



SAN DIEGO HOUSING COMMISSION
MINUTES

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MINUTES OF THE SPECIAL MEETING
FEBRUARY 19, 1997
MARTIN LUTHER KING RECREATION CENTER
6401 SKYLINE DRIVE
SAN DIEGO, CALIFORNIA

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

10 CALL TO ORDER

Chair Arthur called the meeting to order at 7:10 p.m.

Chair Arthur announced that Public Comment would be taken at the end of the presentations. Chair Arthur also requested that presentations by each Development Team be limited to five minutes.

20 (HCR97-017) Selection of Development Team for Skyline Drive and Woodman Street Site (Council District 4)

Dave Schuh presented the staff report on this item. Mr. Schuh reported that prior to beginning any activity related to this site, that a Task Force had been set up to determine the needs of the local community. It was determined that the project would consist of single-family residential homes consistent with the local zoning and the needs of the community. The Housing Commission issued a Request For Proposals and received five responses.

The following development teams presented their proposals to the community:

1. CATELLUS GROUP

Scott Orrantia, President of Cuatro Group, presented the Catellus proposal. Mr. Orrantia indicated that Cuatro and Catellus had formed a joint venture to

develop this site. Mr. Orrantia indicated that the Architect, Studio E Architects has worked with the community to ensure that the design of the proposed homes meets their needs.

Mr. Orrantia reported that his group is proposing to build 31 homes on this site. The proposed homes will be made affordable at 80% of Median Area Income (MAI). Prices will range from \$123,000 to \$160,000, depending on the size of the home. Mr. Orrantia commented that his group is sensitive to the needs of the community.

Mr. Orrantia commented that Cuatro is committed to meeting the needs of the community and is actively seeking local community involvement. Mr. Orrantia indicated that he has met with the Equal Opportunity Officer of the San Diego Housing Commission to ensure the local community is involved on all levels. Mr. Orrantia has guaranteed that the Black Contractors Association and the Latino Builders Association will be involved.

Mr. Orrantia spoke of the Mercado Apartments, which was developed by the Catellus Group, to illustrate their historical commitment to the community. Mr. Orrantia indicated that there had been 54% minority participation in all phases of the development of the Mercado Apartments. Mr. Orrantia pledged to work with Ricky Laster of the Minority Contractors to hold a series of workshops in the community, organized to assist individuals in qualifying to buy the homes once they are built. All of the homes will be 2-story with the garages in the back.

2. CITYLINK

Mr. William Jones presented the CityLink proposal. Mr. Jones commented that there should be equal opportunity not just in the construction of these homes, but also in their ownership. Mr. Jones indicated that his team made the decision that they would not necessarily turn in the lowest cost product, and he further commented that his team would rather lose the competition than submit a proposal that was not in accordance with the hopes and aspirations of the community. Mr. Jones commented that the theme of CityLink for this project is "Putting the Community to Work."

Mr. Jones reported that CityLink intends to build no more than 23 to 26 (11 four-bedroom, 12 three-bedroom) homes on this site and does not want to "pack" the site with too many homes.

Mr. Frisco White, architect for CityLink, addressed the community regarding the proposed design of the homes to be built should their team be selected, and he indicated that each unit would be built on a wide lot with a front porch.

Mr. Charles Black, contractor for CityLink on this project, also addressed the community. Mr. Black commented that he has been a resident in the community for 35 years and is committed to its wellbeing. Mr. Black spoke of his involvement

on the Knox Glen Apartments and he reported that 80% of the workforce on this project was from the local community.

3. CARTER REESE

Reese Jarrett presented the proposal for Carter Reese. Mr. Jarrett commented that it is important not just to build an affordable project, but to upscale the development to provide quality housing that will attract more growth to the neighborhood. Mr. Jarrett indicated that one of the considerations was that this project not be weighted down with subsidy, but that 20% of the units would be set aside to be affordable. Mr. Jarrett reported that Carter Reese intends to build 39 homes priced at \$126,000 to \$180,000, utilizing both Site A and Site B.

Mr. Jarrett announced that Carter Reese is prepared to make an offer to the Housing Commission to buy the proposed site for \$521,000 in cash, which includes repaying any outstanding liens on the property. A printed copy of this offer was distribution to the Commission.

