



Good Neighbors

San Diego
Housing Commission

MINUTES

**SAN DIEGO HOUSING COMMISSION
MINUTES OF THE REGULAR MEETING
APRIL 13, 1998
CITY ADMINISTRATION BUILDING
202 C STREET, 12TH FLOOR
SAN DIEGO, CALIFORNIA**

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

10 CALL TO ORDER

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

20 PUBLIC COMMENT

Mr. Mel Shapiro commented on the 2ND QUARTER PROGRAM PROGRESS REPORT and expressed his dissatisfaction with the new format, which he characterized as reducing the report from approximately 10 pages to 1 page.

Commissioner Oxberry requested a response from Executive Director Elizabeth Morris.

Ms. Morris reported that the Commission's Budget contains objectives for several major activities and the Program Progress Report was reformatted to specifically address these objectives. Ms. Morris further commented that with last year's change to an "Activity Based" budget there were a number of individual activities that lead up to certain quantifiable outputs which were identified. The Program Progress Report directly responds to these specific activities. Ms. Morris indicated that at the end of the fiscal year, a report will be prepared describing each of the individual activities that make up the overall production of the Commission.



30 COMMISSIONER COMMENTS

40 REPORT BY THE EXECUTIVE DIRECTOR

50 APPROVAL OF THE MINUTES

MOTION BY TUMMINIA TO APPROVE THE MINUTES OF THE MEETING OF MARCH 23, 1998.

SECOND BY OXBERRY.

MOTION CARRIED BY A VOTE OF 4-0, WITH MACIAS AND DICK BEING ABSENT.

ADOPTION AGENDA - CONSENT

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

100 HCR98-041 - Modification of Home Repair Grant Program

Recommendation: It is recommended that the Housing Commission recommend modification of the existing Home Repair Grant Program for very-low income owner-occupants of single family residences to clarify certain provisions and increase the amount. The recoverable grant amount would be increased from \$3,000 to \$5,000.

101 HCR98-045 - Watson Wyatt Contract Amendment (Citywide)

Recommendation: Amend the current Watson Wyatt Worldwide contract for Employee Benefits Consulting and Brokerage Services for FY98 by \$20,000 for a total contract amount not to exceed \$56,500 for the remaining one year term ending June 30, 1998 to accommodate additional services needed.

MOTION SECONDED BY OXBERRY.

MOTION CARRIED UNANIMOUSLY ON A VOTE OF 4-0, WITH MACIAS AND DICK BEING ABSENT.

ADOPTION AGENDA - ACTION AGENDA

Commissioner Dick arrived and was present for the remainder of the meeting.

103 HCR98-039 - Housing Trust Fund Fiscal Year 99 Implementation Strategy (Citywide)

The staff report was presented by Program Analyst Cissy Fisher, with Housing Finance Program Manager Pat Getzel on hand to answer any questions.

Ms. Ellen Brown with the Neighborhood House Association spoke in favor of this item. Ms. Brown also commented that homeownership strengthens and adds stability to neighborhoods. Ms. Brown requested that additional emphasis be placed on educating and counseling families as to how not to lose their homes to foreclosure and that an ongoing counseling program be designed to provide guidance in this respect.

Ms. Christi Sabino with San Diego Neighborhood Housing Services requested that the following items be taken into consideration:

- 1) Homeownership.
- 2) Homebuyer education programs for 1st Time Homebuyers.
- 3) Housing Rehabilitation to continue to revitalize neighborhoods.

Former Housing Commissioner and current Executive Director of the Nonprofit Federation, Greg Akili addressed the Board regarding the Housing Trust Fund. Mr. Akili recommended investing money in Capacity Building to allow nonprofits to develop staff and secure resources to take advantage of affordable housing opportunities. Mr. Akili also recommended a pilot program to establish an escrow fund for residents in nonprofit developments to assist these individuals with homeownership. Lastly, Mr. Akili commented on the need to provide immediate funding to establish a full-time permanent shelter for the homeless that operates on a year round basis.

Commissioner Dick supported the comments made regarding the importance of homeownership. Commissioner Dick inquired about the possibility of designing programs that would attract more median income homebuyers. Specifically Commissioner Dick expressed an interest in utilizing Housing Trust Funds for the purpose of establishing homeownership programs in targeted neighborhoods where it has been identified that a particular community is at risk of becoming an "absentee landlord" neighborhood.

Commissioner Dick requested that the Commission be given another opportunity to review the staff report prior to a final vote to allow exploration of some of the issues raised regarding homeownership programs.

