



*Good Neighbors*

# San Diego Housing Commission

## MINUTES

**SAN DIEGO HOUSING COMMISSION  
MINUTES OF THE REGULAR MEETING  
FEBRUARY 10, 2006, 9:00 A.M.  
COUNCIL CHAMBERS  
SAN DIEGO, CALIFORNIA**

### **ATTENDANCE**

Present were Commissioners Jennifer Adams-Brooks, Todd Gloria, Sal Salas, Alice Tumminia and Tony Yip. Also present were President and Chief Executive Officer Elizabeth Morris and Walter Spath, General Counsel.

### **10 CALL TO ORDER**

Chair Salas called the meeting to order at 9:12 a.m.

### **20 PUBLIC COMMENT**

None.

### **30 COMMISSIONER COMMENTS**

Commissioner Adams-Brooks asked about the groundbreaking ceremony Chair Salas recently attended. Chair Salas replied he was at a press conference for the Legacy Walk Condominium project, a 110 unit development (with 11 units reserved for Inclusionary) at 45<sup>th</sup> Street and Imperial. He stated that out of 80 applicants who applied for the inclusionary units only two qualified. Ms. Morris added the Housing Commission is working with development sales teams to explain the tremendous amount of outreach that is required. The Housing Commission is currently working with General Counsel on different approaches to create a new second loan program to match financing with the land use regulations and will be bringing those proposals to the Board at a later date.

### **50 REPORT BY THE CHIEF EXECUTIVE OFFICER**

Ms. Morris talked about the HUD funding levels for the new year, including a slight reduction in administrative fees. She mentioned that she and Carrol Vaughan recently met with Los Angeles Director of Public and Indian Housing who is interested in encouraging more families to participate in the Family Self Sufficiency Program. There are aren't enough administrative fees remaining to support the FSS program to meet HUD's goals. However, there seems to be enough rental dollars in the program even though every program received a one percent cut. For Public Housing, the funding change will be phased in over the next couple of years and will impact the operating fund. She said that HUD's proposed budget for next year has negative implications for the Community Services Block Grant and the Community Development Block Grant. Finally, she noted the development of a very positive working relationship with Jim Waring, Deputy Chief of Land Use and Economic Development.

## **60 APPROVAL OF THE MINUTES**

MOTION BY TUMMINIA TO APPROVE THE JANUARY 13, 2006 SPECIAL MEETING MINUTES. SECONDED BY YIP AND CARRIED ON A UNANIMOUS VOTE OF 4-0 WITH ADAMS-BROOKS ABSTAINING.

## **CONSENT AGENDA**

### **100 HCR06-08 Award of Contract for Replacement of Fencing at Three Public Housing Sites (Council Districts 3 & 8)**

MOTION BY TUMMINIA TO APPROVE THE AWARD OF A CONTRACT TO LIGHTNING FENCE CO. FOR \$107,000 AND AUTHORIZE THE PRESIDENT & CHIEF EXECUTIVE OFFICER TO EXECUTE THE CONTRACT (ATTACHMENT 1) AND EXPEND THE CONTINGENCY, IF NECESSARY, FOR ITEMS NOT ANTICIPATED IN THE ORIGINAL SCOPE OF WORK. SECONDED BY ADAMS-BROOKS AND CARRIED ON A UNANIMOUS VOTE OF 5-0.

### **101 HCR06-09 Award of Contract for Kitchen and Bathroom Upgrades at 402-412 Sycamore Road (Council District 8)**

Commissioner Tumminia inquired about the cost per unit. Ms. Vaughan replied that there are 24 units at the site and the estimated cost is \$15,000 per unit.

Commissioner Yip asked about the reasons for choosing the lowest bidder. Maurcell Gresham replied that the lowest bidder was chosen because the company has prior positive work experience with the Housing Commission.

Commissioner Adams-Brooks asked if change orders are tracked. Mr. Gresham replied affirmatively, and Mr. Snyder added that there is a ten percent contingency reserve for any unforeseen costs that may arise. A greater increase would require board approval.

