



Good Neighbors

San Diego
Housing Commission

MINUTES

**SAN DIEGO HOUSING COMMISSION
MINUTES OF THE REGULAR MEETING
JULY 18, 2003, 9:00 A.M.
CITY ADMINISTRATION BUILDING
SAN DIEGO, CALIFORNIA**

ATTENDANCE

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

10 CALL TO ORDER

Chair Salas called the meeting to order at 9:08 a.m.

20 PUBLIC COMMENT

None.

30 COMMISSIONER COMMENTS

Commissioner Cramer asked for an update on pending affordable housing projects. Jack Farris, Housing Development and Finance Manager, distributed a report highlighting new projects and he explained what projects are in the loan process. Mr. Farris stated that the Ken Tal Seniors Project and Renaissance Seniors Project were approved by the Housing Authority.

After reviewing the report, Commissioner Cramer stated an effort should be made to inform the public and City Council of the number of new affordable units in the pipeline.



In response to a question from Commissioner Yip, Mr. Farris stated the Housing Commission recently received a bond allocation for a mixed income project located at 9th and Broadway. This project is also receiving a loan from CCDC.

Commissioner Cramer suggested adding information to the affordable housing pipeline report, including data on bedroom mix, sales or rent figures, completion date and financing.

40 REPORT BY THE CHIEF EXECUTIVE OFFICER

Ms. Morris noted recent changes in staffing that supports the Board.

50 APPROVAL OF THE MINUTES

A MOTION BY TUMMINIA TO APPROVE THE MINUTES OF THE JUNE 27, 2003, REGULAR MEETING WAS CARRIED ON A 5-0 VOTE WITH ADAMS-BROOKS ABSENT AND CRAMER ABSTAINING.

CONSENT AGENDA

MOTION BY TUMMINIA TO APPROVE THE FOLLOWING ITEMS ON CONSENT:

100 HCR03-047 - California State Association of Counties (CSAC) Excess Insurance Authority

Recommendation: Ratify a sole source contract in the amount of \$112,713 with Driver/Alliant Insurance Services for the purpose of procuring CSAC Excess Insurance Authority.

101 HCR03-046 – Annual Progress Report on Lender Agreements (Citywide)

Recommendation: Accept the Reinvestment Task Force calendar year 2001 annual progress report on lender reinvestment agreements and forward it to the City Council for consideration.

SECOND BY CRAMER AND CARRIED ON A UNANIMOUS VOTE OF 6-0 WITH ADAMS-BROOKS ABSENT.

ACTION AGENDA

102 HCR03-048 - Multifamily Housing Revenue Bonds for Rancho del Norte Apartments: Second TEFRA Hearing For Increased Bond Amount (Council District 1)

Peter Armstrong, Housing Development & Finance, Project Manager, provided a staff report.

Ms. Morris remarked on Proposition 46, the Statewide Housing Bond measure, and the benefit for the City of San Diego to receive its fair share of the funds with successful projects like this one.

Commissioner Cramer asked what the addition of prevailing wages would cost. Wally Dieckman, representing Chelsea Investments, stated it is common for prevailing wages to account for 15 percent of the project costs. He added that Rancho del Norte Apartments, which is Chelsea Investment's third MHP financed project, is expected to cost approximately \$21 million dollars. Finally, he invited the Commissioners to attend the grand opening of the 92-unit Westwind Village on August 4, 2003.

Ms. Morris stated that there is a lot of discussion about prevailing wages going on. We are encouraging the Department of Industrial Relations to publish residential wage rates for all trades in all parts of the state.

Commissioner Cramer added that prevailing wages ultimately would have an impact on affordable housing because more money will be needed to build the same number of units.

MOTION BY GRINCHUK TO FORWARD SECOND BY TUMMINIA AND CARRIED ON A UNANIMOUS VOTE OF 6-0 WITH ADAMS-BROOKS ABSENT.

CLOSED SESSION

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

- I. Conference with Legal Counsel - existing litigation, pursuant to California Government Code Section 54956.9(a) and 54954.5(c):

Caryl Foster et al., v. 630 F Street, LLC et al., San Diego Superior Court Case No. GIC 804502

NO ACTION TAKEN.

- II. Conference with Legal Counsel - anticipated (threatened) litigation, pursuant to Government Code Section 54956.9(b)(1), (b)(3)(A) and (C), and 54954.5(c):

One (1) matter – In re the matter of San Diego Housing Commission v. Northwestern Mutual Life Insurance Company, Pacifica Companies, North Bonita Partners, N.B. Partners, So. Cal Development, Inc., George Fermanian and Rodney Stone; and/or Commonwealth Land Title Insurance Company, Northwestern Mutual Life Insurance Company, Pacifica Companies v. San Diego Housing Commission

BY A VOTE OF 6-0 WITH ADAMS-BROOKS ABSENT, COMMISSIONERS GAVE INSTRUCTION TO COUNSEL CONCERNING ANTICIPATED LITIGATION.

- III. Real Property Negotiations

Commissioner Cramer left the meeting.

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

<u>Property:</u>	A 60,000 square foot block bounded by C Street, 11 th and 12 th Avenues, and Broadway, also known as parcel number 534, 194, 01 through 04, and 09 owned by the San Diego Redevelopment Agency, and parcel number 08 currently owned by the San Diego Metropolitan Transit Authority.
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Agency Negotiators: Sal Salas, Elizabeth Morris, Carrol
Vaughan, Steve Snyder and Jack Farris
for the San Diego Housing Commission

Negotiated Parties: Lankford Associates, Inc.

Under Negotiation: Price and Terms of Payment

COMMISSIONER CRAMER ABSTAINED AND COMMISSION ADAMS-BROOKS
WAS ABSENT. COMMISSIONERS GAVE INSTRUCTIONS BY A VOTE OF 5-0 TO
REAL ESTATE NEGOTIATOR CONCERING THE PRICE.

ADJOURNMENT

Chair Salas adjourned the regular meeting at 11:20 a.m.

Respectfully submitted,

Approved by,

Signature on File with Original Document

Angie Risotti
Executive Assistant to CEO

Elizabeth C. Morris
Chief Executive Officer