



Good Neighbors

San Diego
Housing Commission

MINUTES

**SAN DIEGO HOUSING COMMISSION
MINUTES OF THE REGULAR MEETING
OCTOBER 26, 1998
CITY ADMINISTRATION BUILDING
202 C STREET, 12TH FLOOR
SAN DIEGO, CALIFORNIA**

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

10 CALL TO ORDER

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

20 PUBLIC COMMENT

Former Housing Commissioner Shuf Swift spoke in support of the Black Mountain Ranch project - Proposition K. Mr. Swift indicated that the project will provide 179 units of affordable housing to those earning only 65% of the Median Area Income. Mr. Swift also noted that SANDAG projects that the City of San Diego will need 7,546 affordable housing units by the year 2004.

Commissioner Grinchuk added that the San Diego County Apartment Association is in support of this measure.

30 COMMISSIONER COMMENTS

Chair Arthur asked the Board to consider the current difficulties of Commissioner Dick to attend meetings at their regularly scheduled time on Monday mornings, a situation created by a change in his work schedule which would remain a problem for the rest of this year. As opposed to changing the date of the meeting, the Commission consensus was to grant Mr. Dick a leave of absence for the remainder of the year.

40 REPORT BY THE EXECUTIVE DIRECTOR

Ms. Morris conveyed the Commission's sympathies to the family of Michael Lennon, who recently passed away. She expressed appreciation for his ten years of service on the Loan Committee, and most recently as its Chair.

Ms. Morris called the Commissioners' attention to a handout they had received regarding HUD FY99 legislation. Ms. Morris noted that the FY99 HUD Budget contains 50,000 new Section 8 vouchers targeted to "Welfare to Work" families. The process to obtain these vouchers will be a competitive one and staff intends to bring forward an application to expand the Section 8 program. The new HUD budget also renews all of the currently expiring Section 8 contracts which allows the Section 8 program to continue its current level of assistance to the community. Funding for homeless programs, Comp Grant, HOME and CDBG also rose slightly.

Additionally, Ms. Morris commented on the 1998 housing reform act, The Quality Housing and Work Responsibility Act of 1998. Many of the provisions of this Act have been debated by Congress for the past 3-4 years. Ms. Morris indicated that there are some significant issues within the Act which will be analyzed by staff for review by the Commissioners. Some of the provisions of the Act offer policy options which had not been available prior to its enactment. Ms. Morris commented that the Act provides increased flexibility to the Commission in the administration of its Section 8 and Public Housing Programs in terms of who to house. Ms. Morris summarized some of the other provisions of this legislation.

50 APPROVAL OF THE MINUTES

Ms. Morris pointed out that the Minutes of the October 5, 1998 misstated the Motion for Item 104. The banking services contract was awarded to the Bank of Commerce, not the Bank of America.

General Counsel requested that Item 104 also include the appropriate legal references to support the decision that Commissioner Steinke abstain from voting on this item

MOTION BY TUMMINIA TO APPROVE THE MINUTES OF THE OCTOBER 5, 1998 HOUSING COMMISSION MEETING WITH THE ABOVE-REFERENCED CORRECTIONS CONCERNING ITEM 104.

SECOND BY OXBERRY.

MOTION CARRIED ON A UNANIMOUS VOTE OF 6-0, WITH DICK BEING ABSENT.

ADOPTION AGENDA - CONSENT

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

100 HCR98-100 - Revision to Conflict of Interest Code Policy

RECOMMENDATION: THAT THE HOUSING COMMISSION RECOMMEND HOUSING AUTHORITY APPROVAL TO AMEND THE CONFLICT OF INTEREST CODE POLICY PO101.000 TO CONFORM WITH STATE GOVERNMENT CODE 18730, AND LOCAL POLICY DISCRETION DURING THE CITY COUNCIL BIENNIAL REVIEW PROCESS. FURTHER, RESPONSIBILITY FOR RETAINING ORIGINAL DOCUMENTS WOULD BE TRANSFERRED FROM CITY CLERK TO EXECUTIVE DIRECTOR.

