



Good Neighbors

San Diego  
Housing Commission

# MINUTES

**SAN DIEGO HOUSING COMMISSION  
MINUTES OF THE REGULAR MEETING  
NOVEMBER 19, 2004, 9:00 A.M.  
CITY ADMINISTRATION BUILDING  
SAN DIEGO, CALIFORNIA**

## **ATTENDANCE**

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

### **10 CALL TO ORDER**

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

### **20 PUBLIC COMMENT**

None.

### **30 COMMISSIONER COMMENTS**

None.

### **40 REPORT BY THE PRESIDENT AND CEO**

Ms. Morris stated that the Federal 2005 appropriations legislation in Washington would be heard on the House floor before Thanksgiving. If approved, a variety of programs would be cut, including Section 8, Section 8 administrative fees, HOME, CDBG, and HOPWA. We have communicated our concerns to our representatives in Washington and will give an update at the next Housing Commission meeting.

### **50 APPROVAL OF THE MINUTES**

MOTION BY GRINCHUK TO APPROVE REGULAR MEETING MINUTES OF OCTOBER 8, 2004 AND CARRIED ON A UNANIMOUS VOTE OF 5-0 WITH CRAMER AND ADAMS-BROOKS ABSENT.



MOTION BY TUMMINIA TO APPROVE REGULAR MEETING MINUTES OF OCTOBER 29, 2004 AND CARRIED ON A UNANIMOUS VOTE OF 4-0 WITH YIP ABSTAINING AND CRAMER AND ADAMS-BROOKS ABSENT.

### **CONSENT AGENDA**

MOTION BY YIP TO APPROVE THE FOLLOWING ITEM ON CONSENT:

**100    HCR04-92    Award of Contract for Real Estate Brokerage Services at the "Smart Corner" Office Building (District 2)**

**Recommendation:** Approve the award of contract for brokerage services to CB Richard Ellis, Inc. for a three (3) year period with the option to renew for two (2) consecutive one (1) year periods, and authorize the President and Chief Executive Officer to execute the contract.

**101    HCR04-93    Proposed Fiscal Year 2005 Budget Revision (Citywide)**

**Recommendation:** Approve the revision that will result in a net increase to the Fiscal Year 2005 budget of \$14,096,253 and recommend final approval by the Housing Authority.

SECONDED BY TUMMINIA AND CARRIED ON A UNANIMOUS VOTE OF 5-0 WITH CRAMER AND ADAMS-BROOKS ABSENT.

### **ACTION AGENDA**

**102    HCR04-081    University Canyon Plan for Re-Use (Council District 6)**

Steve Snyder Director of Facilities provided a staff report.

Mel Shapiro asked about income levels of households living at University Canyon. Carrol Vaughan replied HUD's allows households earning up to 80% of the area median income based on their family size to live in public housing.

Commissioner Yip asked if the changes have an impact on the existing tenants. Mr. Snyder stated that the existing tenants are allowed to remain if they choose to do so by using their tenant-based voucher.

MOTION BY YIP TO APPROVE RECOMMENDATION NO. 1: (A) ALLOW THE UNIVERSITY CANYON PROJECT BASED SECTION 8 CONTRACT TO EXPIRE IN JULY 2005; (B) ACCEPT 120 SECTION 8 HOUSING CHOICE VOUCHERS FOR CURRENT RESIDENTS OF UNIVERSITY CANYON; AND (C) RESTRUCTURE THE OCCUPANCY OF THE PROPERTY TO INCLUDE A MIX OF PUBLIC HOUSING, SECTION 8 VOUCHERS AND OPEN MARKET FOR LOW-INCOME FAMILIES THEREBY MAINTAINING THE AFFORDABILITY RESTRICTIONS INCLUDED IN THE

GROUND LEASE BETWEEN THE HOUSING COMMISSION AND THE HOUSING AUTHORITY. SECONDED BY TUMMINIA AND CARRIED ON A UNANIMOUS VOTE OF 5-0 WITH CRAMER AND ADAMS-BROOKS ABSENT.

MOTION BY GRINCHUK TO APPROVE RECOMMENDATION NO. 2: (A) THAT THE HOUSING AUTHORITY REPLACE UP TO THIRTY-FIVE UNITS OF PUBLIC HOUSING AT THE UNIVERSITY CANYON SITE, DEPENDENT UPON THE RECEIPT OF ALL APPLICABLE APPROVALS AND ENVIRONMENTAL COMPLIANCE, USING THE PROCEEDS RECEIVED FROM THE SALE OF UNITS TO THE SAN DIEGO UNIFIED SCHOOL DISTRICT; (B) THAT THE HOUSING COMMISSION BE DIRECTED TO USE THESE FUNDS TO PAY OFF THE REMAINING MORTGAGE ON THE PROPERTY IN JULY 2005, COMPLETE NEEDED PHYSICAL IMPROVEMENTS AND OPERATE THESE UNITS IN COMPLIANCE WITH THE PUBLIC HOUSING PROGRAM; AND (C) THAT THE PRESIDENT AND CHIEF EXECUTIVE OFFICER BE AUTHORIZED TO EXECUTE ALL REQUIRED DOCUMENTS TO COMPLETE THESE TRANSACTIONS. SECONDED BY TUMMINIA AND CARRIED ON A UNANIMOUS VOTE OF 5-0 WITH CRAMER AND ADAMS-BROOKS ABSENT.

