

MINUTES



MINUTES OF THE REGULAR MEETING
MAY 13, 1996
202 C STREET - COUNCIL COMMITTEE ROOM
SAN DIEGO, CALIFORNIA

PRESENT; Chair Arthur, Commissioners Akili, Dick, Macias, Oxberry and Tumminia. Also present: Ms. Elizabeth C. Morris, Executive Director and Mr. Charles Christensen, General Counsel

ITEMS

10 CALL TO ORDER

Chair Arthur called the meeting to order at 9:00 a.m.

20 PUBLIC COMMENT

There were no requests for public comment.

30 COMMISSIONER COMMENTS

Commissioner Akili reflected on the budget discussion at the last meeting and in retrospect wondered if the Commissioners might want to revisit the Land Use & Housing Committee recommendations. However, he did not request that the item be brought back.

Commissioner Macias announced the forthcoming NAHRO conference in Clark County, Nevada. As Vice President of commissioner Affairs, she has been responsible for planning the training agenda for Arizona, California and Nevada. Commissioners Arthur and Akili will also attend.

Commissioner Oxberry requested additional details regarding the Informational Report concerning retirement of single-family bonds. He will meet with staff to review this item.

Commissioner Macias recently forwarded information concerning the Brooke Amendment to Commissioners who are on her "FAX tree" and she will continue to forward any Legislative Alerts to anyone who would like to be included in the distribution.

40 **REPORT BY THE EXECUTIVE-DIRECTOR**

Ms. Morris introduced Mr. Mark Nelson, a member of the Renaissance Commission, who presented the findings of this hard working group of citizens. Copies of the Overview report of this Commission were made available to those present at today's-meeting.

Commissioner Arthur expressed his concerns regarding how the Renaissance Commission's findings will become reality. Commissioner Akili brought forward the issue-of priorities in implementing the Renaissance Commission's recommendations. Commissioner Dick inquired regarding issues of public safety, neighborhood policing and housing. Chair Arthur asked for any direction from Housing Commissioners that he might carry forward to the City Council meeting when the Renaissance commission's report is presented to that body. Ms. Morris stated that the Renaissance Commission's emphasis on Neighborhood Service Centers will be an asset to the ongoing work of the Housing commission. Commissioner Akili asked that the question of housing affordability be addressed specifically in relation to areas of concern outlined in the report. Commissioner Macias specifically requested attention be given to the greater use of school properties for after-school community activities.

ADOPTION AGENDA - CONSENT (Questions on 100, 102, 103; speaker requests on 101, 104, 105, 106, 107, 108, 109)

100 **Renewal of Employee Group Benefits Plans (HCR96-063)**

Commissioner Dick requested and received clarification regarding those employees who are eligible for "designated management benefits eligible positions".

MOTION BY DICK TO AUTHORIZE EXECUTIVE DIRECTOR TO EXECUTE AGREEMENTS FOR ONE YEAR TO: (1) RENEW GROUP MEDICAL PLANS WITH KAISER AND HEALTHNET; (2) RENEW GROUP.-DENTAL PREPAID PLAN WITH SAFEGUARD; (3) RENEW GROUP DENTAL INDEMNITY/PPO PLAN WITH SAFEHEALTH; (4) RENEW TERM LIFE/ACCIDENTAL HEALTH & DISABILITY INSURANCE WITH STANDARD; (5) RENEW OPTIONAL GROUP DEPENDENT LIFE INSURANCE WITH STANDARD; (6) RENEW GROUP LONG TERM DISABILITY PLAN WITH CIGNA; second by Oxberry; carried by vote of 6-0

102 **Renewal of Liability Insurance (HCR96-078)**

Commissioner Oxberry asked if consideration had been given to a higher deductible and/or to self-insurance. Mr. Peter

Economy replied that these possibilities had been considered and found not feasible.

