



Good Neighbors

San Diego
Housing Commission

MINUTES

**SAN DIEGO HOUSING COMMISSION
MINUTES OF THE REGULAR MEETING
APRIL 8, 2005, 9:00 A.M.
CITY ADMINISTRATION BUILDING
SAN DIEGO, CALIFORNIA**

ATTENDANCE

Present: Commissioners Jennifer Adams-Brooks, Tyler Cramer, Leeandrus Knight, and Alice Tumminia. Commissioners Sal Salas, Howard Silldorf and Tony Yip were absent. Also present were President and Chief Executive Officer Elizabeth Morris and Charles Christensen, General Counsel.

10 CALL TO ORDER

Commissioner Tumminia called the meeting to order at 9:13 a.m.

20 PUBLIC COMMENT

None.

30 COMMISSIONER COMMENTS

Commissioner Adams-Brooks thanked Ms. Morris for the presentation she did on behalf of the Housing Commission at the San Diego Foundation Civil Society Committee meeting.

40 REPORT BY THE PRESIDENT AND CEO

Ms. Morris stated that the Housing Commission is in the process of releasing a request for proposals for outsourcing the Human Resource/Payroll Departments and for an independent outside auditor. In past years, the City's contracted auditing firm has provided us auditing services, however, the contract has expired and we hope to bring a firm on board quickly.

Ms. Morris mentioned that the Housing Commission recently received two NAHRO Merit Awards for our Website design and for Masterminds, an educational program designed for youths in our Resident Services Program.



Ms. Morris stated that the staff currently estimates that the Section 8 funding level will be sufficient to make the HAP payments in the coming year and that's largely because of the efforts we have been taking to reduce the costs. Finally, Ms. Morris mentioned she and Chair Salas recently attended the NAHRO Legislative conference stating that a great deal of time was spent on discussing a new, more flexible program; adding, she attended a round table with some members of congress and other groups to try to develop some consensus around the new program designs.

Commissioner Cramer asked about the Housing Authority's action relating to The Crossing and Fairbanks Ridge projects. Ms. Morris stated that the both of the preliminary projects were approved; however, the vote was not unanimous. Some Council Members expressed concerns regarding issuance of bonds at this time.

50 MINUTES

A MOTION BY KNIGHT TO APPROVE THE MINUTES OF THE FEBRUARY 25, 2005 REGULAR MEETING. SECONDED BY ADAMS-BROOKS CARRIED ON A VOTE OF 2-0 WITH SALAS, SILLDORF AND YIP ABSENT AND CRAMER AND TUMMINIA ABSTAINING.

CONSENT AGENDA

MOTION BY ADAMS-BROOKS TO APPROVE THE FOLLOWING ITEMS ON CONSENT:

101 HCR05-23 California Housing Worker's Compensation Authority Joint Powers Agreement

Recommendation: That the Housing Commission approves the proposed amendment to CHWCA's Agreement to clarify CHWCA's position on premium assessments and to align Article 13 relating to the indemnification of CHWCA's Board of Directors (Attachment 1).

SECONDED BY KNIGHT AND CARRIED ON A UNANIMOUS VOTE OF 4-0 WITH SALAS, SILLDORF AND YIP ABSENT.

ACTION AGENDA

100 HCR05-22 Section 457 Deferred Compensation Plan Revision & Authorization

Commissioner Cramer asked if the Section 457 Plan was open to all employees. Ms. Vaughan stated that the program is open to all employees who wish to enroll.

A MOTION BY ADAMS-BROOKS TO APPROVE RECOMMENDATION 1: THAT HOUSING COMMISSION APPROVE AND THEN HOUSING AUTHORITY ADOPT AND AUTHORIZE THE PRESIDENT & CEO TO IMPLEMENT OPTIONAL PLAN