**103    HCR04-94    Proposed Loan And Final Authorization to Issue Multifamily Housing Revenue Bonds for the Hillside Gardens Apartments (Council District 7)**

General Counsel asked the that supplement report to Item 103 requesting that a TEFRA hearing be held by City Counsel on December 7, 2004 be heard and voted on first.

MOTION BY TUMMINIA TO RECOMMEND THAT THE 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 APPROXIMATELY \$12 MILLION IN BONDS BY THE HOUSING AUTHORITY TO REFUND THE BONDS CURRENTLY OUTSTANDING ON THE HILLSIDE GARDEN APARTMENTS. SECONDED BY YIP AND CARRIED A UNANIMOUS VOTE OF 5-0 WITH CRAMER AND ADAMS-BROOKS ABSENT.

Project Manager Peter Armstrong provided a staff report.

Chair Salas asked if the residual receipts are for the total project and if relocation payments are applicable to the 95 units. Mr. Armstrong stated yes, the residual receipts are for the total project, and of the 95 units only 19 households under the new regulatory agreement would possibly need to be relocated. He added there is currently 10% vacancy in the project. Ms. Morris added that the market rate units in this project would remain as rental housing for a considerable period of time.

MOTION BY TUMMINIA TO APPROVE RECOMMENDATION 1: THE HOUSING AUTHORITY APPROVE A 55-YEAR, 3% RESIDUAL RECEIPTS LOAN SECURED BY A SECOND TRUST DEED IN THE AMOUNT OF UP TO \$5,000,000 IN ACCORDANCE WITH THE TERMS AND CONDITIONS AS OUTLINED IN THIS

REPORT. THE PRESIDENT AND CHIEF EXECUTIVE OFFICER WOULD BE AUTHORIZED TO TAKE ALL ACTIONS NECESSARY TO EFFECTUATE THIS TRANSACTION; AND RECOMMENDATION 2: THE HOUSING AUTHORITY AUTHORIZE THE ISSUANCE OF MULTIFAMILY HOUSING REVENUE BONDS IN AN AMOUNT NOT TO EXCEED \$39 MILLION TO FINANCE THE ACQUISITION, REHABILITATION, AND PRESERVATION OF 76 HOUSING UNITS FOR OCCUPANCY BY VERY-LOW INCOME HOUSEHOLDS. THE EXECUTIVE DIRECTOR OF THE HOUSING AUTHORITY OR THE CHIEF OPERATING OFFICER OF THE HOUSING COMMISSION, OR DESIGNEE, WOULD BE AUTHORIZED TO EXECUTE ALL DOCUMENTS NECESSARY TO FACILITATE THE BOND FINANCING. SECONDED BY YIP AND CARRIED A UNANIMOUS VOTE OF 5-0 WITH CRAMER AND ADAMS-BROOKS ABSENT.

**104    HCR04-95    Proposed Loan to the YWCA of San Diego County for the Construction of a Transitional Housing Development (Confidential Address)**

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

Commissioner Yip declared that his partner sits as a non-compensated board member for the YWCA. General Counsel advised that this is a non-interest under the applicable provisions of Government Code Section 1091.5 and that there was no financial interest under the provisions of Government Code Section 87103 and that Mr. Yip was entitled to vote and participate on the matter since there was no conflict.

Judy Case, Executive Director of the San Diego County YWCA, stated that there has been enormous support from the private sector in securing additional donations and funds for this project and hopes the Board approves it.

Commissioner Grinchuk asked how long families can remain in the program and what types of services the program provides. Ms. Fisher responded families are encouraged to remain in the program for two years, adding the longer the family remains in the program the higher success rate. The program provides a number of services including job coaching, job development, and legal counseling.

MOTION BY TUMMINIA TO RECOMMEND HOUSING AUTHORITY APPROVAL BY THE FOLLOWING ACTIONS: (A) APPROVE A 0% PERCENT INTEREST RESIDUAL RECEIPTS LOAN OF UP TO \$1,686,000 TO THE YWCA OF SAN DIEGO COUNTY AS OUTLINED IN THIS REPORT; 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 KNIGHT AND CARRIED ON A UNANIMOUS VOTE OF 5-0 WITH CRAMER AND ADAMS-BROOKS ABSENT.

**105    HCR04-96    Reinvestment Task Force Annual Lender Progress Report-Calendar Year 2003**

Jim Bliesner and Charles D' Rozario representing the Reinvestment Task Force (RTF) provided a report.

Chair Salas asked how the amount of corporate giving compares to other cities that are similar to our size. Mr. Bliesner stated that the RTF monitors what is given for housing and community development only and does not monitor monies giving for other charitable activities.

Commissioner Yip asked what is the default rate on these types of loans. Mr. Bliesner replied the default rate is lower in low-income communities.

MOTION BY TUMMINIA TO ACCEPT THE ANNUAL LENDER PROGRESS REPORT AND FORWARD TO CITY COUNCIL FOR FINAL ACCEPTANCE. SECONDED BY GRINCHUK AND CARRIED ON A UNANIMOUS VOTE OF 5-0 WITH CRAMER AND ADAMS-BROOKS ABSENT.

**SPECIAL MEETING**

**HCR04-80    Housing Commission Loan Subordination for Island Village Apartments (Council District 8)**

Staff requested that this item be heard at a future date.

**CLOSED SESSION**

The Housing Commission did not convene in closed session.

**ADJOURNMENT**

Commissioner Salas adjourned the regular meeting at 10:05 a.m.

Respectfully submitted,

Approved by,

Angie Risotti  
Executive Assistant to the President and CEO

Elizabeth C. Morris  
President and CEO