



SAN DIEGO HOUSING COMMISSION
MINUTES

**SAN DIEGO HOUSING COMMISSION
MINUTES OF THE REGULAR MEETING
MARCH 9, 1998
CITY ADMINISTRATION BUILDING
202 C STREET, 12TH FLOOR
SAN DIEGO, CALIFORNIA**

Attendance: Present: Chairman Arthur, Commissioners Dick, Macias, Oxberry, and Tumminia. Also present were: Ms. Elizabeth C. Morris, Executive Director and Charles Christensen, General Counsel. Absent: Commissioner Nottley.

10 CALL TO ORDER

Chair Arthur called the meeting to order at 9:15 a.m.

20 PUBLIC COMMENT

Mr. Earl Ehrenberg expressed his personal frustration as a Section 8 landlord with the Housing Commission's request for repayment of rents. Although Mr. Ehrenberg agreed that the Housing Commission must indeed be held accountable for its handling of taxpayers' funds, he attested that he has always contracted in good faith with the Housing Commission and that any discrepancies in his rents are market-driven. Mr. Ehrenberg feels that this action directed by the federal government will not serve the public, but in fact discourage landlords from assisting Section 8 residents.

Ms. Morris responded that this discussion was also docketed for this meeting's closed session agenda, and that commissioners would confer with Counsel at that time. Ms. Morris also expressed the Housing Commission's appreciation of Section 8 landlords and their cooperation with this effort.

30 COMMISSIONER COMMENTS

Commissioner Dick urged the Chairman to work with the mayor's office to fill the vacant positions on the Housing Commission Board as soon as possible.

40 REPORT BY THE EXECUTIVE DIRECTOR

None.

50 APPROVAL OF THE MINUTES

Minutes for the February 23, 1998 Meeting will be approved at the March 23, 1998 Housing Commission meeting.

ADOPTION AGENDA - CONSENT

MOTION WAS MADE BY COMMISSIONER DICK TO APPROVE THE FOLLOWING ITEMS ON CONSENT:

101 HCR98-028 - Award of Construction Contract for Phase II of Various Improvements at the University Canyon Housing Development (Council District 5)

Recommendation: That the Housing Commission approve the award of contract to Precise Construction Management and authorize the Executive Director to execute the contract (Attachment 1) and expend the contingency.

MOTION SECONDED BY COMMISSIONER MACIAS AND CARRIED ON VOTE OF 5-0, WITH COMMISSIONER NOTTLEY BEING ABSENT.

ADOPTION AGENDA - ACTION AGENDA

100 HCR98-029 - AIDS Foundation San Diego (AFSD) Contract Assumption Continuation and Status Report (Countywide)

The staff report was presented by Programs and Policies Program Manager Nancy Williams, with Senior Program Analyst Terri Jacinto, and Deputy Executive Director Paula Burrier-Lund on hand for questions.

Ms. Williams outlined staff's recommendations for assignment and transfer of HOPWA funds to cover contracts assumed by the Housing Commission pursuant to the AIDS Foundation's 1997 declaration of bankruptcy; and for the reassignment of HOPWA funds from activities that are not fully utilizing the resources, to activities that are in need of more funds.

Commissioner Dick sought clarification on the future effect of shifting these funds, for example, if funds were moved from an activity now, but needed for that activity again in the future, would they be available? Ms. Burrier-Lund assured him that more funds would be available in the next fiscal year to serve future needs.

Chairman Arthur asked for reassurance that the Commission's level of responsibility in these assumed contracts has not extended beyond original expectations. Ms. Burrier-Lund explained that staff will continue efforts to find another nonprofit to step in and provide services, but that these recommendations today would make it possible for the Commission to fulfill its commitment to provide uninterrupted services to persons affected by the AIDS Foundation's bankruptcy. Ms. Burrier-Lund further assured the Chairman that these actions bear no new fiscal impact on the Commission, as the funds were already allocated; the Commission has merely assumed responsibility for their administration, and has received kudos from the community for doing so.

