



AGENDA 397

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**SAN DIEGO HOUSING COMMISSION  
AGENDA FOR THE REGULAR MEETING  
FEBRUARY 9, 1998  
9:00 A.M.  
CITY ADMINISTRATION BUILDING  
202 C STREET, 12TH FLOOR  
SAN DIEGO, CALIFORNIA**

**ITEMS**

**10 CALL TO ORDER**

**(Arthur, Dick, Macias, Nottley, Oxberry, and Tumminia)**

**20 PUBLIC COMMENT**

**At this time individual(s) may address the Commission on any subject in its area of responsibility on any matter not presently pending before the Commission. Communications are limited to three minutes. Pursuant to the Brown Act, no action can be taken by the Commission. Please fill out a SPEAKER REQUEST FORM and submit it to the secretary prior to the meeting**

- 30    COMMISSIONER COMMENTS**
- 40    REPORT BY THE EXECUTIVE DIRECTOR**
- 50    APPROVAL OF THE MINUTES**

**Approval of the Minutes of January 12, 1998.**

**ADOPTION AGENDA - CONSENT**

**Members of the public may cause an item to be pulled from the Consent Agenda by submitting a Speaker Request Form prior to the meeting. The item will then be discussed separately and public testimony taken.**

- 100    HCR98-005 - Contract for Police Officers (Council Districts 3, 4, and 8) (TRAILED FROM JANUARY 26, 1998 HOUSING COMMISSION MEETING)**

**Recommendation: It is recommended that the Housing Commission authorize the Executive Director to execute an agreement (Attachment 1 of the staff report) with the City of San Diego Police Department in the amount of \$50,000 to conduct community policing activities at public housing sites located in the City Heights East, City Heights West, Chollas View, Valencia Park, Lincoln Park, Nestor and San Ysidro public housing areas for a twelve month period.**

**Fiscal Impact: Funding for this agreement is included in the Public Housing Drug Elimination Grant Application of \$361,920 awarded to the San Diego Housing Commission on December 17, 1997.**

**Previously Related Action(s): On July 14, 1997, the Housing Commission approved submission of the Public Housing Drug Elimination Program grant application and the Housing Authority subsequently authorized submission of this application on July 22, 1997. The Housing Commission received notification of a grant award on December 9, 1997.**

- 101    HCR98-008 - Contract for Educational and Diversionary Services (Council District 8)(TRAILED FROM JANUARY 26, 1998 HOUSING COMMISSION MEETING)**

**Recommendation:** It is recommended that the Housing Commission authorize the Executive Director to execute a contract agreement with Barrio Station for Educational and Diversionary Services for the period January 26, 1998 through January 25, 1999 without rebidding services.

**Fiscal Impact:** Funding for this contract is included in the Public Housing Drug Elimination Grant Application of \$361,920 awarded to the San Diego Housing Commission on December 17, 1997.

**Previous Related Action(s):** On July 14, 1997, the Housing Commission approved submission of the Public Housing Drug Elimination Program Grant application and Housing Authority subsequently authorized submission of this application on July 22, 1997. The Housing Commission received notification of a grant award on December 9, 1997.

**102 HCR98-009 - Contract with Casa Familiar/Amanacer for Administrative Services for the "Computers in Our Future" (Council District 8)**

**Recommendation:** It is recommended that the Housing Commission authorize the Executive Director to execute a contract with Casa Familiar/Amanacer in the amount of \$84,377 to provide administrative services for the "Computers in Our Future" (CIOF) program, which is funded by the California Wellness Foundation, for the period January 26, 1998 through June 30, 1998, with an option to renew for three additional one-year periods.

**Fiscal Impact:** Funding for this agreement is included in the project budget for the California Wellness Foundation CIOF grant of \$525,000 for a four-year period.

**Previously Related Action(s):** On November 18, 1996, the Housing Commission authorized the Executive Director to submit a grant application to the California Wellness Foundation for the CIOF program. On September 22, 1997, the Housing Commission authorized the Executive Director to accept the \$525,000 award from the Foundation and amend the budget to include the funds. On December 9, 1997, the Housing Authority reviewed the Commission's action and concurred.

**103 HCR98-001 - Status Report for Loans Either Due and Payable or Reverting to Monthly Payments (Citywide)  
(TRAILED FROM JANUARY 26, 1998 HOUSING COMMISSION MEETING)**

**Recommendation:** It is recommended that the Housing Commission accept the Executive Director's report identifying all loans that will become due and payable during calendar year 1998, including loans that were deferred and are reverting to monthly payments.

