



Good Neighbors

San Diego Housing Commission

MINUTES

**SAN DIEGO HOUSING COMMISSION
MINUTES OF THE SPECIAL MEETING
DECEMBER 2, 2005, 9:00 A.M.
CITY ADMINISTRATION BUILDING
SAN DIEGO, CALIFORNIA**

ATTENDANCE

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

10 CALL TO ORDER

Chair Salas called the meeting to order at 9:07 a.m.

20 SWEARING-IN OF COMMISSIONER GLORIA

Mr. Todd Gloria was sworn in as Board Commissioner.

30 PUBLIC COMMENT

None.

40 COMMISSIONER COMMENTS

Chair Salas welcomed Mr. Gloria to the board.

50 REPORT BY THE CHIEF EXECUTIVE OFFICER

None.

60 APPROVAL OF THE MINUTES

MOTION BY TUMMINIA TO APPROVE OCTOBER 5, 2005 SPECIAL MEETING AND AUGUST 26, 2005, SEPTEMBER 16, 2005 AND OCTOBER 28, 2005 REGULAR MEETING MINUTES. SECONDED BY SALAS AND CARRIED ON A UNANIMOUS VOTE OF 2-0 WITH CRAMER AND YIP ABSENT.

CONSENT AGENDA

MOTION BY TUMMINIA TO APPROVE THE FOLLOWING ITEMS ON CONSENT:

100 HCR05-94 Loan to Veterans Village of San Diego (Council District 2)

Recommendation: That the Housing Commission approve a forgivable loan to Veterans Village of San Diego of up to \$675,000 for permanent financing of a 112-bed transitional housing facility for homeless veterans and increase the maximum occupancy restriction from 30 percent of Area Median Income (AMI) to 50 percent of AMI.

102 HCR05-96 Revised Utility Allowance Schedule for Public Housing Units (Citywide)

Recommendation: That the Housing Commission approve the revised Utility Allowance Schedule (Attachment 1) for Public Housing residents, to be effective on November 1, 2005 and implemented at annual recertification date.

104 HCR05-98 MCC Application

Recommendation: Housing Authority authorization of an application to the California Debt Limit Allocation Committee (CDLAC) for up to \$25 million in MCC allocation during the period of January 1, 2006 through December 31, 2006.

107 HCR05-103 Award of Janitorial Cleaning Services Contract (Citywide)

Recommendation: Approve the award of contract for an amount not to exceed \$150,000 to Jani-King of California, Inc., for the period of one year with four additional one-year options, and authorize the President & Chief Executive Officer to execute the contract (Attachment 1).

108 HCR05-100 Award of Contract for Kitchen/Bathroom Upgrades at 2615-2665 Genesee Avenue (Council District 6)

Recommendation: That the Housing Commission approve the award of a contract to Strong Arm Construction for \$162,000 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.

109 HCR05-104 Award of Office Supplies

Recommendation: Approve the award of contract for an amount not to exceed \$125,000 to OFFICE MAX, for the period of one-year with four additional one-year options, and authorize the President & Chief Executive Officer to execute the contract (Attachment 1).

SECONDED BY BROOKS AND CARRIED ON A UNANIMOUS VOTE OF 4-0 WITH CRAMER AND YIP ABSENT.

ACTION AGENDA

101 HCR05-95 Loan for Hope Village Apartments (Council District 3)

Project Manager Carlos C. de Baca gave a staff report.

Commissioner Salas asked if the building was presently occupied. Mr. de Baca replied yes, it's currently occupied.

Commissioner Brooks asked about the financial risks. Ms. Morris acknowledged the high loan to value ratio and responded that the Shelter Plus Care programs fill the operating gap making this a stable project going forward.

MOTION BY GLORIA TO APPROVE **A**) APPROVE A 3% PERCENT INTEREST RESIDUAL RECEIPTS LOAN FOR HOPE VILLAGE OF UP TO \$982,000 AS OUTLINED IN THIS REPORT INCLUDING THE RECEIPT OF ADDITIONAL STATE AND FEDERAL FINANCING IDENTIFIED HEREIN; AND, **B**) AUTHORIZE THE PRESIDENT AND CHIEF EXECUTIVE OFFICER OF THE HOUSING COMMISSION, OR DESIGNEE, TO EXECUTE ALL DOCUMENTS NECESSARY TO FACILITATE THE FINANCING. SECONDED BY TUMMINIA AND CARRIED ON A UNANIMOUS VOTE OF 4-0 WITH CRAMER AND YIP ABSENT.

103 HCR05-97 Sale of Newton Avenue to Redevelopment Agency (Council District 8)

Director of Asset Manager Steve Snyder gave a staff report.

Commissioner Gloria asked if CCDC sold the property would we expect to see more affordable housing. Mr. Snyder replied we would expect to see greater than ten percent of affordable housing at the site. Ms. Morris added that the idea of selling the property to CCDC is to maximize affordable housing development on site.

Commissioner Adams-Brooks thanked Mr. Snyder and staff for all of the hard work done on this project.