MOTION MADE BY COMMISSIONER DICK TO AUTHORIZE:

RECOMMENDATION 1:

- 1) CONTINUANCE OF THE HOUSING OPPORTUNITIES FOR PEOPLE WITH AIDS (HOPWA)-FUNDED TENANT-BASED RENTAL ASSISTANCE PROGRAM BY THE SAN DIEGO HOUSING COMMISSION FOR AN ADDITIONAL PERIOD NOT-TO-EXCEED 15 MONTHS; AND
- 2) CONTINUANCE OF THE SHELTER PLUS CARE (S+C)-FUNDED HOUSING AND SUPPORT SERVICES BY THE SAN DIEGO HOUSING COMMISSION FOR HOMELESS PERSONS WITH HIV FOR AN ADDITIONAL PERIOD NOT-TO-EXCEED 15 MONTHS.
- 3) THE EXECUTIVE DIRECTOR TO CONTINUE HOPWA FUNDING OF A STAFF POSITION, FOR A PERIOD NOT-TO-EXCEED 15 MONTHS, TO PERFORM RESPONSIBILITIES FOR THE HOPWA TENANT-BASED RENTAL ASSISTANCE PROGRAM AND THE S+C PROGRAM AND AUTHORIZE A TEMPORARY HALF-TIME CLERICAL SUPPORT POSITION.
- 4) AN AMENDMENT TO THE HOUSING COMMISSION FY98 BUDGET TO IMPLEMENT THE STAFF AND HALF-TIME SUPPORT POSITION FOR THE 3 REMAINING MONTHS OF THIS FISCAL YEAR BY TRANSFERRING FUNDS IN THE AMOUNT OF \$20,580 FROM HOPWA LOANS AND GRANTS TO SALARIES BENEFITS, MILEAGE, TRAINING AND TRAVEL. IF APPROVED, THE REMAINING 12 MONTHS OF HOPWA FUNDING FOR THESE POSITIONS IN THE AMOUNT OF \$81,918 WILL BE INCLUDED IN THE FY99 BUDGET, FOR A 15 MONTH TOTAL AMOUNT OF \$103,498.

AND RECOMMENDATION 2: THE TRANSFER OF A \$155,000 OF HOPWA FUNDS FROM PROGRAMS AND POLICY RENTAL HOUSING FINANCING AND INVESTING IN AFFORDABLE HOUSING ACTIVITY IN LOANS AND GRANTS, TO PROGRAMS AND POLICY FUNDING OF AFFORDABLE HOUSING AND SERVICES ACTIVITY IN LOANS AND GRANTS. TRANSFER WILL INCREASE FUNDING AVAILABLE FOR HOPWA TENANT-BASED RENTAL ASSISTANCE BEGINNING IN FISCAL YEAR 1998 AND CARRIED OUT THROUGH FISCAL YEAR 1999, AS RECOMMENDED BY THE JOINT CITY- COUNTY HIV HOUSING COMMITTEE.

MOTION SECONDED BY COMMISSIONER MACIAS, AND CARRIED ON UNANIMOUS VOTE OF 5-0, WITH COMMISSIONER NOTTLEY BEING ABSENT.

102 HCR98-022 - Community Reinvestment Plans from Grossmont Bank and Home Savings of America (Citywide)

The staff report was delivered by Nancy Williams, with Paula Burrier-Lund on hand for questions.

Ms. Williams presented staff's recommendation to accept the Community Reinvestment Plans from Grossmont Bank and Home Savings of America, as approved by the City-County Reinvestment Task Force, on the basis of the commitment exhibited by these two financial institutions to affordable housing issues.

Ms. Morris commended the growing efforts of Grossmont Bank , and the extraordinary commitment of Home Savings to community reinvestment activities.

Chairman Arthur congratulated Home Savings for its program, and invited Mr. Jim Bleisner, chairman of the Reinvestment Task Force, to the podium. Mr. Bleisner praised Home Savings for producing the first reinvestment plan that addresses the welfare to work issues, and for setting a standard for future discussions with other lenders and insurance companies.

MOTION MADE BY COMMISSIONER OXBERRY TO RECOMMEND CITY COUNCIL ACCEPTANCE OF THE SAN DIEGO-SPECIFIC COMMUNITY REINVESTMENT PLANS FROM GROSSMONT BANK, AND HOME SAVINGS OF AMERICA, WHICH HAVE BEEN APPROVED BY THE CITY-COUNTY REINVESTMENT TASK FORCE.