MOTION BY DICK TO (1) AUTHORIZE CONTINUED PARTICIPATION IN THE HOUSING AUTHORITY RISK RETENTION GROUP (HARRG) FOR ONE YEAR; AND (2) AUTHORIZE THE ANNUAL PREMIUM PAYMENT OF UP TO \$95,000 FOR GENERAL LIABILITY, PUBLIC OFFICIALS ERRORS AND OMISSIONS, WRONGFUL EMPLOYMENT PRACTICES LIABILITY, AND CHILD CARE LIABILITY INSURANCE; second by Oxberry; carried on a vote of 6-0.

103 **Authorization to Submit Applications for Funding Under HUD's Public and Indian Housing Drug Elimination Program, Federally Assisted Low-Income Housing Drug Elimination, and Youthbuild Program Implementation Grants (Citywide) (HCR96-061)**

Mr. Clyde Caldwell and Ms. Pat Zamora responded to inquiry from Commissioner Dick regarding background on the existing Youthbuild Program and the allocation of estimated administrative fees in the current application. Ms. Zamora explained the staffing requirements in the Youthbuild application and the utilization of administrative funds, should the full grant funding be received. Commissioner Dick further reiterated his previous concern regarding staffing levels in relation to the Commission's primary goal of providing housing. Ms. Morris stated that the bulk of the funding will go directly to youth employment within the Youthbuild Program. Commissioner Akili indicated that he understood the focus of the funding application to be on the Housing Commission's target population.

MOTION BY AKILI TO RECOMMEND TO HOUSING AUTHORITY THAT GRANT APPLICATIONS BE SUBMITTED TO HUD UNDER THE FOLLOWING PROGRAMS: PUBLIC AND INDIAN HOUSING DRUG ELIMINATION GRANT, FEDERALLY ASSISTED LOW-INCOME HOUSING DRUG ELIMINATION GRANT, AND YOUTHBUILD; AND (2) IF APPLICATIONS ARE SUCCESSFUL, AUTHORIZE EXECUTIVE DIRECTOR TO EXECUTE DOCUMENTS NECESSARY TO IMPLEMENT THE PROGRAM, INCLUDING AMENDING THE AGENCY BUDGET TO INCLUDE ANY FUNDS RECEIVED; second by Tumminia; carried on 5-1 vote (Dick opposed).

Commissioner Dick clarified his "No" vote: He is not opposed to the programs or grant application but is concerned about staffing levels.

Chair Arthur requested that Ms. Morris bring to a future meeting, as soon as possible and on a date that does-not carry an extensive agenda, an item addressing overall goals of the Housing Commission, including staffing allocation.

ADOPTION AGENDA - DISCUSSION/ACTION

105 Award Recommendations for Housing Trust Fund Transitional Housing Request for Proposals No. HTF96-02

Staff report presented by Mr. Ron Barefield and Ms. Cissy Fisher.

Extensive discussion ensued regarding funding to Friends of Russell Latimer. Ms. Roxann Deku, Executive Director of Friends of Russell Latimer, gave testimony in support of this item.

Staff responded to Commissioner Dick's inquiry regarding set-aside of HTF Transitional Housing funds.

MOTION BY AKILI TO EXTEND CURRENT CONTRACT LEVEL OF SUPPORT TO FRIENDS OF RUSSELL LATIMER FOR ONE YEAR; seconded with a friendly amendment by Commissioner Macias to require applicant to continue efforts to secure additional funding and to report regularly on progress thereof. Motion failed on a vote of 2 in favor and 4 opposed.

