

August 26, 2008  
 Capitola, California

**CAPITOLA CITY COUNCIL**

**MINUTES OF A SPECIAL JOINT MEETING  
 OF THE CAPITOLA CITY COUNCIL AND  
 THE CAPITOLA REDEVELOPMENT AGENCY**

Mayor/Chairperson Nicol called the Special Joint Meeting of the Capitola City Council and the Redevelopment Agency of Tuesday, August 26, 2008, to order at 6:01 p.m. in the Capitola City Hall Council Chambers, 420 Capitola Avenue, Capitola, California.

**1. ROLL CALL & PLEDGE OF ALLEGIANCE**

**PRESENT:** Council Members/Directors Sam Storey, Robert "Bob" Begun, Ron Graves, and Chairperson Kirby Nicol  
**ABSENT:** Council Member/Director Michael Termini  
**STAFF:** City Manager/Executive Director Rich Hill, Interim Community Development Director/Deputy Executive Director Anthony "Bud" Carney, Housing and Redevelopment Project Manager David Foster, and City Clerk/Secretary Pamela Greeninger

**2. ORAL COMMUNICATIONS – None**

**3. BUSINESS**

**A. Review and Adoption of Redevelopment Agency and City Council Resolutions Pertaining to the New First Time Homebuyer Loan Program Policies and Procedures Manual. [760-32]**

Housing and Redevelopment Project Manager Foster said he would not provide a complete verbal report on this item since it was made at the previous meeting held on August 14, 2008. He pointed out the changes that were made to the proposed resolutions where the City Council and Redevelopment Agency would actually adopt the First Time Homebuyer Loan Program Policies and Procedures Manual (Manual), the Community Development Director would be authorized to revise the Manual as required to meet changes in Federal or State regulations, and provisions that the Community Development Director would notify the Council/Agency of all such changes to the Manual in a timely manner.

Housing and Redevelopment Project Manager Foster then responded to questions or comments from the Council Members/Redevelopment Agency Directors regarding the First Time Homebuyer Loan Program Policies and Procedures Manual.

At 7:00 p.m., Mayor/Chairperson Nicol asked if anyone from the public wished to address the City Council/Redevelopment Agency Directors on this item.

Jeanne Roddey, board member of the Pacific Cove Mobile Home Park Homeowner's Association, discussed the residents' interest in purchasing the park from the City. The residents of the park wondered if there were any funds available for the residents through this program and how they would go about applying for such funds. Ms. Raddey wished to thank Mayor Kirby Nicol and Council Members Sam Storey and Ron Graves for taking time to speak with the residents on this matter and for taking a second look at this document. She said the document was very confusing.

Housing and Redevelopment Project Manager Foster commented that this program is very small; i.e., the City/Redevelopment Agency allocate between \$60,000 to \$80,000 a year for loans through the First Time Homebuyer Program. He did say there is an additional \$250,000 through the BEGIN Program that can be used for the Capitola

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Villas Project only. Housing and Redevelopment Project Manager Foster said that when it comes to working with mobile home park residents for park purchase, the City/Redevelopment Agency staff would look toward other funding sources. This program would work for individuals within a mobile home park, but not for the entire park. He also commented that this document is for in-house use; not for the general public.

At 7:05 p.m., Mayor/Chairperson Nicol brought the item back to the City Council/Redevelopment Agency directors for action.

**ACTION:** Council Member/Director Graves moved to adopt both resolutions as submitted, with the understanding that staff will report back on the items that were questioned by council members/directors, and that those considerations will be put into the final document at a later time. Council Member Storey seconded the motion with the recommended understanding that the changes to the Manual agreed to tonight would come back to the council once staff has discussed the changes with legal counsel and the other agencies. Council Member Begun said he would like the changes brought back with the ability to comment on them.

After further council/director discussion, the vote was taken for adoption of the Redevelopment Agency and City Council resolutions as follows: AYES: Council Members/Directors Storey, Begun, Graves, and Mayor/Chairperson Nicol. NOES: None. ABSENT: Council Member Termini. ABSTAIN: None.

The motion resulted in the following actions being taken:

**Redevelopment Agency Action:**

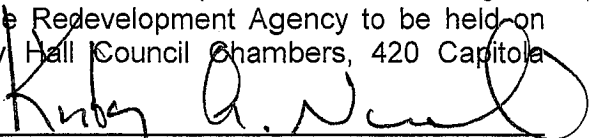
Director Graves moved, seconded by Director Storey, to adopt **Agency Resolution No. 2008-8, Agency Resolution Adopting the First Time Homebuyer Loan Program Policies and Procedures Manual and Authorizing the Community Development Director to Approve and Revise the Manual as Required for the Use of the Agency's Low and Moderate Income Housing Fund**, as submitted. The motion carried on the following vote: AYES: Directors Storey, Begun, Graves, and Chairperson Nicol. NOES: None. ABSENT: Director Termini. ABSTAIN: None.

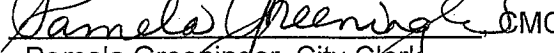
**City Council Action:**

Council Member Graves moved, seconded by Council Member Storey, to adopt **Resolution No. 3718, Resolution of the City Council of the City of Capitola Adopting the First Time Homebuyer Loan Program Policies and Procedures Manual and Authorizing the Community Development Director to Approve and Revise the Manual as Required for Use of Funds from the BEGIN Program, the HOME Program, and the Housing Trust Fund**, as submitted. The motion carried on the following vote: AYES: Council Members Storey, Begun, Graves, and Mayor Nicol. NOES: None. ABSENT: Council Member Termini. ABSTAIN: None.

**4. ADJOURNMENT**

The Special Joint Meeting was adjourned at 7:16 p.m. to the next Regular Meetings of the Capitola City Council and the Redevelopment Agency to be held on Thursday, September 11, 2008, in the City Hall Council Chambers, 420 Capitola Avenue, Capitola, California.

  
Kirby Nicol, Mayor  
Redevelopment Agency Chairperson

ATTEST:  CMC  
Pamela Greeninger, City Clerk  
Redevelopment Agency Secretary