**Fiscal Impact:** None with this report

**Previous Related Action(s):** On July 8, 1996, the Housing Commission recommended approval of the Housing Commission Loan Restructuring and Modifications Policy No. 600.104 and on September 17, 1996, the Housing

Authority adopted the policy. On April 21, 1997, the Housing Commission accepted the Status Report for Loans Either Due and Payable or Reverting to Monthly Payments in Calendar 1997 (HCR97-043).

**104 HCR98-017 - Section 457 Deferred Compensation Plan (Citywide)**

**Recommendation:** Authorize the Executive Director to implement modifications to the San Diego Housing Commission Section 457 Deferred Compensation Plan to include the following:

**Required Changes**

1) Provide automatic future increases in the deferral limit for cost of living adjustment, 2) comply with Conforming Equitable Distribution Orders for former spouses and dependents, 3) amend group annuity contract to protect assets of the Plan.

**Optional Changes**

4) Amend Normal Retirement from age 65 to age 62 to correspond with the Housing Commission's Pension Plan, 5) retain provision for in-service distribution for unforeseeable emergency, 6) retain provision permitting 457 Plan to Plan transfers, and 7) allow a one-time delay in payment of benefits from previous employee-selected benefit commencement date.

**Fiscal Impact:** None.

**Previous Related Action(s):** In July 1988, the Housing Commission authorized the Executive Director to negotiate and implement a voluntary Section 457 Deferred Compensation Plan and execute an investment contract for assets of the Plan. In July 1991, a separate, mandatory Section 457 Deferred Compensation Plan was implemented in lieu of Social Security for non-permanent employees providing a 3.75% match of the employee's required contribution.

**105 HCR98-016 - Offer to Purchase 1134 7th Avenue (Council District 2)**

**Recommendation:** It is recommended that the Housing Commission recommend Housing Authority authorization:

- a) **To accept the offer of \$150,000 submitted by San Diego Interfaith Foundation (SDIHF) and assign the Month-to-Month Tenancy Agreement for Parking Purposes between the Housing Commission and the United Educational Institute (UEI) to SDIHF as the lessor.**
- b) **To make a counter offer to Home Quest regarding the loan terms as further described herein and, if accepted, hold as a back-up in the event that the primary offer does not result in purchase of the subject property.**
- c) **For the Executive Director to execute the documents necessary to complete the transaction.**

**Fiscal Impact:** Sale of the property for \$150,000 would result in a net gain of approximately \$181,300 (including net rental income from July 1993 through May 1998).

**Previous Related Action(s):** On May 24, 1993, the Housing Commission acquired title to the property through a Trustee's Sale authorized by the Board in closed session. On September 18, 1995 and September 16, 1996, the Housing Commission approved holding the vacant lot and leasing it as a parking lot. On August 8, 1997, Housing Commission Report HCR97-101 informed the Board of staff's intent to offer the property for sale.

**106 HCR98-004 - Open Meetings and Public Records Policy (Citywide)**

**Recommendation:** That the Housing Commission approve and recommend Housing Authority adoption of a revised Open Meetings and Public Records Policy.

**Fiscal Impact:** None with this action. The fees proposed in the Policy will partially offset the cost of providing copies of agenda packets and public records to members of the public.

**Previously Related Action(s):** None.

**107 HCR98-018 - Revision to Legal Services Contract (Citywide)**

**Recommendation:** That the Housing Commission recommend Housing Authority approval of the proposed contract amendment

**and authorize the Executive Director to amend the FY98 budget accordingly.**

**Fiscal Impact: Approval of this action will increase the Contract Compensation for legal services with Detisch & Christensen for FY98 by \$200,000.**

**Previous Related Action(s): On June 10, 1997, the Housing Authority authorized an agreement for legal services with Detisch & Christensen for the period July 1, 1997 through June 30, 1999 at an hourly rate of \$90.00.**

**108 FY99 BUDGET WORKSHOP - HCR98-015 - Budget Document (TRAILED FROM JANUARY 26, 1998 HOUSING COMMISSION MEETING)**

**Recommendation: It is recommended that the Board of Commissioners provide direction to staff regarding the FY99 Budget document and preparation schedule.**