Ms. Morris responded that it was possible to continue discussion of this item to the April 27 Housing Commission meeting. Ms. Morris pointed out that Housing Trust Fund funded homeownership program could be increased while holding the allocation of noncategorical funds to homeownership constant. On the other hand, an absolute increase in total

funds for homeownership could be achieved. Changes in the amount of home-ownership funding could affect other aspects of the draft budget.

Commissioner Dick responded that he is seeking an overall increase in homeownership. Chair Arthur commented that in the past the nonprofit community had indicated that too much was being allocated to homeownership and not enough money was allocated for rental properties.

Ms. Fisher reported that there are significantly more funds available in the HOME budget for homeownership than in the Housing Trust Fund budget. However the HOME Program has an income limit of 80% of Area Median Income for use for homeownership purposes. The Housing Trust Fund allows the opportunity to go up to 100% of Median Area Income. Ms. Fisher emphasized that the Commission strives to maximize the Housing Trust Fund budget in order to accomplish those things that the HOME Program cannot do (e.g., the Downpayment Grant Program).

Commissioner Nottley indicated that more discussion needs to take place regarding the need for project-based rental assistance, Special Needs etc. Commissioner Nottley expressed her support of homeownership, but not at the expense of moving funds from other programs which are vitally needed here in San Diego. Commissioner Nottley commented further that there needs to be more programs which address the "Welfare-to-Work" issue - programs which assist individuals in making this difficult transition.

Mr. Mel Shapiro inquired if Chair Arthur could vote on this issue since he is employed by a nonprofit. Chair Arthur indicated that he would be abstaining from voting on this item.

MOTION BY OXBERRY TO CONTINUE DISCUSSION OF THIS ITEM TO THE APRIL 27, 1998 HOUSING COMMISSION MEETING.

SECOND BY DICK.

Commissioner Dick requested the opportunity to confer with staff to discuss ways in which homeownership programs may be enhanced without sacrificing other important programs.

Ms. Morris reiterated the importance of continuing to strive to define the appropriate balance in the allocation of funds to different programs. Ms. Morris pointed out that the Trust Fund is one of several noncategorical funds over which the Commission has discretion. It is proposed that almost 20% of those noncategorical funds be budgeted for homeownership. Ms. Morris further encouraged the Board to consider the array of need (e.g., the Waiting List, the ability to revitalize neighborhoods through better rental housing).

MOTION CARRIED ON A VOTE OF 4-0, WITH ARTHUR ABSTAINING AND MACIAS BEING ABSENT.

Ms. Morris requested that an additional Housing Commission meeting be tentatively scheduled for Monday, May 4, 1998, to allow the Board to continue consideration of the Commission's FY99 Budget which is coming forward on April 27, 1998.

102 HCR98-036 - FY99 Consolidated Plan (Citywide)

Nancy Williams, Program Manager of the Programs and Policy section presented the staff report on this item. Ms. Williams was joined at the table by staff Program Analyst Rudy Cervantes and by Jeff Washington, Program Manager for the City of San Diego Community Services section.

Dr. Julia Saltman, State Coordinator of a fair housing task force called H.I.S.A. (Housing Integration Set Aside), acknowledged the Commission's continuing comprehensive housing programs for low-income households. Dr. Saltman stressed the importance of providing incentives (such as move-in costs) to encourage individuals to move from concentrated low-income neighborhoods to deconcentrated neighborhoods for greater opportunities.

The following individuals addressed the Commission regarding the issue of providing year round shelter(s) for the homeless. These individuals emphasized the need to provide families, mentally ill and other homeless individuals a place to live and better access to services. They also emphasized the need for safe, legal sleeping facilities that are open year round and not just during the inclement winter months:

- 1. Roger Scott**
- 2. Tony Scott**
- 3. Sabrina Poires**
- 4. Robin Young**
- 5. Nathaniel Ferguson**
- 6. Daniel Fagan**
- 7. Olay Walling**
- 8. Jonathan Peel**

These individuals also testified as to the difficulty of securing employment when there are no facilities readily available to shower, change etc. In addition, there is the added problem of having no place to leave their belongings while seeking employment nor having a telephone where messages could be left by prospective employers.

Chair Arthur and the other Commissioners had several questions for the individuals testifying. Chair Arthur indicated he would be available after the meeting to speak with any of those individuals that wished to speak with him.

Mr. Neil McPhatier reported to the Commission that he is in the process of forming a nonprofit organization by the name of Terelological Enterprises. Mr. McPhatier stated the goal of this enterprise is to assist the homeless and meet some of the needs currently not met by other programs. Mr. McPhatier inquired of the Commission as to the possibility of obtaining funding. Chair Arthur directed Mr. McPhatier to contact Housing Commission staff to further discuss his proposal.

