



# MINUTES

**SAN DIEGO HOUSING COMMISSION  
MINUTES OF THE REGULAR MEETING  
MARCH 22, 2002, 9:00 AM  
CITY ADMINISTRATION BUILDING  
SAN DIEGO, CALIFORNIA**

## **ATTENDANCE**

Present: Chair Arthur and Commissioners Grinchuk\*, Robles, Salas, Tumminia and Charles Christensen, General Counsel. Chief Executive Officer Elizabeth Morris and Commissioners Dick and Steinke were absent.

### **10 CALL TO ORDER**

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

### **20 PUBLIC COMMENT**

None.

### **30 COMMISSIONER COMMENTS**

None.

### **40 REPORT BY THE CHIEF EXECUTIVE OFFICER**

None.

## **CONSENT AGENDA**

MOTION BY TUMMINIA TO APPROVE THE FOLLOWING ITEMS ON CONSENT:

### **100 HCR02-020 – Award of Contract for Bathroom and Kitchen Upgrades and Site Improvements at One Public Housing Site (Council District 1)**

**Recommendation:** Forward for Housing Authority approval a recommendation to award a construction contract to Famania Construction Inc., in the amount of



\$536,610, for bathroom and kitchen upgrades and site improvements at 4055-4083 Pulitzer Place.

**101 HCR02-001 – Authorization to Lease a Substitute General Office Facility at Ridgheaven Court (Council District 2)**

**Recommendation:** Authorize the Chief Executive Officer to cancel the current lease agreement at 9541 Ridgheaven Court and execute a five-year lease for approximately 9,840 square feet of general office space at 9550 Ridgheaven Court, Suites A, B, C.

**102 HCR02-022 – U.S. Department of Housing and Urban Development Notice of Funding Availability; Fair Share Allocation of Incremental Voucher Funding Application**

**Recommendation No. 1:** Authorize an application for additional Housing Choice Vouchers in response to HUD's FY 2002 Notice of Funding Availability, and, if the application is approved, recommend Housing Authority approval to amend the Housing Commission's FY2003 Budget to include the new funds.

**Recommendation No. 2:** Authorize the Chief Executive Officer to determine the feasibility of allocating Housing Choice Vouchers for use by eligible families in the County of San Diego following discussions with the County of San Diego's Housing & Community Development Department.

**104 HCR02-017 – Update on FY02 Rental Housing Notice of Funding Availability (Citywide)**

**Recommendation:** Change the maximum loan limit of the fiscal year 2002 Rental Housing Notice of Funding Availability from \$1 million per project back to the customary \$2 million per project.

**107 HCR02-014 – Proposed Fiscal Year 2003 Budget (Citywide)**

**Recommendation No. 1:** Review and recommend Housing Authority adoption of the \$137.1 million FY03 Activity Based Budget.

**Recommendation No. 2:** Seek Housing Authority approval to enable the Housing Commission to amend the approved FY03 Budget during the fiscal year.

**Recommendation No. 3:** Continue to delegate limited authority to the Chief Executive Officer to amend the FY03 Budget when additional funding resources are available.

**Recommendation No. 4:** Seek Housing Authority approval to use Section 8 Operating Reserves to support various City of San Diego related projects.

**Recommendation No. 5:** Forward for Housing Authority approval revisions to the Personnel Policy Classification and Pay Plan to reflect changes in management structure and position titles as discussed in the report.

SECONDED BY SALAS AND CARRIED ON A UNANIMOUS VOTE OF 4-0 WITH DICK, GRINCHUK AND STEINKE ABSENT.

**ACTION AGENDA** (\*Commissioner Grinchuk arrived.)

**103 HCR02-105 – FY03 Annual Agency Plan (Citywide)**

Matthew Doherty, Assistant Manager for Resident Services, provided a staff report. He introduced Program Analyst Rudy Cervantes and Resident Advisory Board member Leeandris Knight.

Chair Arthur asked if the loss of federal funds for the Public Drug Elimination Program would affect the quality of life of public housing residents. Mr. Doherty said no immediate impact is expected, but the Commission will have to identify new sources of funds in the fiscal years ahead to maintain its current level of resident services.

Ms. Knight complemented the Commission for working with the Resident Advisory Board (RAB) on the Annual Agency Plan.

In response to a question from Commissioner Tumminia regarding a quarterly newsletter, Mr. Doherty responded both the Commission and RAB would be involved in publishing the document. Commissioner Grinchuk inquired why Belden Village was not designated as an “elderly only” development. Asset Management Manager Snyder replied Belden residents did not support the proposal last year, and he added that Commissioner Tumminia has since recommended a new, confidential survey to again determine the residents’ interest in the elderly-only designation. The current percentage of elderly residents (over 62 years of age) to non-elderly is approximately 60 percent to 40 percent.