MOTION BY YIP TO APPROVE THE AWARD OF A CONTRACT TO GRONDIN CONSTRUCTION, INC., FOR \$352,800 AND AUTHORIZE THE PRESIDENT & CHIEF EXECUTIVE OFFICER TO EXECUTE THE CONTRACT (ATTACHMENT 1) AND EXPEND THE CONTINGENCY, IF NECESSARY, FOR ITEMS NOT ANTICIPATED IN THE ORIGINAL SCOPE OF WORK. SECONDED BY TUMMINIA AND CARRIED ON A UNANIMOUS VOTE OF 5-0.

## **ACTION AGENDA**

### **102    HCR06-10    Preliminary Bond Items and Loan to Del Sol Apartments Limited Partnership for Del Sol Apartments (Council District 8)**

*Cissy Fisher, Director of Housing, Finance & Development mentioned this might be the last year of funding for the State Prop 46 (MHP) Multi-Family Housing Program which has been a very successful program in years past. She remarked four or five projects will be brought to the Board soon that will have MHP funding and without the state funding component local gap monies would probably need to be doubled. Ms. Morris added that the Senate bill that is carrying the infrastructure bond forward was amended to include a housing piece.*

Project Managers Peter Armstrong and Dan Cady provided a staff report.

Commissioner Adams-Brooks asked what happens to the tenants that are ineligible for the new affordability requirements. Mr. Armstrong replied that all tenants would be eligible for Federal Relocation Assistance.

Commissioner Tumminia asked how it is that current tenants are notified. Mr. Armstrong replied that there are very specific noticing requirements from HUD and that the developer has begun notifying tenants of their options. Ms. Vaughan added that every family is contacted on a very specific schedule, generally beginning 18 months to two years with the first notice. Another notice sent at the one year mark, then at six months, and finally a ninety days notice to vacate the property is issued. Mr. Ken Sauder, representing Wakeland Housing and Development Corporation, stated that Wakeland is very committed to keeping the tenants informed about what relocation options are available to them, and he is very excited about this project.

MOTION BY TUMMINIA TO APPROVE **RECOMMENDATION 1: RECOMMEND HOUSING AUTHORITY APPROVAL FOR: A. RESIDUAL RECEIPTS LOAN OF UP TO \$4,126,000 TO DEL SOL APARTMENTS, L.P. TO FUND ACQUISITION AND REHABILITATION OF DEL SOL APARTMENTS, LOCATED AT 3606 - 3690 DEL SOL BOULEVARD; B. THE PRESIDENT AND CHIEF EXECUTIVE OFFICER TO EXECUTE ANY AND ALL DOCUMENTS NECESSARY TO MAKE THE APPROVED LOAN; AND C. REVISION OF THE FY 2006 HOUSING COMMISSION BUDGET TO ADD \$1,216,072 OF UNANTICIPATED COASTAL HOUSING FUNDS TO THE LOANS AND GRANTS LINE ITEM IN THE RENTAL HOUSING PRODUCTION BUDGET TO**

PARTIALLY FUND THIS LOAN. SECONDED BY ADAMS-BROOKS AND CARRIED ON A UNANIMOUS VOTE OF 5-0.