Mr. Mel Shapiro commented on the Citizen Participation Plan and spoke in opposition of citizens comments being presented in the form of a "Summary". Mr. Shapiro indicated that it is his belief that all citizen comments should be included. Mr. Shapiro also commented regarding the need for more funding towards tenant-based rental assistance programs to assist individuals currently on the Waiting List for housing.

Commissioner Dick addressed the issue of homelessness and the myriad problems related to it and the difficulties presented to the Commission in finding solutions to the problems raised by those testifying. Commissioner Dick commented that the Consolidated Plan addresses to a degree the fact of homelessness, but does not and cannot meet all the needs. However, Commissioner Dick expressed the desire to continue to strive to do as much as possible with the limited funds available.

MOTION BY NOTTLEY TO RECOMMEND TO THE CITY COUNCIL THAT IT APPROVE THE CITY'S DRAFT FISCAL YEAR 1999 CONSOLIDATED ANNUAL PLAN, AND AUTHORIZE ITS SUBMISSION TO HUD.

SECOND BY DICK.

MOTION CARRIED BY A VOTE OF 5-0, WITH MACIAS BEING ABSENT.

INFORMATIONAL ITEMS

San Diego Housing Commission FY99 Community Relations Strategic Plan

Ms. Bobbie Christensen, Manager of the Community Relations section presented an overview of the *FY99 COMMUNITY RELATIONS STRATEGIC PLAN*.

CLOSED SESSION

- I. Conference with Legal Counsel - existing litigation, pursuant to California Government Code Section 54956.9(a) and 54954.5(c):
- (a) **Hidden Valley Construction v. San Diego Housing Authority**
San Diego Superior Court Case No.: 704467
- INFORMATIONAL ONLY. NO ACTION TAKEN.
- (b) **Melvin Shapiro v. City of San Diego; San Diego Housing Commission**
San Diego Superior Court Case No.: 714981
- INFORMATIONAL ONLY. NO ACTION TAKEN.
- (c) **Melvin Shapiro v. San Diego Housing Commission**
San Diego Municipal Court Case No.: 714975
- INFORMATIONAL ONLY. NO ACTION TAKEN.
- (d) **San Diego Housing Commission, a public agency vs. Ward Richard Hanigan, Trustee of the Central Avenue UDT 2/6/90; Central Avenue Trust UDT 2/6/90, and Does 1 through 20, inclusive**
San Diego Superior Court Case No.: 709699
- INFORMATIONAL ONLY. NO ACTION TAKEN.

DIRECTION WAS GIVEN TO COUNSEL REGARDING THE FOLLOWING ITEMS ((E) THROUGH (J)) BY A UNANIMOUS VOTE OF 5-0, WITH MACIAS BEING ABSENT.

- (e) **SDHC v. Olivewood Garden Apartments**
San Diego Municipal Court Case No.: 598118
- (f) **SDHC v. Horizon Capital Group LP/Uptown Management; General Electric Corporation; Fairfield Properties, Inc.; John Daneshgar**
San Diego Municipal Court Case No.: 597420
- (g) **SDHC v. William Cogan, Jr.**
San Diego Municipal Court Case No.: 597803
- (h) **SDHC v. Ralph Wyer**
San Diego Municipal Court Case No.: 598053
- (i) **SDHC v. Great Western Bank; Phuc Doan**
San Diego Municipal Court Case No.: 598052

- (j) **SDHC v. Robert Defreitas**
San Diego Municipal Court Case No.: 598713

- II. **Conference with Legal Counsel - anticipated litigation pursuant to Government Code Section 54956.9(c) and 54954.5(c):**
 - (a) **More than (1) matter.**

DIRECTION WAS GIVEN TO COUNSEL BY A VOTE OF 5-0, WITH MACIAS BEING ABSENT.

- III. **Conference with Labor Negotiator - pursuant to California Government Code Section 54957.6:**
 - Agency Negotiator: Elizabeth Morris and/or Ron Novello
for the San Diego Housing
Commission**

 - Employee Organization: Social Services Union, Local
535, SEIU, AFL-CIO**

DUE TO TIME CONSTRAINTS, NO DISCUSSION OF THIS ITEM TOOK PLACE AND NO ACTION WAS TAKEN.

ADJOURNMENT

Chair Arthur adjourned the meeting at 12:40 p.m.

Respectfully submitted,

Rob Albrecht
Administrative Assistant

ECM:ra

Approved by,

Elizabeth C. Morris
Executive Director

**Signature Available with
Original Document**