**Fiscal Impact: None with this action.**

**109 FY99 BUDGET WORKSHOP - HCR98-013 - Rent Levels at Maya Apartments and Use of Maya Apartment Revenues (TRAILED FROM JANUARY 26, 1998 HOUSING COMMISSION MEETING)**

**Recommendation 1: It is recommended that the Board authorize the Executive Director to increase the market rate units to the comparable rents of the area and survey the area each six months and maintain parity with the surrounding area rents.**

**Recommendation 2: Change the affordability of the 15 units currently affordable at the 60 percent median area income level to the 50 percent median area income. The change in affordability would be phased in as the 60 percent median area income units turn over and would not impact the existing total number of affordable units at the site.**

**Recommendation 3: Annually fund the replacement reserves by \$179,000 to fund the estimated capital improvement needs of the project.**

**Fiscal Impact: An initial 5.5 percent rent increase to the market rate units, equating to an average monthly increase of \$46 per unit and a total annual increase of \$49,790 is proposed. The next increase, to bring the rents in line with the market would follow approximately 6 months later.**

**The increase in affordability, by changing the 60 percent median area income units to 50 percent median area income units would cost approximately \$20,000 in annual foregone revenues.**

**The FY97 net cash flow of the project with a \$46,200 funding of the replacement reserves (the annual \$46,200 funding of the replacement reserves is a requirement of Home Savings, the first position lender) was approximately \$220,000. Fully funding the replacement reserves by \$179,000 would leave approximately \$87,000 in net cash flow to fund other affordable housing programs and projects.**

**Previous Related Action(s): The Housing Commission approved purchase of the Maya Apartments on May 15, 1995 (HCR 95-98), and the Housing Authority ratified the Commission's action on May 23, 1995.**

**110 FY99 BUDGET WORKSHOP - HCR98-011 - Discussion Regarding Private Management of Some Publicly Owned Rental Properties (TRAILED FROM JANUARY 26, 1998 HOUSING COMMISSION MEETING)**

**Recommendation: It is recommended that the Housing Commission discuss the alternatives and provide direction regarding privatization of the management and maintenance of some publicly owned rental properties.**

**Fiscal Impact: If privatized, the FY99 Budget would reflect a modification of staff management and contract costs based on the alternative chosen. No significant cost difference is anticipated.**

**Previous Related Action(s): The Housing Commission approved purchase of the Maya Apartments on May 15, 1995 (HCR95-98), and the Housing Authority ratified the Commission's action on May 23, 1995.**

**On February 12, 1996 (HCR96-023), the Housing Commission directed the Executive Director to assume responsibility of the Maya Apartments for site management and maintenance using Housing Commission staff.**

**111 FY99 BUDGET WORKSHOP - HCR98-023 - Budget Context**

**Recommendation: It is recommended that the San Diego Housing Commission consider the changing environment in which this Commission budget is being developed.**

**Fiscal Impact: None with this report.**

**CLOSED SESSION**

**It is anticipated that the San Diego Housing Commission will recess on Monday, February 9, 1998 into 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) SDHC v. Home Park Village Apartments; Jonroe Properties  
San Diego Municipal Court Case No.: 596769**
  - (b) SDHC v. San Diego Investors dba Harbor Ridge; JW Apartment Realty, Inc.  
San Diego Municipal Court Case No.: 596767**
  - (c) SDHC v. Horizon Capital Group LP/Uptown Property Management; Joseph Daneshgar  
San Diego Municipal Court Case No.: 596768**
  - (d) SDHC v. Gunner Mouritzen  
San Diego Municipal Court Case No.: 596766**
  - (e) SDHC v. Jon Williams; Great Western; Ricardo Chantengco; Theresita Chantengco  
San Diego Municipal Court Case No.: 597418**
  - (f) SDHC v. Patricia Coopridner  
San Diego Municipal Court Case No.: 597419**
  - (g) SDHC v. Mountain View Service, Inc.; Horizon Capital Group L/P Uptown Property Management; General Electric Corporation; Fairfield Properties, Inc.; John Daneshgar  
San Diego Municipal Court Case No.: 597420**
  - (h) SDHC v. Cinnamon Woods Apartments; Patricia Barba  
San Diego Municipal Court Case No.: 597421**
  - (i) SDHC v. Jose Jimenez  
San Diego Municipal Court Case No.: 596989**
  - (j) SDHC v. Glen Rufenach  
San Diego Municipal Court Case No.: 596988**
  - (k) SDHC v. William Cogan, Jr.  
San Diego Municipal Court Case No.: 597803**

