

# AGENDA

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## AGENDA 368

**SAN DIEGO HOUSING COMMISSION  
AGENDA FOR THE REGULAR MEETING  
AUGUST 19, 1996  
9:00 A.M.  
CITY ADMINISTRATION BUILDING  
202 C STREET, 12TH FLOOR  
SAN DIEGO, CALIFORNIA**

### ITEMS

#### **10    CALL TO ORDER**

(Akili, Arthur, Dick, Macias, Oxberry and Tumminia)

### CLOSED SESSION

The San Diego Housing Commission will recess on Monday, August 19, 1996, at 9:00 a.m. into Closed Session with the following agenda (It is anticipated that item III 1. will be discussed, with the rest of the Closed Session agenda being heard after the consent and adoption agendas):

- I. Conference with Legal Counsel - existing litigation, pursuant to California Government Code Section 54956.9(a):
  - a. San Diego Housing Commission, a public agency vs. John Mann, an individual; Sue Mann, an individual; and Does 1 through 10, inclusive  
San Diego Superior Court Case No.: 693292 [Consolidated Case No. 6932931]
  - b. Eastrich Multiple Investor Fund, L.P., a Delaware Limited Partnership vs. Westwood-Walsh Partnership, a California general partnership; Westwood Villas Development, a California limited partnership; John B. Walsh; Resolution Trust Corporation as Conservator or Receiver for Heartland

Savings & Loans Association, a California corporation; Diego Housing Commission, a public agency; Thomas F. Carter; Max A. Stewart; David Arris and Janet Arris, husband and wife; Billy Ray Kreder; Robert McCabe and Pauline McCabe, husband and wife; Robert Rehm and Ethel Rehm, husband and wife; Walsh-Westwood No. 1 Ltd., a California limited partnership; Trabajadores De La Raza, Inc., a California public benefit corporation; and Does 3-30 inclusive  
San Diego Superior Court Case No.: 676248

- c. San Diego Housing Commission, a public agency vs. Genesis '91, a California limited partnership; Genesis Educational & Housing Foundation, a California nonprofit corporation; and Does 1-50, inclusive  
San Diego Superior Court Case No.: 688716
- d. Patsy Mathis v. San Diego Housing Commission; Florence Siefried; Richard McIntyre and Does 1 through 200, inclusive  
Superior Court Case No.: 694205
- e. San Diego Housing Commission v. 2801 Investors, a California limited Partnership, M.S. Investments II, a general partnership, John R. Nisbet, Milo P. Saling, Dixieline Lumber Company, Maintenance Warehouse/America Corporation, and Does 3 through 100 inclusive  
San Diego Superior Court Case No.: 659748

and

San Diego Housing Commission v. Saling/Calvert Glass  
Hawaii Circuit Court Case No.: 95-0070(2)

II. Liability Claims - pursuant to the provisions of Government Code Sections 54956.95(b) and 54954.5(d), and Significant Exposure to Litigation pursuant to Government Code Sections 54956.9(b)(1) and 54956.9(b)(3)(c):

- a. Claimant: Ruby White  
Agency Claimed Against: San Diego Housing Commission
- b. Claimant: Premier Roofing  
Agency Claimed Against: San Diego Housing Commission

III. Conference with Legal Counsel - anticipated litigation:

Significant exposure to litigation pursuant to subdivision (b) of California Government Code Section 54956.9:

- 1. One (1) matter involving a potential delay claim and extra claim at Fulton Street Public Housing site.

- IV. Conference with Real Property Negotiator - pursuant to California Government Code Section 54954.5(b)

**Property:** 7143, 7159 and 7161 Fay Avenue, La Jolla, CA 92037

**Negotiating Parties:** San Diego Housing Commission and The Pennbrook Company

**Under Negotiation:** Price, terms of payment, or both

**20 PUBLIC COMMENT**

At this time individual(s) may address the Commission on any subject in its area of responsibility on any matter not presently pending before the Commission. Communications are limited to three (3) minutes. Pursuant to the Brown Act, no action can be taken by the Commission. Please fill out a SPEAKER REQUEST FORM and submit it to the secretary prior to the meeting.