MOTION BY AKILI TO ADOPT STAFF RECOMMENDATIONS TO (1) APPROVE GRANTS OF ONGOING SUPPORT TO: a) CATHOLIC CHARITIES IN THE AMOUNT OF \$13,000 FOR HOUSE OF RACHEL IN CITY HEIGHTS; b) THE SALVATION ARMY IN THE AMOUNT OF \$130,000 FOR STEPS PROGRAM AT THE ARLINGTON HOTEL DOWNTOWN; c) SAN DIEGO SAFE HARBOR, INC. IN THE AMOUNT OF \$19,330 FOR SAFE HARBOR IN LA JOLLA; AND d) YWCA OF SAN DIEGO COUNTY IN THE AMOUNT OF \$100,000 FOR WOMEN IN TRANSITION PROGRAM AT 1012 C STREET. (2) APPROVE GRANTS OF REDUCED SUPPORT TO: a) FRIENDS OF RUSSELL LATIMER IN THE AMOUNT OF \$33,000 FOR NEW BEGINNINGS AND b) INTERFAITH SHELTER NETWORK IN THE AMOUNT \$15,110 FOR OPERATION OF A SCATTERED SITE PROGRAM FOR FAMILIES FLEEING DOMESTIC VIOLENCE. (3) APPROVE A GRANT TO SECOND CHANCE IN THE AMOUNT OF \$49,500 FOR PARTNERSHIPS FOR SUCCESS IN GOLDEN HILL.. (4) APPROVE THE SET-ASIDE OF \$240,000 IN HOUSING TRUST FUND TRANSITIONAL HOUSING FUNDS AS A SOURCE OF MATCHING FUNDS FOR LOCAL PROPOSALS WHICH WILL SEEK FUNDING UNDER HUD'S NOTICE OF FUNDING AVAILABILITY FOR SUPPORTIVE HOUSING, SHELTER PLUS CARE, AND SECTION 8 MODERATE REHABILITATION PROGRAM FOR HOMELESS INDIVIDUALS. Second by Dick; approved on vote of 6-0.

106 Consideration of the Housing Trust Fund Fiscal Year 1997 Implementation Strategy and Model Programs (Citywide) (HCR96-084)

Staff report presented by Mr. Ron Barefield.

Public testimony from Mr. Jim Varnadore, resident of City Heights, was in support of this item.

Extensive discussion of staff report ensued. Policy issues were raised by Commissioner Dick concerning allocation of Trust Fund resources among housing activities.

MOTION BY DICK TO CONTINUE THIS ITEM TO THE NEXT MEETING TO ALLOW FOR DISCUSSION OF STATUTORY RESTRICTIONS ON ALLOCATION OF HOUSING TRUST FUND RESOURCES AND IMPLEMENTATION OF THE MISSION OF THE HOUSING COMMISSION; second by Oxberry; carried on a vote of 6-0.

107 Housing Trust Fund Capacity Building Program (HCR96-086)

Staff report presented by Mr. Ron Barefield.

Mr. Jim Varnadore, presented testimony opposed to the recommendation from the Executive Director and in favor of the recommendation from the Housing Trust Fund Trustees.

Extensive discussion ensued in comparing and contrasting the recommendations of staff and Trustees, particularly with respect to end dates of contract renewals. Staff was requested to proceed expeditiously with development of a comprehensive plan and commissioners Dick and Akili urged timely general policy discussion of Trust Fund assistance, including examination of the Housing Trust Fund Ordinance.

MOTION BY DICK TO ACCEPT STAFF RECOMMENDATION AS SET FORTH IN HCR96-086 to (1) continue to fund activities that provide assistance to nonprofit organizations dedicated to the pursuit of the development of affordable housing; and (2) terminate nonproject-specific operational grant support as of June 30, 1996 with transitional operational grant support through September 3.0, 1996 at FY96 funding levels contingent upon satisfactory completion of FY96 performance standards; and (3).direct staff to develop a comprehensive financial and technical assistance plan for project-specific support to nonprofit affordable housing development organizations and present the plan for adoption to the Housing Trust Fund Board of Trustees in July 1996. Second by Oxberry; approved by vote of 5-1 (Akili opposed).

(In response to Commissioner Akili's inquiry, Counsel stated that he has no conflict of interest and he is free to vote on this matter.)

