



# MINUTES

**SAN DIEGO HOUSING COMMISSION  
MINUTES OF THE REGULAR MEETING  
MAY 10, 2002, 9:00 AM  
CITY ADMINISTRATION BUILDING  
SAN DIEGO, CALIFORNIA**

## **ATTENDANCE**

Present: Chair Arthur and Commissioners Robles, Salas, and Tumminia. Also present were Chief Executive Officer Elizabeth Morris and Sean Schwerdtfeger, General Counsel's office. Commissioners Dick and Grinchuk were absent.

### **10 CALL TO ORDER**

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

### **20 PUBLIC COMMENT**

Elizabeth King requested the Housing Commission continue funding the Community Opportunities Program, which focus its activities on deconcentration and family self-sufficiency. She stated the housing authorities of San Diego, Carlsbad, Oceanside and Encinitas could share the cost of the program.

### **30 COMMISSIONER COMMENTS**

None.

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

Ms. Morris announced the resignation of Commissioner Steinke, who served on the Board for four years, and she reported that the Land Use and Housing Committee unanimously voted to recommend City Council consideration of an inclusionary housing program.

CEO Morris stated NAHRO recognized the agency for its highly successful lease-up efforts, and it gave one of only five national awards to a Commission public housing resident for outstanding entrepreneurial achievement. Finally, she reminded the Board that the Housing Authority will consider the Commission's



FY03 budget on May 14, and she remarked that the Governor signed into law a bill that will put a \$2.1 billion housing bond measure on the November ballot.

**50 APPROVAL OF THE MINUTES**

Before approval of the minutes, Mr. Schwerdtfeger read into the record a statement exempting Chair Arthur, former Commissioner Steinke and Elizabeth Morris, in their positions as non-compensated officers on the Board of the Housing Development Partners, from any conflict of interest under 1091.5 of the Government Code.

MOTION BY TUMMINIA TO APPROVE THE MINUTES OF THE APRIL 12, 2002 MEETING. SECONDED BY SALAS AND CARRIED ON A UNANIMOUS VOTE OF 4-0 WITH DICK AND GRINCHUK ABSENT.

**CONSENT AGENDA**

MOTION BY SALAS TO APPROVE THE FOLLOWING ITEMS ON CONSENT:

**100 HCR02-036 – Revised Maintenance Charge Schedule for Public Housing Residents (Citywide)**

**Recommendation:** Adopt proposed revisions to the Public Housing Maintenance Charge Schedule.

**101 HCR02-037 – Revised Utility Allowance Schedule for Public Housing Units (Citywide)**

**Recommendation:** Approve the revised Utility Allowance Schedule for Public Housing residents as mandated by the U.S. Department of Housing and Urban Development.

**102 HCR02-039 – U.S. Department of Housing and Urban Development Super Notice of Funding Availability Applications**

**Recommendation:** Authorize grant applications under the 2002 SuperNOFA for the FSS Coordinators Program and the ROSS Public Housing Service Coordinator Program, and seek Housing Authority approval to amend the FY03 Housing Commission budget to reflect the addition of awarded funds.

**103 HCR02-033 – Award of Contract for Landscape Services (Citywide)**

**Recommendation:** Approve the award of a two-year contract to Aztec Landscaping, Inc. for \$282,362, with a ten percent contingency, and authorize

the Chief Executive Officer to execute the contract and extend the agreement for an additional one-year period.

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

## **ACTION AGENDA**

### **104 HR02-041 – Proposed Loan to City Heights Community Development Corporation for Metro Residential Housing Development (Council District 3)**

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

Chair Arthur asked what organizations would be responsible for developing the project. Jay Powell, representing the City Heights Community Development Corporation, replied that the San Diego Revitalization Corporation (SDRC) is the overall developer of the land, parking structure, career center and retail components, and City Heights CDC will develop the residential portion. In response to Chair Arthur's question concerning financing, Mr. Powell said other options would have to be considered if the project does not receive nine percent tax credits. Rich Juarez, project manager of SDRC, added the partners are committed to developing this area, and they will look at for-sale, four percent tax credits, or other alternatives if necessary.

Commissioner Tumminia asked what structures currently occupy the property. Mr. Juarez replied it consists of 24 parcels of multi- and single-family dwellings in deteriorated condition. A majority of the parcels have been purchased by SDRC, and he explained that a relocation program is in place for the existing tenants.

THIS ITEM WAS HEARD AS AN INFORMATIONAL REPORT TO ACQUAINT THE COMMISSIONERS WITH THE DEVELOPMENT PROPOSAL IN ADVANCE OF THE NEXT BOARD MEETING. NO ACTION OR VOTE WAS TAKEN.