CHANGES AS PROVIDED FOR IN THE ECONOMIC GROWTH AND TAX RELIEF RECONCILIATION ACT (EGTRRA) OF 2001 AND FINAL TREASURY REGULATIONS TO INCLUDE: A) AN IN-SERVICE TRANSFER PROVISION ALLOWING TRANSFER OF 457 PLAN ASSETS TO A GOVERNMENTAL DEFINED BENEFIT PLAN FOR PURCHASE OF PERMISSIBLE SERVICE; B) ADDITION OF A "ROLL-IN" PROVISION TO THE PLAN FROM OTHER EMPLOYER-SPONSORED PLANS OR PERSONAL TRADITIONAL IRAS; AND, FURTHER, TO IMPLEMENT ADDITIONAL SERVICE AGREEMENT ADMINISTRATIVE OPTIONS TO INCLUDE: C) A SELF-DIRECTED BROKERAGE ACCOUNT (SDB) THROUGH HARRISDIRECT; D) DESIGNATE GREATWEST RETIREMENT SERVICES AS THE IRA PROVIDER FOR MANDATORY CASH OUT OF SMALL ACCOUNT BALANCES, AND E) IMPLEMENT OUTSOURCING OF QUALIFIED DOMESTIC RELATIONS ORDERS (QDRO) PROCESSING WITH A PARTICIPANT SERVICE FEE. RECOMMENDATION 2: RECOMMEND A) HOUSING COMMISSION AND HOUSING AUTHORITY AUTHORIZE THE PRESIDENT & CEO TO IMPLEMENT ALL FUTURE MANDATORY LEGISLATIVE COMPLIANCE REVISIONS TO THE PLAN DOCUMENT WITH SUBMISSION TO THE IRS AS APPROPRIATE, AND TO THE SERVICE AGREEMENT PROVIDED PROPOSED CHANGES ARE ONLY TO BRING THE PLAN INTO COMPLIANCE WITH IRS REQUIREMENTS; AND B) HOUSING AUTHORITY APPROVE AND DELEGATE TO THE HOUSING COMMISSION FUTURE OPTIONAL CHANGES TO THE PLAN. SECONDED BY KNIGHT AND CARRIED A UNANIMOUS VOTE OF 4-0 WITH SALAS, SILLDORF AND YIP ABSENT.

102 HCR05-24 Loans for Delta Village (Council District 4)

Program Analyst Dan Cady provided a staff report.

General Counsel added to the environmental statement that the project is categorically exempt from the provisions of CEQA under the provisions of California Code of Regulations 15301, 15302, 15332. The notice of exemption has been previously issued for the bonds themselves by the City of San Diego.

Commissioner Adams-Brooks asked about the impending appraisal. Mr. Cady stated that they recently received the appraisal and it is the same as the purchase price estimate.

Commissioner Cramer asked how the resident services program works. Ms. Anne Wilson representing Community Housing Works, discussed the various educational and financial programs that are offered to the students and adults living in the complex.

Commissioner Adams-Brooks asked for a report of the tenants who participated in the financial fitness program to show the impact of the program. Ms. Wilson stated that she would come back to the Board with that information.

Commissioner Cramer asked about the turnover rate and how many families move from subsidized housing to market rate housing. Ms. Wilson stated that there is a very low turnover rate in most non-profit managed subsidized housing and that they do work with

the families to help them achieve their goals of moving into either market rate housing or into homeownership.

A MOTION BY CRAMER TO APPROVE LOANS TOTALING \$6,100,000 TO COMMUNITY HOUSING WORKS TO FUND ACQUISITION AND REHABILITATION OF DELTA VILLAGE, LOCATED AT 4316-4322 AND 4352-4368 DELTA STREET, AND AUTHORIZE THE CHIEF EXECUTIVE OFFICER TO EXECUTE ANY AND ALL DOCUMENTS NECESSARY TO MAKE THE APPROVED LOANS. SECONDED BY ADAMS-BROOKS AND CARRIED ON A UNANIMOUS VOTE OF 4-0 WITH SALAS, SILLDORF AND YIP ABSENT.

103 HCR05-25 Proposed Revisions to the First Time Homebuyer Programs (Citywide)

This item was trailed to the next Housing Commission Meeting.

104 HCR05-26 Award of Contract for Parking Operations Services for the "Smart Corner" Office Building (Council District 2)

Director of Asset Management, Steve Snyder gave a staff report.

Commissioner Cramer asked about the reasoning in picking Ace Parking. Mr. Snyder replied that Ace Parking is the biggest parking operator of structured parking garages in San Diego and their bid was the least expensive.

Ms. Morris thanked Mr. Snyder and Mr. Walker of Walker Parking Consultants for all of their hard work in preparing this contract.

A MOTION BY ADAMS-BROOKS TO APPROVE THE AWARD OF CONTRACT FOR PARKING OPERATION SERVICES TO ACE PARKING MANAGEMENT, INC. FOR A TWO (2) YEAR PERIOD WITH THE OPTION TO RENEW FOR THREE (3) CONSECUTIVE ONE (1) YEAR PERIODS, AND AUTHORIZE THE CHIEF EXECUTIVE OFFICER TO EXECUTE THE MANAGEMENT AGREEMENT (ATTACHMENT 1). SECONDED BY CRAMER AND CARRIED ON A UNANIMOUS VOTE OF 4-0 WITH SALAS, SILLDORF AND YIP ABSENT.

105 HCR05-27 The Sale and Leaseback of the Property Located at 1625 Newton Avenue (Council District 8)

Director of Asset Management, Steve Snyder gave a staff report.

