



MINUTES

**SAN DIEGO HOUSING COMMISSION
MINUTES OF THE REGULAR MEETING
JANUARY 10, 2003, 9:00 A.M.
CITY ADMINISTRATION BUILDING
SAN DIEGO, CALIFORNIA**

ATTENDANCE

Present: Chair Salas and Commissioners Adams-Brooks, Cramer, Grinchuk, Robles, and Tumminia. Also present were Chief Executive Officer Elizabeth Morris and Sean Schwerdtfeger, General Counsel. Commissioner Yip was absent.

10 CALL TO ORDER

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

20 PUBLIC COMMENT

Mel Shapiro criticized the use of jargon, such as “affordable” and “percent of area median income”, in Housing Commission reports.

30 COMMISSIONER COMMENTS

Chair Salas stated he sent a letter to Congressman Filner and the California’s federal delegation regarding a potential reduction of approximately \$1 billion in Section 8 funding nationwide. San Diego’s portion of this shortfall could amount to nearly 20 percent of the Housing Commission’s total Section 8 budget.

40 REPORT BY THE CHIEF EXECUTIVE OFFICER

CEO Morris updated the Board on the work of the Affordable Housing Task Force, which will provide recommendations to the City Council in June on efforts to increase the affordable housing stock. She stated a draft inclusionary housing ordinance would be completed soon, and that the 94-unit Hollywood Palms Apartments will celebrate its grand opening on January 11, 2003.

Lastly, she requested that Item 103, Modification of Lease for 252 16th Street, be continued to the next meeting.



CONSENT AGENDA

MOTION BY TUMMINIA TO APPROVE THE FOLLOWING ITEM ON CONSENT:

100 HCR03-001 – Delegation of Signature Authority for State Rental Housing Construction Program Contract Amendments (Citywide)

Commissioner Cramer requested that staff return to the next meeting with a resolution seeking authorization to delegate signature authority from the Chief Executive Officer to designee(s).

Recommendation: Authorize the Chief Executive Officer to delegate authority to a designee to execute documents related to implementation and participation in the Rental Housing Construction Program.

SECONDED BY CRAMER AND CARRIED ON A UNANIMOUS VOTE OF 6-0 WITH YIP ABSENT.

ACTION AGENDA

101 HCR03-003 – Collaborative Housing Strategy Redevelopment Agency Notice of Funding Availability (Citywide)

Supervisory Project Manager Cissy Fisher and Sharon Johnson, from the Redevelopment Agency of the City of San Diego, provided a staff report.

Commissioner Cramer recommended that the Redevelopment Agency NOFA base the number of units to be built in each affordability level on a dollar percentage of the total bond amount (of \$55 million) and not on a fixed numerical goal. He said more incentives are needed to encourage the construction of low and very-low income housing, and obstacles should be reduced to minimize the burden on the developing community.

Chair Salas asked if money held by other redevelopment entities, such as CCDC and SEDC, could be used for projects outside the Redevelopment Agency's jurisdiction. Ms. Johnson answered the money could be utilized if a finding of benefit can be shown between the funding source and the project's relationship to the redevelopment area.

Matthew Doherty, representing the Corporation for Supportive Housing (CSH), expressed concern that this NOFA is unlikely to create new permanent housing opportunities that are affordable for homeless families, the disabled, and seniors.

CSH recommends the NOFA establish a goal to develop affordable units at or below 30 percent of the Area Median Income, reserve a higher priority for senior and supportive housing, include supportive services plans, and provide a scoring advantage for projects that will serve special needs populations.

Chair Salas inquired if adjustments to priorities in the NOFA can be made as the process of reviewing and accepting projects becomes more established. Ms. Johnson said no formal provisions are included to shift priorities and money, but the Collaborative is in agreement that it will continue to focus on the development of permanent housing.

Commissioner Cramer reminded Ms. Johnson that redevelopment agency funds are used to economically revitalize an area and create jobs, and the NOFA's priorities should not lose sight of providing funds to create housing affordable to employees.