MOTION BY GRINCHUK TO FORWARD FOR HOUSING AUTHORITY APPROVAL THE FY03 ANNUAL PLAN AND AUTHORIZE ITS TRANSMITTAL TO THE U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT.

SECONDED BY SALAS AND CARRIED ON A UNANIMOUS VOTE OF 5-0 WITH DICK AND STEINKE ABSENT.

**105 HCR02-018 – Ratification of New Loan Terms for Grant Heights Park and Review of Non-Substantive Changes to Other Recent Multifamily Loans (Council Districts 4 and 8)**

Supervisory Program Manager Cissy Fisher provided a brief staff report.

Chair Arthur inquired if there is a financial impact associated with the new loan terms for Grant Heights Park. Ms. Fisher stated approximately \$28,000 would be set-aside yearly into a reserve fund to protect Section 8 tenants if their project-based vouchers expire in 2004. Commissioners Grinchuk and Salas received clarification from staff concerning the nature of the reserve fund and the rent restriction amounts.

MOTION BY TUMMINIA TO APPROVE THE CREATION OF A SPECIAL RESERVE FUND TO HELP CURRENT TENANTS OF GRANT HEIGHTS PARK REMAIN IN THEIR HOMES IF SECTION 8 RENTAL ASSISTANCE TERMINATES.

SECONDED BY ROBLES AND CARRIED ON A UNANIMOUS VOTE OF 5-0 WITH DICK AND STEINKE ABSENT.

**106 HCR02-019 – Multifamily Housing Revenue Bonds for Stonewood Garden Apartments (Council District 2)**

Senior Project Manager Jahi Akobundu provided a staff report.

Mel Shapiro asked if the current Section 8 tenants are going to live in the restricted rent households or in the unrestricted units. Stan Herskovitz, of Fairfield Residential, stated Stonewood Garden is required to accept voucher tenants for all of the units. Commissioners Salas and Tumminia indicated their support for the project, and Commissioner Grinchuk was pleased the builder is providing housing for people with incomes at 50 percent and below of the Median Area Income.

MOTION BY TUMMINIA TO **RECOMMENDATION NO. 1**: TAKE INITIAL STEPS TO ISSUE TAX-EXEMPT AND TAXABLE HOUSING REVENUE BONDS TO FINANCE THE ACQUISITION AND REHABILITATION OF THE 255-UNIT STONEWOOD GARDEN APARTMENTS, LOCATED AT 3839 MIDWAY DRIVE, BY FAIRFIELD RESIDENTIAL LLC; AND

**RECOMMENDATION NO. 2**: APPROVE LITTEN FINANCIAL CONSULTING AS FINANCIAL ADVISOR AND STRADLING YOCCA CARLSON RAUTH AS BOND COUNSEL TO BEGIN WORK ON THE PROJECT.

SECONDED BY GRINCHUK AND CARRIED ON A UNANIMOUS VOTE OF 5-0 WITH DICK AND STEINKE ABSENT.

**108 HCR02-016 – Housing Trust Fund FY03 Implementation Strategy (Citywide)**

Supervisory Program Manager Cissy Fisher provided a brief report on the Housing Trust Fund and the positive role it has played in the development of affordable housing in San Diego.

Commissioner Salas asked if there are other funding sources for the Housing Trust Fund. Ms. Fisher replied the City Council continues to look for additional revenue in areas such as the Community Development Block Grant and the Transfer of Occupancy Tax.

MOTION BY GRINCHUK TO REVIEW AND APPROVE SUBMISSION OF THE PROPOSED DRAFT HOUSING TRUST FUND FISCAL YEAR 2003 IMPLEMENTATION STRATEGY TO THE CITY COUNCIL.

SECONDED BY ROBLES AND CARRIED ON A UNANIMOUS VOTE OF 5-0 WITH DICK AND STEINKE ABSENT.

**CLOSED SESSION**

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

- I. Conference with Legal Counsel - existing litigation, pursuant to California Government Code Section 54956.9(a) and 54954.5(c):
  - (a) San Diego Housing Commission, a public agency; and Housing Authority of the City of San Diego, a public agency v. WEYERHAEUSER COMPANY, a Washington Corporation, et al.  
San Diego Superior Court Case No. GIC755508

INFORMATION ONLY.

- (b) Yvonne Streater v. San Diego Housing Commission  
San Diego Superior Court Case No. GIC784503

INFORMATION ONLY.

- 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, 11<sup>th</sup> and 12<sup>th</sup>  
Avenues and Broadway

THIS ITEM WAS NOT DISCUSSED.

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

(a) One Matter

THIS ITEM WAS NOT DISCUSSED.

### ADJOURNMENT

Chair Arthur adjourned the meeting at 10:35 a.m.

Respectfully submitted,

Bill Luksic  
Docket Coordinator

**Signature on File  
With Original Document**

Approved by,

Elizabeth C. Morris  
Chief Executive Officer