adjacent property to the west and the various landowners in the area that need to be consulted regarding the general direction of zone changes in the wider area. He stated that, although he does not oppose such zoning, there are various land owners that need to be part of the discussion, especially those lying south of Golden Harvest Drive, and the approach needs to be united as opposed to piecemeal. Mr. Valencia agreed to conduct outreach to the area property owners.

Council Member Jason Scott indicated that an agreed upon minimum of 30,000 square foot lots should be the minimum for the development and the development going south of the proposed project. He mentioned that

he could not support the project without the minimum 30,000 square foot requirement.

Ms. Coletta recommended that the applicant prepare a lotting study that would demonstrate the application of the R-1-20 zoning for a logical transition for the wider area encompassing the various properties under different ownership.

Mr. Joe Morgan, Resident, expressed his appreciation for the approach to the re-zoning that takes into consideration the wider area affecting the various owners before proceeding with the application.

3. Update on the status of the East Sixth Street Affordable Housing Project and discussion on amending the terms of the Disposition and Development Agreement to include an additional cash contribution from the Corona Housing Authority.
(Community Development)
Action: Information & Discussion

Ms. Cynthia Lara, Administrative Services Manager, presented to the Committee an update with a detailed written report regarding the referenced project and outlined the funding challenges for the project. C & C Development has been competing for *Low Income Housing Tax Credits* (LIHTCs) from the California Tax Credit Allocation Committee (TCAC). The 9% credit category, the most competitive category, is consistently won by other jurisdictions which are in better position with match funding for a higher score in the tax credit award process. In order to reach a point where the project could approach a competitive status, a commitment of Corona Housing Authority (CHA) funding of \$3.33 million would be necessary, and another opportunity for the project to apply again will not be available until 2018. In an effort to better position this project for moving forward, an alternative plan for non-competitive 4% LIHTCs and tax-exempt bonds to finance the project construction was presented to the Committee. The alternative plan would commit a lesser amount of CHA funding at about \$2.5 million. Although the 4% category will yield less tax credit equity and fewer units for the *extremely low and very low* categories in favor of more *low* income units, this approach is non-competitive meaning that it would be approved resulting in a timeline that would have the project under construction by January 2018, as further detailed by Mr. Todd Cottle, C & C Development.

Council Member Scott noted for the record that the funding that is being spoken of is not General Fund money, but rather specifically housing authority funds that can only be used for that purpose.

Commissioner Ruscigno noted with Ms. Lara's affirmation that in order to

compete for the tax credits, the goal is always a moving target that has to be adjusted every year as the jurisdictions watch the prevailing projects and one-up other jurisdictions in anticipation of the next competitive round.

In response to inquiry by Council Member Montanez regarding the extent of the depletion CHA funds with this project, Ms. Lara explained that in order to mitigate a depletion of the CHA money, funding could be gathered from several state and federal home funding sources including some Community Development Block Grant (CDBG) funding already committed by the federal government to the city for the 2017-18 fiscal year. Altogether these sources would reduce the burden on the CHA funds to \$720,000.

Council Member Montanez expressed his concern with using CDBG funding that could be used for CIP projects that would benefit the same lower income area of the city with much needed infrastructure improvements. He asked if the CDBG allocation could rather be a loan that could be repaid in the future.

Ms. Joanne Coletta, Community Development Director, asserted that this would need to be checked with legal counsel because there might be some type of federal restriction that would apply with respect to the CDBG program.

Mr. Joe Morgan, Resident, spoke in disfavor to the plan stating that it erodes the whole purpose of the project by cutting out the lowest income beneficiaries.

The Committee agreed with the concept of pursuing the 4% LIHTCs plan but insisted that the repayment of the CDBG portion be investigated further because of the potential loss of future CDBG funding under the current federal administration.

4. Public Comments

None.

5. Adjournment

The meeting was adjourned at 2:47 pm.