MOTION BY ADAMS-BROOKS TO APPROVE THE FOLLOWING RECOMMENDATIONS: **1)** DETERMINE THE PROPERTY LOCATED AT 1625 NEWTON AVENUE TO BE SURPLUS IN ACCORDANCE WITH CALIFORNIA HEALTH AND SAFETY CODE 34315.7, WHICH DETERMINATION ALLOWS THE HOUSING COMMISSION TO SELL THE SUBJECT PROPERTY TO THE REDEVELOPMENT AGENCY OF THE CITY OF SAN DIEGO; AND **2)** THAT THE HOUSING COMMISSION RECOMMENDS THE HOUSING AUTHORITY APPROVE THE FOLLOWING ACTIONS: **a)** AUTHORIZE THE HOUSING COMMISSION TO DISPOSE OF THE OFFICE FACILITY LOCATED AT 1625 NEWTON AVENUE TO THE REDEVELOPMENT AGENCY OF THE CITY OF SAN DIEGO UNDER SUBSECTION (B) OF CALIFORNIA HEALTH AND SAFETY CODE SECTION 34315.7 FOR SIX MILLION EIGHTY-FIVE THOUSAND SEVEN HUNDRED AND THIRTY DOLLARS (\$6,085,730) ON TERMS AND CONDITIONS SET FORTH IN THE PURCHASE AND SALE AGREEMENT AS APPROVED BY GENERAL COUNSEL OF THE HOUSING COMMISSION; AND **b)** AUTHORIZE THE PRESIDENT AND CHIEF EXECUTIVE OFFICER (CEO) OR DESIGNEE TO EXECUTE ALL DOCUMENTS, RECEIVE FUNDS AND MAKE ANY EXPENDITURES NECESSARY TO IMPLEMENT THIS AGREEMENT. SECONDED BY TUMMINIA AND CARRIED ON A UNANIMOUS VOTE OF 4-0 WITH CRAMER AND YIP ABSENT.

Item 110 was heard before Item 105

110 HCR05-110 Multifamily Housing Revenue Bonds for Studio 15 Apartments Council District 8)

Project Manager Peter Armstrong gave a presentation.

Ms. Morris asked staff to include in the report a complete picture of the financing for this project, noting that it meets the normal underwriting standards of the Housing Commission, and also the completed CCDC environmental assessment. Mr. Armstrong responded that CCDC is currently underwriting the project and additional information could be in the report as to the anticipated financing.

Commissioner Salas asked the item be continued until January 2006. Mr. Michael Galasso representing Barone Galasso & Associates remarked on the need of a special meeting in order to meet the deadline of completing the CDLAC application. If the deadline is not met there could potentially be increases in construction costs. MOTION BY TUMMINIA TO CONTINUE THIS ITEM TO A SPECIAL HOUSING COMMISSION MEETING SCHEDULED IN EARLY JANUARY 2006. SECONDED BY GLORIA AND CARRIED ON A UNANIMOUS VOTE OF 4-0 WITH CRAMER AND YIP ABSENT.

105 HCR05-99 Proposed Fiscal Year 2006 Budget Revision (Citywide)

Budget Officer Tim Sturtevant gave a presentation.

Commissioner Adams-Brooks thanked staff for making the report and attachments concise and easy to understand.

MOTION BY ADAMS BROOKS TO APPROVE THE REVISION THAT WILL RESULT IN A NET INCREASE THE FISCAL YEAR 2006 BUDGET OF \$15,482,970 AND RECOMMEND FINAL APPROVAL BY THE HOUSING AUTHORITY. SECONDED BY GLORIA AND CARRIED ON A UNANIMOUS VOTE OF 4-0 WITH CRAMER AND YIP ABSENT.

106 HCR05-101 Personnel Services Contract

Senior Program Analyst Craig Velte gave a staff report regarding the temporary services contract. His oral report included reference to potential statutory changes that could affect program requirements and needed staffing levels.

Commissioner Tumminia asked about how long the Housing Commission anticipates using the temporary employee services. Mr. Velte replied that there are two bills in Congress this year that would have amended the Section 8 regulations and anticipates it would be up for discussion again next year; any changes would take time to phase in. Several types of changes that have been included in the bills were discussed.

Commissioner Adams-Brooks asked how many people does the \$350, 000 account for. Mr. Velte replied currently we employ 12 people at a cost of \$46,000 per month and the dollar amount fluctuates each month.

MOTION BY TUMMINIA TO AUTHORIZE THE PRESIDENT & CHIEF EXECUTIVE OFFICER (CEO) TO INCREASE THE MAXIMUM COMPENSATION AVAILABLE UNDER THE CONTRACT BETWEEN THE HOUSING COMMISSION AND SELECT PERSONNEL SERVICES BY \$350,000 TO CONTINUE PROVIDING TEMPORARY EMPLOYEES TO THE HOUSING COMMISSION. SECONDED BY ADAMS-BROOKS AND CARRIED ON A UNANIMOUS VOTE OF 4-0 WITH CRAMER AND YIP ABSENT.

CLOSED SESSION

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

- a. Real Property Negotiations

Conference with Real Property Negotiator – Pursuant to California Government Code Section 54954.5(b) and 54956.8:

Property:	1625 Newton Avenue (“the Property”) currently owned by the San Diego Housing Commission.
Commission Negotiators:	Sal Salas, Elizabeth Morris, Carrol Vaughan, and Steve Snyder for the San Diego Housing Commission.
Negotiating Parties:	CCDC and/or Redevelopment Agency of the City of San Diego
Under Negotiation:	Price and/or terms of Payment
Counsel’s Comment:	The Board may discuss the Price and terms of payment concerning the sale of the office building located at 1625 Newton Avenue, San Diego, California.

THIS ITEM WAS NOT DISCUSSED IN CLOSED SESSION

- b. Anticipated Litigation or Pending Litigation-Pursuant to California Government Code Section 54954 (a) and/or (c):

San Diego Housing Commission vs. J&J PROPERTIES, LLC

BY A VOTE OF 4-0 THE BOARD GAVE DIRECTION TO COUNSEL TO INITIATE LITIGATION.

ADJOURNMENT

Chair Salas adjourned the regular meeting at 10:40 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