### **105 HCR02-034 – Predevelopment Loan to Bayview Community Development Corporation for Bayview Legacy Residences (Council District 4)**

Dan Cady provided a staff report.

Earl Martin, Executive Director of the Bayview Community Development Corporation, thanked the Board and Commission staff for working with his agency on the project. He conveyed the need for the predevelopment loan as it relates to readiness points on the tax credit application, and he discussed the outline of a relocation plan for tenants of the trailer park.

Ron Lacey, representing Council District 4, expressed his office's support of the project.

MOTION BY TUMMINIA TO APPROVE A LOAN OF UP TO \$173,887 TO PAY PREDEVELOPMENT COSTS ASSOCIATED WITH CONSTRUCTION OF A 144-UNIT AFFORDABLE RENTAL-HOUSING COMPLEX FOR FAMILIES LOCATED AT 325 54TH STREET.

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

**106 HCR02-035 – Loan to a Limited Partnership Between St. Stephens Church of God in Christ and The Related Companies of California for the Construction of St. Stephens Senior Apartments (Council District 4)**

Dan Cady provided a staff report.

Saki Middleton of The Related Companies of California, and CEO Morris and Commissioner Salas noted that this project merits application for tax credit allocation. Ron Lacey, representing Council District 4, asked the Board to support this proposal, and he said it fills the gap for more affordable senior housing in the community.

Chair Arthur reiterated a previous comment that this project (and the others on today's agenda) should have an alternative financing plan in mind in the event tax credit applications are not successful.

MOTION BY TUMMINIA TO FORWARD FOR HOUSING AUTHORITY AUTHORIZATION A RESIDUAL RECEIPTS LOAN OF \$677,158 FOR FINANCING CONSTRUCTION OF A 50-UNIT RENTAL HOUSING DEVELOPMENT LOCATED AT 5625 IMPERIAL AVENUE IN THE SAN DIEGO COMMUNITY OF ENCANTO.

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

**107 HCR02-038 – Predevelopment Loan to Housing Development Partners (Council District 7)**

Joseph Correria provided a staff report.

Responding to a comment from the Chair, Mr. Correria said the area under consideration is densely populated and children from the neighborhood will enroll in the new school.

MOTION BY TUMMINIA TO APPROVE AN UNSECURED PREDEVELOPMENT LOAN OF UP TO \$50,000 TO PAY A PORTION OF PREDEVELOPMENT EXPENSES ASSOCIATED WITH NEW CONSTRUCTION OF 80 RENTAL UNITS AT 52<sup>ND</sup> AND EL CAJON BOULEVARD.

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

Prior to closed session, Reese Jarrett of Carter, Reese & Associates offered public testimony on Item II (c). Mr. Jarrett provided background on the property known as Skyline and Woodman, and on his firm's financing and development obligations.

### **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, et al.

INFORMATION ONLY. THE BOARD TOOK NO ACTION.

- (b) Cruz Gandara and Maria Gandara v. Mary Anne Chacon, Gerald Chacon, City of San Diego, San Diego Housing Commission et al

INFORMATION ONLY. THE BOARD TOOK NO ACTION.

- II. Real Property Negotiations

- (a) Conference with Real Property Negotiator:

Property: A 60,000 square foot block bounded by C Street, 11<sup>th</sup> and 12<sup>th</sup> Avenues, and Broadway, also known as parcel number 534, 194, 01 through 04, and 09

INFORMATION ONLY. THE BOARD TOOK NO ACTION.

- (b) Conference with Real Property Negotiators - Government Code Section 54954.5(b) and 54956.8:

Property: Portion of Real Property located at 2766 Cardinal Road, San Diego, CA 92123; Assessors Parcel No. 677-021-25-00 and 677-021-24-00

BOARD GAVE INSTRUCTIONS TO STAFF BY A VOTE OF 4-0 WITH DICK AND GRINCHUK ABSENT.

- (c) Conference with Real Property Negotiators – Government Code Section 54954.5(b) and 54956.8:

Property: The release, satisfaction and reconveyance of that Deed of Trust in favor of the San Diego Housing Commission executed by Trustor therein, Carter Reese No. 11, LP, concerning the real property known as Skyline and Woodman

BOARD GAVE INSTRUCTIONS TO STAFF BY A VOTE OF 4-0 WITH DICK AND GRINCHUK ABSENT.

## ADJOURNMENT

Chair Arthur adjourned the regular meeting at 11:11 a.m.

Respectfully submitted,

Approved by,

**Signature on File with Original Document**

Bill Luksic  
Docket Coordinator

Elizabeth C. Morris  
Chief Executive Officer