



Good Neighbors

San Diego
Housing Commission

MINUTES

**SAN DIEGO HOUSING COMMISSION
MINUTES OF THE REGULAR MEETING
FEBRUARY 25, 2005, 9:00 A.M.
CITY ADMINISTRATION BUILDING
SAN DIEGO, CALIFORNIA**

ATTENDANCE

Present: Commissioners Salas, Cramer, Knight, Silldorf and Yip. Commissioner Adams-Brooks and Tumminia were absent. Also present were President and Chief Executive Officer Elizabeth Morris and Charles Christensen, General Counsel.

10 CALL TO ORDER

Chair Salas called the meeting to order at 9:10 a.m.

20 SWEARING-IN OF COMMISSIONERS

Mr. Howard Silldorf was sworn in as Board Commissioner and Commissioners Salas and Cramer were sworn in for another term.

30 PUBLIC COMMENT

None.

40 COMMISSIONER COMMENTS

Commissioner Cramer asked about the duplication of efforts between the Housing Commission and the Housing Authority and are there ways to eliminate some of the duplications to make it a more efficient process. Ms. Morris replied it's a very timely discussion and one way in which this could be addressed is through the transition to a strong mayor form of government. Commissioner Cramer asked for further discussion in the fall.

50 REPORT BY THE PRESIDENT AND CEO

None.



60 MINUTES

A MOTION BY YIP TO APPROVE REGULAR MEETING MINUTES OF JANUARY 14, 2005. SECONDED BY KNIGHT CARRIED ON A VOTE OF 4-0 WITH ADAMS-BROOKS AND TUMMINIA ABSENT AND SILLDORF ABSTAINING.

A MOTION BY KNIGHT TO APPROVE REGULAR MEETING MINUTES OF FEBRUARY 4, 2005. SECONDED BY CRAMER CARRIED ON A VOTE OF 4-0 WITH ADAMS-BROOKS AND TUMMINIA ABSENT AND SILLDORF ABSTAINING.

ACTION AGENDA

100 HCR05-16 FY06 Annual Agency Plan

Senior Program Analyst Craig Velte provided a staff report.

Ruby Garcia representing the Resident Advisory Board stated she supports the plan and working with the Resident Advisory Board was a great learning experience for her.

Commissioner Cramer asked about the guidelines published by HUD for the voucher size issuance and about the credit checks of potential tenants. Mr. Velte stated that HUD allows the individual housing authorities to decide what size they want to issue, adding, the Housing Commission follows state law in overcrowding and does not allow more than two people in a living or sleeping area. He added that credit checks are done for potential public housing tenants; however, they are not required for Section 8 tenants.

Commissioner Knight asked about other programs that might help participants in the Family Self Sufficiency Program to increase their income. Mr. Velte replied all participants in the Section 8 program and public housing are eligible to apply. Orientation is held regularly, a contract is developed with the participant to help identify what their goals are and the measures to achieve those goals. Ms. Vaughan stated that once a participant completes the five-year contract of participation they do not lose their Section 8 assistance. Ms. Morris added with today's housing market it's more difficult to achieve the level of income to pay for housing and that there are also job-training programs for people who are not in the FSS program.

Commissioner Yip asked if there is a waiting list for the FSS program and is the program mandated. Ms. Vaughan replied that there is no waiting list and no mandate. She added the FSS program is very successful.

A MOTION BY YIP TO APPROVE THE FOLLOWING RECOMMENDATION 1: APPROVE THE FY06 ANNUAL AGENCY PLAN (ATTACHMENT 2) AND AUTHORIZE IT'S TRANSMITTAL TO HUD BY THE PRESIDENT AND CHIEF EXECUTIVE OFFICER; RECOMMENDATION NO. 2: APPROVE THE PROPOSED REVISIONS TO THE ADMINISTRATIVE PLAN THAT DETAIL OPERATIONS OF THE SECTION 8

PROGRAM, DESCRIBED IN ATTACHMENT 3. RECOMMENDATION NO. 3: APPROVE THE PROPOSED REVISIONS TO THE ADMISSIONS AND CONTINUED OCCUPANCY POLICY (ACOP) THAT DETAIL OPERATIONS OF THE PUBLIC HOUSING PROGRAM, AS FULLY DESCRIBED IN ATTACHMENT 4. SECONDED BY KNIGHT AND CARRIED ON A UNANIMOUS VOTE OF 5-0 WITH ADAMS-BROOKS AND TUMMINIA ABSENT.