MOTION BY YIP TO APPROVE **RECOMMENDATION 2**: THAT THE HOUSING COMMISSION RECOMMEND THE: **A.** HOUSING AUTHORITY APPROVE A BOND INDUCEMENT RESOLUTION (A "DECLARATION OF OFFICIAL INTENT") FOR UP TO \$14,400,000 IN MULTIFAMILY HOUSING REVENUE BONDS FOR THE ACQUISITION AND REHABILITATION OF THE 91-UNIT DEL SOL APARTMENTS; **B.** HOUSING AUTHORITY APPROVE AN APPLICATION (AND SUBSEQUENT APPLICATIONS IF NECESSARY) TO THE CALIFORNIA DEBT LIMIT ALLOCATION COMMITTEE ("CDLAC") FOR AN ALLOCATION OF AUTHORITY TO ISSUE TAX-EXEMPT "PRIVATE ACTIVITY BONDS" FOR THE DEL SOL APARTMENTS; AND, **C.** CITY COUNCIL HOLD A PUBLIC HEARING (*KNOWN AS A TEFRA HEARING - TAX EQUITY AND FISCAL RESPONSIBILITY ACT*) AND ADOPT A RESOLUTION APPROVING THE ISSUANCE OF TAX-EXEMPT BONDS IN AN AMOUNT UP TO \$14,400,000 BY THE HOUSING AUTHORITY. SECONDED BY TUMMINIA AND CARRIED ON A UNANIMOUS VOTE OF 5-0.

MOTION BY GLORIA TO APPROVE **RECOMMENDATION 3**: JOE LITTEN OF PUBLIC FINANCIAL MANAGEMENT AS FINANCIAL ADVISOR AND STRADLING YOCCA CARLSON & RAUTH AS BOND COUNSEL TO BEGIN WORK ON THE PROJECT. SECONDED BY YIP AND CARRIED ON A UNANIMOUS VOTE OF 5-0.

**103 HCR06-11 Loan to San Diego Youth and Community Services for Transitional Housing (Council District 3)**

Project Manager Dan Cady gave a staff report.

In response to a question from Chair Salas, Mr. Cady confirmed SDYCS is receiving a loan and not a grant.

Commissioner Yip asked why the loan is forgivable after 55 years. Mr. Cady stated it's due to the extensive services and support SDYCS provides. Ms. Morris added that transitional housing is usually unable to handle hard debt and it is very unlikely that there will be any kind of cash flow to address repayment to the Housing Commission.

MOTION BY GLORIA TO RECOMMEND HOUSING AUTHORITY APPROVAL OF A \$413,000 RESIDUAL RECEIPTS LOAN, WITH UNPAID PRINCIPAL AND ACCRUED INTEREST FORGIVABLE AT THE END OF 55 YEARS, TO FUND ACQUISITION AND REHABILITATION OF 4760 35<sup>TH</sup> STREET AND AUTHORIZE THE PRESIDENT AND CHIEF EXECUTIVE OFFICER (CEO) TO EXECUTE ANY AND ALL DOCUMENTS NECESSARY TO MAKE THE LOAN. SECONDED BY ADAMS-BROOKS AND CARRIED ON A UNANIMOUS VOTE OF 5-0.

**104 HCR06-12 Housing Element Informational Report**

Policy Advisor Todd Philips and Bill Levin, City of San Diego Planning Department, provided a staff report.

Chair Salas asked how much redundancy is in the process of getting housing projects off the ground. Mr. Levin replied that one of the requirements of the report is to list the constraints and the community planning groups input has grown making the projects take longer.

Commissioner Yip asked if the rehabilitation of existing low income housing projects creates new housing units. Ms. Fisher replied rehabilitation efforts are primarily tied to owner occupied housing for people that have very low income and preserves but does not create a new inventory of units.

Commissioner Adams-Brooks asked about maps in the report showing the distribution lands already zoned for 30 or more units per acre. Mr. Levin stated that there are about 1500 pages of detailed information that accompany the maps, and the report map is only a summary of the adequate site inventory.

MOTION BY YIP TO SUPPORT THE CITY OF SAN DIEGO'S HOUSING ELEMENT (DRAFT #5) WITH COMMENTS NOTED IN THE DISCUSSION. SECONDED BY ADAMS-BROOKS CARRIED ON A UNANIMOUS VOTE OF 5-0.

**ADJOURNMENT**

Chair Salas adjourned the regular meeting at 11:03 a.m.

Respectfully submitted,

Angie Risotti  
Executive Assistant to the President and CEO

**Signature on File  
With Original Document** approved by,

Elizabeth C. Morris  
President and CEO