101 Award of Contract-for Landscape Services (HCR96-026)
(Continued from meeting of April 29, 1996)

Mr. Peter Economy and Mr. Terry Whitesides presented staff report. Public testimony was received from Mr. Ray Aguilar who referenced his recent correspondence to Commissioners.

Counsel-provided clarification of bid process. Staff responded to Commissioner Oxberry's inquiry regarding preparation of the original RFP specification. Mr. Austin Cooley was invited but declined to give testimony.

Commissioners Akili and Oxberry urged staff to consider alternative bid processes to avoid future potential for requiring public announcement of bid proposal figures. Counsel was requested to further review contract language to ensure contractor compliance with EEO requirements.

MOTION BY DICK TO "PROVE STAFF RECOMMENDATION AS SET FORTH IN HCR96-026 to recommend Housing Authority approval of a two-year contract, effective June 20, 1996 through June 19, 1998, with a one-year option to renew, to Cooley's Landscaping (\$391,046) . ; second by Oxberry; approved on vote of 6-0.

104 Amendment to Multifamily Housing Bond Policy to Encourage
Private Sector Development of Affordable Housing (HCR96-087)

Staff report presented by Ms. Paula Burrier-Lund.

Commissioner Oxberry stated his intention to abstain from discussion and vote ' on this item to avoid any possible appearance of conflict of interest.

Public testimony from Mr. Mel Shapiro referencing previous report of consultants CGMS Inc. which indicated that developers benefit from low interest loans and property tax exemptions without a requirement that units be available at below market rents. (Chair Arthur left-the meeting at this time.) .

Commissioner Dick requested that consideration be given to including a policy requirement for bond issuance approval that would include analysis of market rents and those rents required for restricted and nonrestricted units.

MOTION BY AKILI TO ACCEPT STAFF RECOMMENDATION OF HCR96-087 second by Macias; passed by vote of 4-0-1 with Oxberry abstaining And Arthur absent.

108 5510 Dream Street Loan Modification (HCR96-033)

Ms. Paula Burrier-Lund and Ms. Vicki Bonner presented staff report.

Mr. Mel Shapiro gave public testimony opposed to this item as more fully set forth in material handed out at the meeting. Mr. Shapiro requested a public records document in the matter of the borrowers' assets Extensive discussion ensued.

MOTION BY AKILI TO ACCEPT STAFF REPORT AS SET FORTH IN HCR96-033 to modify the rental rehabilitation loans on the property located at 5510 Dream Street as described in staff report; second by Oxberry; passed by vote of 5-0.

109 Proposed Delegation of Budget Authority and Revision to the FY97 Housing Commission Budget (HCR96-088)

Executive Director Morris presented staff report.

MOTION BY DICK TO CONTINUE RECOMMENDATION (1) TO ALLOW FURTHER DISCUSSION; second by Oxberry; passed by members present on vote of 5-0.

MOTION BY MACIAS TO APPROVE RECOMMENDATION (2) (a) AND (b) WITH ADDITION OF PHRASE "WITH NOTICE AS CONSENT ITEM ON AGENDA"; second by Oxberry; passed by members present on vote of 5-0.

CLOSED SESSION

Board members (with exception of Mr. Oxberry who left the meeting at this time) adjourned into Closed Session to consider items I, II, III, and IV as set forth in the Closed Session Agenda:

The following actions were taken pursuant to applicable provisions of the California Government Code:

1. With respect to Item I (a) no action was taken.
2. With respect to Item I (b) direction was given to Counsel on a vote of 4-0 with Commissioners Arthur and Oxberry absent.
3. With respect to Items II and III, instructions were given to Counsel by a 4-0 vote, with above noted absences.

4. Item IV was continued to a Closed Session to be held on May 21, 1996 at 1:45 p.m. at the Housing Commission offices, 1625 Newton Avenue.

Meeting was adjourned by Commissioner Dick at 1:15 p.m.

Respectfully submitted,



Ardeth C. Andrews
Division Secretary

Approved by,



Elizabeth C. Morris
Executive Director