101 HCR05-17 City of San Diego's FY06 Annual Action Plan (Citywide)

Senior Program Analyst Jackie Harris provided a staff report.

Peggy Finch of HISA Task Force commented, after reviewing the Consolidated Plan draft report, that she is pleased to find several references to de-concentration and the City's Balanced Community Policies and appreciated the cost effective incentives for housing mobility and freedom of choice in housing.

Ms. Vaughan stated that the housing mobility program is addressed under Section 5-10 of the report. She will request that staff reference the mobility program in the plan.

Ms. Morris stated there is a typographical error on page four of the report regarding allocation of CDBG funds second paragraph should read Section 108 not Section 8 loan payment.

A MOTION BY SILLDORF TO CORRECT THE REPORT TO REFLECT THE ABOVE CHANGES AND TO RECOMMEND THAT THE LAND USE & HOUSING COMMITTEE APPROVE THE FY06 ANNUAL ACTION PLAN FOR COMMUNITY DEVELOPMENT AND SUBMISSION OF THE PLAN TO HUD, FOLLOWING FINAL APPROVAL BY THE CITY COUNCIL. SECONDED BY YIP AND CARRIED ON A UNANIMOUS VOTE OF 5-0 WITH ADAMS-BROOKS AND TUMMINIA ABSENT.

102 HCR05-18 Loan for The Crossings (Council District 1)

Program Analyst Dan Cady provided a staff report.

Chair Salas asked how many units are being built. Mr. Wally Dieckmann, representing Chelsea Investment Corporation stated that 383 affordable units have been delivered, and The Crossing adds 108 additional units in the future urbanizing area. Ms. Morris added that the general NCFUA requirement is that approximately 20% of all the housing be affordable and have development agreements specifying the phasing of affordable with market rate units.

A MOTION BY YIP TO APPROVE A LOAN OF UP TO \$400,000 TO CIC CROSSING, LP TO FUND CONSTRUCTION OF THE CROSSINGS, LOCATED IN THE PACIFIC HIGHLANDS RANCH SUB-AREA, AND AUTHORIZE THE PRESIDENT AND CHIEF EXECUTIVE OFFICER TO EXECUTE ANY AND ALL DOCUMENTS NECESSARY TO MAKE THE APPROVED LOAN. SECONDED BY KNIGHT AND CARRIED ON A UNANIMOUS VOTE OF 5-0 WITH ADAMS-BROOKS AND TUMMINIA ABSENT.

103 HCR05-19 Preliminary Items Pursuant to Issuing Multifamily Housing Revenue Bonds for Fairbanks Ridge Apartments (Council District 5)

Project Manager Peter Armstrong provided a staff report.

Commissioner Cramer asked who is the tax credit investor. Mr. Armstrong replied the Richmond Group.

Commissioner Yip asked how the cost of the units being developed can be so low. Mr. Dieckman replied that this project has a \$10 million, three percent loan from the State and tax-exempt bonds to keep the rents low on a third of the units.