Commissioner Cramer asked if affordable housing was going to be developed on the property. Ms. Morris stated the RFP was for a purchase price without housing conditions in order to generate funds to be used in the Smart Corner Financing Plan. She added that when the Housing Authority considered this action initially, the motion included a proviso that we not sell the site specifically for social service purposes, and it didn't expand beyond that in the discussion.

Commissioner Adams-Brooks commented on the great job that Mr. Snyder has done and a wonderful opportunity and supports its.

A MOTION BY ADAMS-BROOKS TO RECOMMEND TO THE HOUSING AUTHORITY APPROVAL OF THE FOLLOWING ACTIONS: 1. AUTHORIZE THE HOUSING COMMISSION TO SELL THE OFFICE FACILITY LOCATED AT 1625 NEWTON AVENUE TO CONCORDIA COMMUNITIES, LLC, OR APPROVED AFFILIATE FOR SIX MILLION FIFTY THOUSAND DOLLARS (\$6,050,000) PURSUANT TO THE PURCHASE AND SALE AGREEMENT (ATTACHMENT 1); 2. AUTHORIZE THE HOUSING COMMISSION TO ENTER INTO A FIFTEEN (15) MONTH LEASEBACK AGREEMENT (INCLUDING OPTIONS TO EXTEND LEASE) WITH CONCORDIA, OR APPROVED AFFILIATE TO CONTINUE TO OCCUPY THE OFFICE FACILITY LOCATED AT 1625 NEWTON AVENUE (ATTACHMENT); 3. AUTHORIZE THE PRESIDENT AND CHIEF EXECUTIVE OFFICER (CEO) TO EXECUTE ALL DOCUMENTS, RECEIVE FUNDS AND MAKE ANY EXPENDITURES NECESSARY TO IMPLEMENT THESE AGREEMENTS, INCLUDING LEASE EXTENSIONS IF NEEDED. SECONDED BY KNIGHT AND SUPPORTED BY A VOTE OF 3-1 WITH CRAMER ABSTAINING AND SALAS, SILLDORF AND YIP ABSENT.

A MOTION BY ADAMS-BROOKS TO DIRECT STAFF TO BRING THIS ITEM BACK BEFORE A FULL BOARD FOR RECONSIDERATION. SECONDED BY KNIGHT AND SUPPORTED BY A VOTE OF 3-1 WITH CRAMER ABSTAINING AND SALAS, SILLDORF AND YIP ABSENT.

106 HCR05-28 Density Bonus and Procedures Manual

Policy Advisor, Todd Philips gave a staff report.

Commissioner Cramer asked if the moderate income could be defined and asked for an example. Ms. Ann Kern, Program Analyst replied that for the condominium option the moderate income has two levels. The purchasers cannot earn more than 120 percent of area medium income but the sales price is set based on 35 percent of 110 of area medium income. Example: a 3-bedroom unit, 4-person household the income limit would be \$69,750 and estimated maximum sale price would be \$269,000.

A MOTION BY ADAMS-BROOKS (WITH RESERVATIONS REGARDING DENISTY BONUS EFFECT ON INCLUSIONARY) THAT THE SAN DIEGO HOUSING COMMISSION BOARD SUPPORT AMENDMENTS TO THE AFFORDABLE HOUSING DENSITY BONUS REGULATIONS (SAN DIEGO MUNICIPAL CODE CHAPTER 14, ARTICLE 3, DIVISION 7) AND INCLUSIONARY HOUSING REGULATIONS (CHAPTER 14, ARTICLE 2, DIVISION 13), AND ADOPTION OF THE DENSITY BONUS PROCEDURES MANUAL, AS DESCRIBED HEREIN. SECONDED BY CRAMER AND CARRIED ON A UNANIMOUS VOTE OF 4-0 WITH SALAS, SILLDORF AND YIP ABSENT.

CLOSED SESSION

The Housing Commission convened in closed session with the following agenda:

- a. Conference with Legal Counsel-Existing Litigation Government Code
Section 54956.9 (c)

San Diego Housing Commission vs. Strongly Oriented for Action,
San Diego Superior Court Case No. GIC 830901

Agency Representatives: Ad Hoc Committee and Carrol Vaughan for
the San Diego Housing Commission

Employee Organization: SEIU

NO ACTION TAKEN, INFORMATIONAL ONLY

- b. Conference with Labor Negotiators-Pursuant to Government
Code Section 54957.6:

Agency Representatives: Ad Hoc Committee and Carrol Vaughan for
the San Diego Housing Commission

Employee Organization: SEIU

INSTRUCTIONS AND DIRECTIONS WERE GIVEN TO LABOR NEGOTIATOR BY A
VOTE OF 4-0.

ADJOURNMENT

Chair Salas adjourned the regular meeting at 11:22 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