**30 COMMISSIONER COMMENTS**

**40 REPORT BY THE EXECUTIVE DIRECTOR**

**50 APPROVAL OF THE MINUTES**

Approval of the Minutes of the Housing Commission Meeting of July 8, 1996.

**ADOPTION AGENDA - CONSENT**

Members of the public may cause an item to be "pulled" from the Consent Agenda by submitting a Speaker Request Form prior to the meeting. The item will then be discussed separately and public testimony.

**100 Selection of Additional Lenders for the HOME First-time, Low Income Homebuyer's Program ("Shared Equity Program") (Citywide) (HCR96-133)**

**Recommendation** - Add Chase Manhattan Mortgage Corporation, Norwest Mortgage, Inc. and Weyerhaeuser Mortgage Company to the list of Shared Equity lenders.

**Fiscal Impact** - No fiscal impact in selection -of lenders.

**101 Continued Support of the City-County Reinvestment Task Force (Citywide) (HCR96-099)**

**Recommendation** - Authorize the Executive Director to execute a contract which provides up to \$72,169 in salary and benefits for the Reinvestment Director. This amount includes a 3 percent salary increase approved by the Reinvestment Task Force in their FY97 budget. In the event that County funding in support of the Task Force is not forthcoming, Housing Commission support would be limited to not more than \$40,000; authorize the Executive Director to execute the Sixth Amendment to the Agreement with the County of San Diego which provides up to \$40,000 in additional funds to help underwrite operating costs for the City-County Reinvestment Task Force.

**Fiscal Impact** - \$40,000 from Housing Commission Local Funds and \$40,000 from County CDBG.

**102 Housing Opportunities for People with AIDS (HOPWA) - Contracts and Contract Renewals (Countywide) (HCR96-131)**

**Recommendation** - Approve recommendations of the Joint City-County HIV Housing Committee to award contracts totaling \$570,190 of HOPWA Cycle IV funds as follows:

- (1) Renew community residence contracts for the operation of four HIV community residences (Fraternity House, St. Vincent de Paul - Josue House, PACTO - Casa del Sol, and St. Marten de Porres) with funding in the amount of \$146,000;
- (2) Renew contracts with Townspeople, Inc., for HIV housing information and referral services, for one year in the amount of \$60,000;
- (3) Approve a multi-year contract with Being Alive San Diego in a one year amount of \$26,190, and a three-year aggregate amount of \$90,000, subject to the availability of funding and Executive Director approval, for HIV resident moving services;
- (4) Approve a six-month contract with AIDS Foundation San Diego, - Truax House, for the operation of a community residence, with funding in the amount of up to \$12,000 and with an option to renew for an additional six-month period upon approval by the Executive Director of the Housing Commission in an amount not to exceed \$12,000, for a total one year contract award of up to \$24,000; and
- (5) Renew contract with AIDS Foundation San Diego for tenant-based rental assistance in the amount of \$360,000 and authorize the Executive Director of the Housing Commission to increase contract funding in an amount up to \$54,000 utilizing surplus HOPWA funds previously budgeted for group housing, for a total contract award of \$414,000.

**Fiscal Impact** - Would expend Cycle IV HOPWA funds which were designated for these activities: HIV community residences \$170,000; tenant-based rental assistance \$360,000

and unexpended HOPWA funds of \$54,000 for a total annual funding award of \$414,000; HIV housing information and referral services \$60,000; and HIV support services for moving assistance \$26,190 (aggregate amount for three years: \$90,000).