A MOTION BY CRAMER TO APPROVE RECOMMENDATION 1: THAT THE HOUSING AUTHORITY TAKE THE FOLLOWING ACTIONS: A) APPROVE A BOND INDUCEMENT RESOLUTION IN AN AMOUNT UP TO \$37 MILLION TO FINANCE THE ACQUISITION AND CONSTRUCTION OF THE 204-UNIT FAIRBANKS RIDGE APARTMENTS; B) APPROVE AN APPLICATION (AND SUBSEQUENT APPLICATIONS IF NECESSARY) TO THE CALIFORNIA DEBT LIMIT ALLOCATION COMMITTEE FOR AN ALLOCATION OF AUTHORITY TO ISSUE TAX-EXEMPT "PRIVATE ACTIVITY BONDS" FOR THE FAIRBANKS RIDGE 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 \$37 MILLION BY THE HOUSING AUTHORITY. RECOMMENDATION NO. 2: APPROVE CSG ADVISORS, INC. AS FINANCIAL ADVISOR AND STRADLING, YOCCA, CARLSON & RAUTH AS BOND COUNSEL TO BEGIN WORK ON THE PROJECT. SECONDED BY KNIGHT AND CARRIED ON A UNANIMOUS VOTE OF 5-0 WITH ADAMS-BROOKS AND TUMMINIA ABSENT.

104 HCR05-20 Preliminary Actions Pursuant to Issuing Multifamily Housing Revenue Bonds for Delta Village Apartments (Council District 8)

Project Manager Peter Armstrong provided a staff report.

Ms. Morris stated that there has not been an acquisition with rehab project in quite some time. Acquisitions have been difficult with the apartments being priced at condominium level. Community Housing Works is a very capable organization with taking on the added issues of working with the residents.

A MOTION BY SILLDORF TO APPROVE RECOMMENDATION 1: PRELIMINARY ACTIONS: A) APPROVE A BOND INDUCEMENT RESOLUTION IN AN AMOUNT UP TO \$20 MILLION TO FINANCE THE ACQUISITION AND REHABILITATION OF THE 135-UNIT DELTA VILLAGE APARTMENTS; B) APPROVE AN APPLICATION (AND

SUBSEQUENT APPLICATIONS IF NECESSARY) TO THE CALIFORNIA DEBT LIMIT ALLOCATION COMMITTEE FOR AN ALLOCATION OF AUTHORITY TO ISSUE TAX EXEMPT "PRIVATE ACTIVITY BONDS" FOR THE DELTA VILLAGE APARTMENTS; AND, C) CITY COUNCIL HOLDS 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 \$20 MILLION BY THE HOUSING AUTHORITY. RECOMMENDATION 2: APPROVE JOE C. LITTEN OF PUBLIC FINANCIAL MANAGEMENT AS FINANCIAL ADVISOR AND QUINT & THIMMIG AS BOND COUNSEL TO BEGIN WORK ON THE PROJECT. SECONDED BY CRAMER AND CARRIED ON A UNANIMOUS VOTE OF 5-0 WITH ADAMS-BROOKS AND TUMMINIA ABSENT.

105 HCR05-21 Actions Establishing President & Chief Executive Officer Compensation for period Retroactive to August 1, 2004 through July 31, 2005.

Commissioner Cramer presented a report prepared by the Board's Performance Evaluation Ad Hoc Committee. He stated that Ms. Morris was outstanding in all of the categories of her review and that there were great strides in housing this year. He also added that the compensation being recommended to the CEO is not only fair to the Commission but is significantly low based on her experience and knowledge. Commissioner Cramer stated that at the request of Ms. Morris, taking employees into account, she received no more than 1.5 percent increase.

Commissioner Yip would like to recommend a larger bonus for Ms. Morris, however now understands and respects her decision.

A MOTION BY CRAMER TO APPROVE THE ESTABLISHED COMPENSATION PACKAGE FOR THE PRESIDENT AND CEO RETROACTIVE TO AUGUST 1, 2004 TO COINCIDE WITH THE ANNIVERSARY DATE OF CONTRACT AS RECOMMENDED BY THE PERFORMANCE EVALUATION AD HOC COMMITTEE. SECONDED BY KNIGHT AND CARRIED ON A UNANIMOUS VOTE OF 5-0 WITH ADAMS-BROOKS AND TUMMINIA ABSENT.

CLOSED SESSION

None.

ADJOURNMENT

Chair Salas adjourned the regular meeting at 10:20 a.m.

Respectfully submitted,

Approved by,

**Signature on File
With Original Document**

Angie Risotti
Executive Assistant to the President and CEO

Elizabeth C. Morris
President and CEO