- (l) **SDHC v. Virgil Rosenfeld**  
**San Diego Municipal Court Case No.: 597805**
- (m) **SDHC v. Q Avenue II; Kathryn Schmedding; RGU Management; Robert Underwood**  
**San Diego Municipal Court Case No.: 5978000**
- (n) **SDHC v. Oro Valle Apartments; David Zettel; Charlene Zettel; EMIF California Ltd.**  
**San Diego Municipal Court Case No.: 597799**
- (o) **SDHC v. Jean Klauber; Parkview Robinson**  
**San Diego Municipal Court Case No.: 598054**
- (p) **SDHC v. Ralph Wyer**  
**San Diego Municipal Court Case No.: 598053**
- (q) **SDHC v. Great Western Bank; Phuc Doan**  
**San Diego Municipal Court Case No.: 598052**
- (r) **SDHC v. Olivewood Garden Apartments**  
**San Diego Municipal Court Case No.: 598118**
- (s) **SDHC v. Menlo Estates; Gregory Norcop**  
**San Diego Municipal Court Case No.: 598273**
- (t) **SDHC v. Robert Defreitas**  
**San Diego Municipal Court Case No.: 598713**
- (u) **SDHC v. Tony Cassolato**  
**San Diego Municipal Court Case No.: 598664**
- (v) **SDHC v. Kansas Street Joint Venture**  
**San Diego Municipal Court Case No.: 598662**
- (w) **SDHC v. Top of the Hills**  
**San Diego Municipal Court Case No.: 598659**
- (x) **SDHC v. John Strubb**  
**San Diego Municipal Court Case No.: 598663**
- (y) **SDHC v. C. Lowell Parsons**  
**San Diego Municipal Court Case No.: 598661**
- (z) **SDHC v. Charles Pace; Jimmie Pace**  
**San Diego Municipal Court Case No.: 598714**
- (aa) **SDHC v. Western Communities**

**San Diego Municipal Court Case Filed 1/30/98, Case No. not available**

**(bb) SDHC v. Harbor Point; Gerald Pfaff; U.S. Community Savings; Hugh Stewart**

**San Diego Municipal Court Case Filed 1/30/98, Case No. not available**

**(cc) SDHC v. Casa Maria Apartments**

**San Diego Municipal Court Case Filed 1/30/98, Case No. not available**

**(dd) SDHC v. Mexfront Border Investments, Inc.**

**San Diego Municipal Court Case Filed 1/30/98, Case No. not available**

**(ee) SDHC v. Floyd Strong; Ken Fredercik Realty, Inc.**

**San Diego Municipal Court Case Filed 1/30/98, Case No. not available**

**(ff) San Diego Housing Commission, a public agency vs. Park Haven Apartments No. 1, a California general partnership; Parkhaven Apartments No. 2, a California general partnership; Park Haven Apartments No. 3, a California general partnership; Park Haven Apartments No. 1, Ltd., a California limited partnership; John B. Walsh, an individual, Elden E. Vanover, an individual; Joe Rosa, an individual; Diedrich & Vanover, a general partnership; Trabajadores de la Raza, Inc. dba Casa Familiar, a California nonprofit public benefit corporation; and Does 1-50, inclusive**

**San Diego Superior Court Case No.: 712827**

**(gg) Melvin Shapiro v. City of San Diego; San Diego Housing Commission**

**San Diego Superior Court Case No.: 714981**

**(hh) San Diego Housing Commission, a public agency vs. Creekside Villa Apartments, a California limited partnership; Barbara Barsky, an individual; Morley Barsky, an individual; Richard Kuebler, an individual; John B. Walsh, an individual; Trabajadores de la Raza, Inc., dba Casa Familiar, a California nonprofit public benefit corporation; and Does 1-50, inclusive**

**San Diego Superior Court Case No.: 712828**

**(ii) San Diego Housing Commission, a public agency vs. Ward Richard Hanigan, Trustee of the Central Avenue Trust UDT 2/6/90; Central Avenue Trust UDT 2/6/90, and Does 1-20 inclusive**

**San Diego Superior Court Case No.: 709699**

**(jj) San Diego Housing Commission, a public entity; Housing Authority of the City of San Diego, a public entity v. State of California, a governmental entity; California Department of Transportation, a department of the State of California, and Does 1-50, inclusive**

**San Diego Superior Court Case No.: 705157**

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

**(a) More than (1) matter.**

**ADJOURNMENT**