**103 Approval to Submit Comprehensive Grant Annual Statement/Performance and Evaluation Report to the U.S. Department of Housing and Urban Development (HUD) (Citywide) (HCR96-129)**

**Recommendation** - Authorize the submission of the Annual Statement/Performance and Evaluation Report to HUD and the execution of required documents.

**Fiscal Impact** - Submittal to HUD is required to qualify for FY96 grant in the amount of \$1,824,676.

**104 Agreement with the Fair Housing Council of San Diego (Citywide) (HCR96-113)**

**Recommendation** - Authorize the Housing Commission to enter into a contract with the Fair Housing Council of San Diego (Fair Housing Council) to continue the provision of educational outreach and complaint resolution services during FY97.

**Fiscal Impact** - \$88,000 from Local Funds.

**105 Authorization to Accept Allocations of Section 8 Vouchers Offered by HUD for Tenants of "At Risk" Affordable Housing Development (Council District 6) (HCR96-125)**

**Recommendation** - (1) accept a one-year, seven unit Section 8 allocation of Vouchers beginning in September, 1996; (2) accept a one-year, 162-unit allocation of Section 8 Vouchers beginning in August 1997, and (3) authorize the Executive Director to execute all necessary documents.

**Fiscal Impact** - The award of seven Section 8 Vouchers is expected to begin on September 1, 1996 and would provide approximately \$56,868 in FY97. This amount would increase Rent to Owners in the Housing Services Division by \$51,912 and increase reserves by \$4,956. The award of 162 Section 8 Vouchers is expected to begin on August 1, 1997 and would provide approximately \$1,316,088 in FY98. It will be necessary to add an additional Housing Assistant II at an annual cost for salaries and benefits of \$34,545 in FY98.

**106 Modification of For-Profit Rental Property Rehabilitation Program (Targeted) (HCR96-126)**

**Recommendation** - The Housing Authority approve a prototype for profit rental property rehabilitation program targeted to Livable Neighborhoods which involves the modification of rehabilitation loan terms and conditions.

**Fiscal Impact** - The prototype program would be limited to the expenditure of \$350,000 of federal HOME Investment Partnerships funds designated for multi-family rehabilitation in the FY97 Housing Commission budget.

**107** **Expediting Plan for Nonprofits' Acquisition and Acquisition with Rehabilitation Projects (Citywide) (HCR96-130)**

**Recommendation** - Approve implementation of a demonstration Expediting Plan using HOME CHDO funds by approving the following:

- (1) Use of an open-ended Notice of Funding Availability (NOFA) process for soliciting proposals from nonprofit agencies seeking to fund multifamily acquisition and acquisition with rehabilitation projects (amending Housing Commission Policy 300.101 - Financial Participation);
- (2) Early Assistance loans for preliminary feasibility costs of NOFA-eligible projects (amending Housing Commission Policy 600.101, Housing Program Lending Authority);
- (3) For projects meeting specific criteria, waive the requirement for advisory board review prior to consideration by the Housing Commission (amending Housing Commission Policy 600.101, Housing Program Lending Authority);
- (4) Full financing for projects meeting specific criteria; and
- (5) Match funding of up to 25 percent (as required for HOME-funded projects) from the Housing Trust Fund.

**Fiscal Impact** - None with this action. In the FY97 budget, approximately \$2,400,000 has been designated for HOME CHDO investment. However, because of other CHDO commitments and HUD funding cycle requirements, approximately \$900,000 is currently available for CHDO projects. This \$900,000 would be made available now under the NOFA process; additional CHDO funds are expected to be added as available and needed. Approximately ten projects could be funded for the Early Assistance program in FY97, for a maximum expenditure of \$75,000, most of which is expected to be repaid through permanent project financing.

**108** **Loan to City Heights Community Development Corporation for the Acquisition and Rehabilitation of 3429 43rd Street (Council District 3) (HCR96-140)**

**Recommendation** - Approve a loan to City Heights Community Development Corporation (City Heights CDC) in the amount of \$135,627 for the acquisition and rehabilitation of 3429 43rd Street and authorize the Executive Director to execute loan documents as prepared by General Counsel to reflect the terms and conditions outlined in this report.