Mr. Phillip Brown, a local resident whose construction firm performs 100% of the construction for Carter Reese, addressed the Commission. Mr. Brown reported that he has developed several homes within the community and that he is sensitive to their needs.

30 PUBLIC COMMENT

The following individuals addressed the Commission:

Anna Majors - local resident and President of the Southeast Community Planning Committee

Ms. Majors requested clarification on: a) Range of costs for the Cuatro Project; b) Why CityLink is only proposing to build 23 units and c) Why Carter Reese is building 39 homes.

Ms. Majors was provided with clarification on these issues by the proponents involved in each project.

Shereda Felders - local contractor

Ms. Felders indicated her support for the Carter Reese development team.

Deborah Stevens - local resident

Ms. Stevens requested clarification as to the purpose of the Public Hearing, since it appeared that a development had already been selected and expressed concern regarding the apparent limited opportunity for the public to impact the decision.

Chair Arthur responded that the Staff's selection is only a recommendation at this point. He explained that Staff makes an investigative effort, provides the Commissioners with their findings and their recommendation for action; the Commissioners examine the Staff's report and make an independent recommendation to the City Council. Councilmember Stevens further clarified that the development team selection process would include three more formal meetings - the March 10 Housing Commission meeting, the Land Use & Housing Committee Meeting, and the Housing Authority Meeting - providing three more opportunities for further public comment before the final decision would be made.

George Hellend - member of Selection Committee

Mr. Hellend offered his assistance to the Commission should more information be needed in order to make a decision. Mr. Hellend explained how the Selection Committee determined the rankings of the development teams.

Lee Cox - local resident

Mr. Cox inquired if there had been any demographic studies done regarding density as it relates to the proposal by Carter Reese to build 39 homes. Mr. Jarrett indicated that there had been and those could be made available, if Mr. Cox wished to see them.

Rich Juarez - MAAC Project

Mr. Juarez spoke in favor of the Catellus/Cuatro proposal. Mr. Juarez commented that the teams should be evaluated based on the original criteria presented to them.

Roz King - local resident

Ms. King inquired as to the implication of any subsidy of this project.

Ms. Morris commented that any subsidy provided by the Housing Commission would be for Homebuyer, not developers. Ms. Morris indicated that the amounts and types of subsidies would be determined once the development plan was underway.

Ricky Lasker - Minority Contractors Consulting Group

Mr. Lasker spoke in favor of the Catellus/Cuatro team.

Mr. Abdur Raheem - Black Contractors Association

Mr. Raheem spoke in favor of the CityLink proposal.

Jose Morales - Latino Builders Association.

Mr. Morales spoke in favor of the CityLink proposal. Mr. Morales commented that the percentage of minority participation should be higher than the 54% reported by Mr. Orrantia of the Catellus/Cuatro group.

40 COMMISSIONER COMMENTS

Ms. Macias asked what impact this development would have on the local schools. Housing Commission staff member Carlos C. de Baca explained that the developer would be assessed a fee to be paid to the local school district, which fee would be based on the number of units.

Commissioner Akili commented that he was pleased with the turnout and participation in this public hearing. Mr. Akili indicated that he looks forward to making a decision and that he found the hearing to be a positive experience. Mr. Akili further commented on the integrity and strength of the teams involved.

Ms. Morris commented that she too was pleased with the participation offered by the local community. Ms. Morris assured the community that the Housing Commission had sought and incorporated the input of the community from the beginning of this project and would continue to do so to the end. A Task Force of community members were instrumental in designing the Request For Proposals, public participation is now being solicited in the selection of the development team, and the Commission will be back to the community with the selected team to discuss details of their proposals before any plans actually go into development.

Councilmember George Stevens addressed the community and praised the Housing Commission for providing the forum to the community. Mr. Stevens pledged his support to whatever team is selected to develop what he termed a "First Class project for a First Class Community."

ADJOURNMENT

The meeting was adjourned the meeting at 8:35 p.m.

Respectfully submitted,

Approved by,

Rob Albrecht
Administrative Assistant

Elizabeth C. Morris
Executive Director

ECM:ra

**Signature Available with
Original Document**