103 HCR98-131 - Appointment of Loan Committee Members (Citywide)

RECOMMENDATION: THAT THE HOUSING COMMISSION CONFIRM THE NOMINATION OF LINNIE GAVINO AND ART RIVERA AND REAPPOINT BARBARA "BOBBI" GILLIAM TO SERVE TWO-YEAR TERMS ON THE LOAN COMMITTEE.

105 HCR98-143 - Countywide Credit Needs Assessment (Citywide)

RECOMMENDATION: THAT THE HOUSING COMMISSION CONTRACT ON BEHALF OF THE CITY-COUNTY REINVESTMENT TASK FORCE, THROUGH THE NONPROFIT FEDERATION FOR HOUSING AND COMMUNITY DEVELOPMENT, WITH ECONOMICS RESEARCH ASSOCIATES TO COMPLETE AN ASSESSMENT OF SMALL BUSINESS AND LOW-INCOME HOMEBUYER CREDIT NEEDS IN SAN DIEGO COUNTY.

SECOND BY TUMMINIA.

MOTION CARRIED ON UNANIMOUS VOTE OF 6-0, WITH COMMISSIONER DICK BEING ABSENT.

ADOPTION AGENDA - ACTION AGENDA

101 HCR98-142 - Request by Revival Pentecostal Tabernacle of San Diego for a Variance from Payment of the City's Housing Impact Fee (Council District 3)

No staff report was given. Commissioner Steinke expressed some concern that the module spaces may be maintained at a low employee density, but that there may be modifications to the other existing facilities on site. Mr. Steinke commented that he wants to ensure there not be a more intensive use of the facilities as a result of the new modular space.

Senior Program Analyst Cissy Fisher responded that monitoring this project in accordance with Commissioner Steinke's request would not present a problem.

MOTION BY STEINKE TO GRANT A REQUEST FROM REVIVAL PENTECOSTAL TABERNACLE OF SAN DIEGO, LOCATED AT 1765 PENTECOST WAY, FOR A LOW EMPLOYEE VARIANCE FROM PAYMENT OF THE CITY'S HOUSING IMPACT FEE OF \$921.60 WITH THE STIPULATION THAT IF CHANGES IN USE OF THE CURRENT SPACE TRIGGERS HOUSING IMPACT FEE THAT SUCH HOUSING IMPACT FEE WOULD BE DUE AND PAYABLE.

SECOND BY OXBERRY.

MOTION CARRIED ON A UNANIMOUS VOTE OF 6-0, WITH COMMISSIONER DICK BEING ABSENT.

102 HCR98-144 - Conversion of Section 8 Certificates to Vouchers (Council District - all)

Staff report was presented by Mr. Rand Stewart.

Commissioner Steinke requested an explanation as to the loss in Housing Assistance Payments which is referenced in the report.

Mr. Stewart responded that funding from HUD is based on the prior year's average Housing Assistance Payment and administrative fee of \$520.00 for vouchers. Initially if this conversion is approved, it could potentially be funded by HUD at the average Voucher payment, which is lower than the Housing Assistance Payment for Certificates (\$535). This could result in a loss of approximately \$15 per unit or \$58,260 per month.

Ms. Morris commented that the provisions of the Voucher program allow clients to pay a higher than Fair Market Rent as opposed to the Certificate program under which Certificate holders are unable to lease any unit which exceeds HUD's published Fair Market Rent level. Given the current rental market situation, the Voucher program would offer more flexibility to clients attempting to locate units for lease. A Voucher also provides the client a greater opportunity to live in areas of their choosing.

Chair Arthur expressed some concern as how this conversion might affect those individuals on the waiting list. Ms. Morris responded that this would have no effect on an individual's placement on the waiting list. It would help those who come to the top of the list to actually use the assistance.

MOTION BY COMMISSIONER OXBERRY TO AUTHORIZE THE EXECUTIVE DIRECTOR TO REQUEST THAT HUD CONVERT ALL UPCOMING SECTION 8 CERTIFICATE CONTRACT RENEWALS TO THE SECTION 8 VOUCHER PROGRAM.

SECOND BY COMMISSIONER HILLS.

MOTION CARRIED ON UNANIMOUS VOTE OF 6-0, WITH COMMISSIONER DICK BEING ABSENT.