**Fiscal Impact** - Approval of this recommendation will result in an expenditure of up to \$135,627 in FY97 HOME CHDO (Community Housing Development Organization) funds.

**109** **Request by Point Loma Nazarene College for Variance from Payment of Housing Impact Fee (Council District 2) (HCR96-127)**

**Recommendation** - Grant a request from Point Loma Nazarene College (located at 3900 Lomaland Drive) for a low employee variance of Housing Impact Fees on a new Student Commons Building.

**Fiscal Impact** - The Housing Impact Fee assessment for this project is \$25,564.12.

**110** **Approval of FY1997 CDBG Agreement with City and Authorization for CDBG Contracts with Other Agencies (HCR96-132)**

**Recommendation** - Approve an Agreement with the City of San Diego, for the use of up to \$4,499,533 of Community Development Block Grant (CDBG) funds previously allocated by City Council for FY97; authorize the Executive Director to execute contracts with nonprofit agencies whose FY97 CDBG allocations are to be administered by the Commission on behalf of the City; authorize the Executive Director to execute extensions to FY96 CDBG contracts with three agencies to provide continuity of funding for ongoing programs until the Housing Authority approves FY97 CDBG contracts with those agencies.

**Fiscal Impact** - The \$4,499,533 to be covered under the proposed Agreement with the City will be as follows: \$1,650,000 allocated to the Commission for Citywide purposes, \$165,000 allocated to the Commission for District programs, \$1,045,500 allocated to nonprofits, to be administered by the Commission on the behalf of the City and \$1,639,033 carry-over of prior year funds (estimated).

**111** **Offer to Purchase 3527-29 Tompkins Street (Council District 4) (HCR96-124)**

**Recommendation** - Recommend Housing Authority authorization: (1) to accept the offer of \$61,000 submitted by Mr. Tony Trikounakis; (2) to accept the offer of \$60,000 submitted by Mr. James Forston as back-up in the event that the primary offer does not result in purchase of the subject property; (3) for the Executive Director to execute all documents necessary to complete the sale.

**Fiscal Impact** - Sale of the property for \$61,000 would result in the recovery of all loan funds and expenses, plus a net gain of approximately \$6,500.

**112** **Increase in Contract Authority for Public Housing Project CA16-PO63-044 (7520 Fulton Street, 7891 Golfcrest Drive and 7281 Saranac Street), 47 Units (Council Districts 6 and 7) (HCR96-139)**

**Recommendation** - Recommend Housing Authority authorize: (1) An increase in construction contract authority for Public Housing Project CA 16-PO63-044 (Project 044) consisting of 47 units currently being constructed on three sites, of \$450,000 (from \$4,150,850 to \$4,600,850, increasing the total development cost from \$6,496,344 to \$6,946,344) to cover a construction change due to environmental noise requirements and additional costs, the exact amounts of which cannot yet be determined, but will be necessary to complete construction on all three sites. (Unresolved issues relating to grading and drainage are scheduled on the Close Session agenda); (2) a FY97 Budget amendment to fund the proposed action, in accordance with the Sources and Uses shown in Attachment 2.

**Fiscal Impact** - Construction of these 47 units will require additional expenditures as follows:

	<b>Previous:</b>	<b>Proposed:</b>
Local Funds	\$1,581,844	\$2,031,844
HUD Grant	<u>4,914,500</u>	<u>4,914,500</u>
<b>TOTAL</b>	<b>\$6,496,344</b> (\$138,220/unit)	<b>\$6,946,344</b> (\$147,795/unit)

**ADOPTION AGENDA - DISCUSSION/ACTION**

[Additional items may be pulled from the Consent Agenda by Commissioners or members of the public for discussion.]

**ADJOURNMENT**