Commissioner Adams-Brooks addressed the issue of 'scoring' criteria and whether it applied to the NOFA. Ms. Johnson responded the Collaborative decided a project should be assessed on the totality of the application and not on the scores of its component features. She added the NOFA is a unique product and the group wanted an open and innovative process to foster creativity among NOFA respondents.

Chair Salas asked if the Redevelopment NOFA is limited to funding new construction developments only. Ms. Johnson said the intent of the Collaborative is to favor new construction but flexibility was added to highlight acquisition and rehabilitation projects as well.

Tom Scott, Executive Director of the San Diego Housing Federation, is very pleased with the NOFA and the potential for construction of additional affordable units in San Diego. He suggested the NOFA's very-low income affordability level be adjusted from 50 to 60 percent of area median income to make it more consistent with tax credits guidelines, and he is concerned that the NOFA is too optimistic with respect to the number of units it proposes to fund. Finally, he urged the Collaborative to keep the application review process as streamlined as possible.

Mel Shapiro asked if the Commissioners should vote on the item if they did not receive all of the attachments and worksheets to the draft NOFA, and he submitted a public records request for Attachment 3. He supported the comments of Matthew Doherty relating to assistance for extremely low income individuals, and he reiterated his earlier request that reports contain less jargon and clearer definitions of affordability and income levels.

MOTION BY TUMMINIA TO 1) REVIEW AND ENDORSE POLICIES AND PROCEDURES CONTAINED IN THE COLLABORATIVE HOUSING STRATEGY REDEVELOPMENT AGENCY NOTICE OF FUNDING AVAILABILITY; AND 2) APPOINT SAL SALAS TO SERVE ON THE EXECUTIVE LOAN COMMITTEE FOR THE REDEVELOPMENT NOFA PROCESS.

THE MOTION WAS AMENDED BY CRAMER TO REQUEST THAT AT LEAST 55 PERCENT OF THE FUND AMOUNT (NOT THE NUMBER OF UNITS) BE ALLOCATED TO VERY LOW INCOME HOUSING. SECONDED BY ADAMS-BROOKS AND CARRIED ON A UNANIMOUS VOTE OF 6-0 WITH YIP ABSENT.

102 HCR03-002 – Continuation and Expansion of Transitional Housing Program for Homeless Seniors (Council Districts 2 and 3)

Mary Manaster discussed the City's ongoing Transitional Housing program, which provides case management and supportive services for homeless seniors.

MOTION BY CRAMER TO AUTHORIZE THE CHIEF EXECUTIVE OFFICER TO TAKE ACTIONS IN SUPPORT OF THE CITY'S ONGOING TRANSITIONAL HOUSING PROGRAM FOR HOMELESS SENIORS, AND RECOMMEND HOUSING AUTHORITY AUTHORIZATION TO AMEND THE FY03 BUDGET TO INCORPORATE \$311,000 OF CENTRE CITY DEVELOPMENT CORPORATION AND CITY FUNDS.

SECONDED BY ROBLES AND CARRIED ON A UNANIMOUS VOTE OF 6-0 WITH YIP ABSENT.

CLOSED SESSION

The Commission recessed and convened in closed session with the following agenda:

- I. Conference with Legal Counsel - anticipated (threatened) litigation, pursuant to Government Code Section 54956.9(b)(1) and (b)(3)(D) and 54954.5(c):
 - (a) One Matter – In re the matter of 630 F Street, LLC, vs. San Diego Housing Commission and City of San Diego

INFORMATIONAL ONLY. THE BOARD TOOK NO ACTION OR VOTE.

- II. Real Property Negotiations
 - (a) Conference with Real Property Negotiator - Pursuant to California Government Code Section 54954.5(b) and 54956.8:

Property: A 60,000 square foot block bounded by
C Street, 11th and 12th Avenues.

Under Negotiation: Price and Terms

THIS MATTER WAS NOT DISCUSSED.

ADJOURNMENT

Chair Salas adjourned the regular meeting at 10:46 a.m.

Respectfully submitted,

Approved by,

Signature on File with Original Document

Bill Luksic
Docket Coordinator

Elizabeth C. Morris
Chief Executive Officer