104 HCR98-140 - Award of Contract for Installation and Maintenance of Laundry Equipment (Citywide)

Commissioner Tumminia indicated that she had some questions, but that no staff report would be necessary. Technical Services Manager Steve Snyder and Mr. Robert Tapia, were on hand to answer questions.

Commissioner Tumminia requested clarification as to whether the cost will be 75 cents per wash or 50 cents. Mr. Tapia responded that the cost will be 50 cents.

Commissioner Tumminia also expressed some concern regarding the placement of coin slots on the new machines and their handicapped accessibility. Ms. Tumminia requested that, if possible, coin slots be placed on the front or side of the machine as opposed to the top. This would allow for easier access for those handicapped individuals.

Mr. Snyder responded that the machines would be handicapped accessible and the staff would research the possibility of relocating the coin slots to the front or side of each machine.

MOTION MADE BY COMMISSIONER TUMMINIA TO AWARD AND AUTHORIZE THE EXECUTIVE DIRECTOR TO EXECUTE CONTRACT FOR INSTALLATION AND MAINTENANCE OF COIN OPERATED LAUNDRY EQUIPMENT AT HOUSING COMMISSION-OWNED AND -MANAGED SITES THROUGHOUT THE CITY TO WEB SERVICE COMPANY, INC. FOR A FIVE-YEAR PERIOD.

SECOND BY COMMISSIONER GRINCHUK.

MOTION CARRIED ON UNANIMOUS VOTE OF 6-0, WITH COMMISSIONER DICK BEING ABSENT.

CLOSED SESSION

Issues were discussed in the following order:

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

<u>Property:</u>	Skyline/Woodman (vacant property owned by SDHC)
<u>Negotiating Parties:</u>	Neal Arthur, Elizabeth Morris, and Pat Getzel for the San Diego Housing Commission; and William Jones for Woodman Estates, LLC, whose co-developers are Patrick Property Services and Citylink Investment Corporation, for prospective purchaser.
<u>Under Negotiation:</u>	Terms and Price

THE PRIOR ACTION OF THE COMMISSION WAS REAFFIRMED BY A VOTE OF 6-0, WITH DICK BEING ABSENT.

Commissioner Steinke left the meeting.

- 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 v. Olivewood Garden Apartments, an unknown entity; and Does 1-50, inclusive San Diego Municipal Court Case No. 589118

AUTHORITY WAS GRANTED TO COUNSEL BY CONCERNING SETTLEMENT BY A VOTE OF 5-0, WITH DICK AND STEINKE BEING ABSENT.

- (b) San Diego Housing Commission v. Earl Ehrenberg, an individual; and Judy Ehrenberg, an individual; and Does 1-50, inclusive San Diego Municipal Court Case No. 601390

DIRECTION CONCERNING SETTLEMENT WAS GIVEN TO COUNSEL BY A VOTE OF 5-0, WITH DICK AND STEINKE BEING ABSENT.

- (c) Mildred J. Tanner v. San Diego Housing Commission, a public corporation
San Diego Superior Court Case No. 723725

THIS ITEM WAS INFORMATIONAL ONLY. NO ACTION WAS TAKEN.

- (d) Hidden Valley Construction v. San Diego Housing Authority
San Diego Superior Court Case No. 704467

THIS ITEM WAS INFORMATIONAL ONLY. NO ACTION WAS TAKEN.

- (e) San Diego Housing Commission v. Harbor Point, an unknown entity; Gerald Pfaff, an individual; U.S. Community Savings, an unknown entity; Hugh Stewart, an individual; and Does 1-50, inclusive
San Diego Superior Court Case No. 598999

INSTRUCTIONS REGARDING LITIGATION WERE GIVEN TO COUNSEL BY A VOTE OF 5-0, WITH DICK AND STEINKE 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.

ONE MATTER WAS INFORMATIONAL ONLY. THE OTHER MATTER WAS CONTINUED TO THE NEXT MEETING.

- IV. Adjournment of Closed Session.

ADJOURNMENT

Chair Arthur adjourned the meeting at 10:56 a.m.

Respectfully submitted,

Rob P. Albrecht
Docket Coordinator

**Signature Available with
Original Document** Approved by,

Elizabeth C. Morris
Executive Director