MOTION SECONDED BY COMMISSIONER MACIAS AND CARRIED ON UNANIMOUS VOTE OF 5-0, WITH COMMISSIONER NOTTLEY BEING ABSENT.

103 FY99 BUDGET WORKSHOP - HCR98-032 - Process Improvements Program Status Report (Citywide)

Ms. Kathi Houck outlined the areas of the Commission now involved in the Process Improvement Program: Rental Assistance, Loan Management, and Rehabilitation. These process improvements are still in progress and staff reports should be ready by the end of the fiscal year. Ms. Houck went on to suggest processes for review during the following year, concerning Data Collection and Reporting Systems, Customer Service, Internal Office Systems (phones, paperless procurements, comprehensive training), and Property Maintenance and Management.

Mr. Mel Shapiro suggested that the Commission's failure to deliver quarterly reports on time is part of a "cover up", and expressed concern regarding the delay in presenting the process improvement report currently being prepared by an outside consultant for the Rental Assistance program. Mr. Shapiro also suggested that the budget each year show whether prior goals were met. Mr. Shapiro criticized the Commission's handling of the issues of privatization and competition; and finally, Mr. Shapiro complained that the Commission's new public information policy has been put into place to curb and punish him personally.

At the request of Commissioner Oxberry, Executive Director Morris responded to Mr. Shapiro's comments regarding quarterly reports and privatization. Regarding the two delinquent reports, Ms. Morris stated that they were in final drafting and would be issued this week. She attributed the delay to the challenges of preparing the Commission's FY99 budget and concurrent conversion to a new financial software, which has required extensive attention and training of financial and information services staff. Regarding privatization and competition, Ms. Morris stated that these issues are undergoing continued analysis and evaluation, and cited examples of their impact on current programs.

Commissioner Dick addressed the problem of issuing reports in a more timely fashion, to better serve the public, and to give the Board more time to review docket items before taking decisions. Mr. Dick also agreed that the Commission should not only set goals but report the level of success in living up to them.

CLOSED SESSION

- 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 vs. Ward Richard Hanigan, Trustee of the Central Avenue Trust UDT 2/6/90; Central Avenue Trust UDT 2/6/90, and Does 1 through 20, inclusive
San Diego Superior Court Case No.: 709699

INSTRUCTIONS GIVEN TO COUNSEL ON A VOTE OF 5-0, WITH NOTTLEY BEING ABSENT.

- (b) Melvin Shapiro v. San Diego Housing Commission
San Diego Superior Court Case No.: 714975

INFORMATIONAL ONLY. NO ACTION TAKEN.

- (c) SDHC v. John Strubb
San Diego Municipal Court Case No.: 598663

INSTRUCTIONS CONCERNING LITIGATION GIVEN TO COUNSEL ON A VOTE OF 5-0, WITH NOTTLEY BEING ABSENT.

- (d) SDHC v. Olivewood Garden Apartments
San Diego Municipal Court Case No.: 598118

INSTRUCTIONS GIVEN TO COUNSEL ON A VOTE OF 5-0, WITH NOTTLEY BEING ABSENT.

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

- (a) More than (1) matter.

INSTRUCTIONS CONCERNING ANTICIPATED LITIGATION GIVEN TO COUNSEL BY VOTE OF 5-0, WITH NOTTLEY BEING ABSENT.

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

Property

7143, 7159 and 7161 Fay Avenue
La Jolla, CA 92037; and: a remnant
portion of 7143, 7159 and 7161 Fay
Avenue, La Jolla, CA 92037

Negotiating Parties

Elizabeth Morris, Lee Bates and Steve
Mikelman for the San Diego Housing
Commission; La Jolla Village
Development Group, LLC; Holmes Real
Estate Corporation; Perdis, Inc.; Edwin
Carey III

Under Negotiation

Terms

STAFF WAS GIVEN INSTRUCTIONS CONCERNING NEGOTIATION OF
TERMS FOR TRANSACTION BY A VOTE OF 5-0, WITH NOTTLEY BEING
ABSENT.

ADJOURNMENT

Chair Arthur adjourned the meeting at 11:20 a.m.

Respectfully submitted,

Approved by,

Margaret Hill
Executive Secretary

Elizabeth C. Morris
Executive Director

ECM:mh

**Signature Available with
Original Document**