

MINUTES

**SAN DIEGO HOUSING COMMISSION
MINUTES OF THE SPECIAL MEETING
APRIL 27, 2007, 9:00 A.M.
SMART CORNER
SAN DIEGO, CALIFORNIA**

ATTENDANCE

Present: Chair Sal Salas and Commissioners Khadija Basir, Todd Gloria, Alice Tumminia, and Tony Yip. Also present: Walter Spath, Deputy General Counsel and President and Chief Executive Officer, Elizabeth Morris. Absent: Commissioner Jennifer Adams-Brooks.

10 CALL TO ORDER

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

20 PUBLIC COMMENT

None

30 COMMISSIONER COMMENTS

Chair Salas would like an updated informational report regarding the income and operating costs for our new offices at FY07 year end.

40 REPORT BY THE PRESIDENT & CHIEF EXECUTIVE OFFICER

Ms. Morris announced that the interviews for Finance Director are proceeding and should be concluded in mid-May.

50 APPROVAL OF THE MINUTES

MOTION BY TUMMINIA TO APPROVE THE MARCH 2, 2007 REGULAR MEETING MINUTES. SECONDED BY BASIR AND CARRIED ON A UNANIMOUS VOTE OF 5-0.

CONSENT AGENDA

MOTION BY SALAS TO APPROVE THE FOLLOWING ITEMS ON CONSENT:

- 100 HCR07-32 Application for Funding to the Office of Community Services, U.S. Department of Health and Human Services (Districts 2, 3, 4, 7 and 8)**

Recommendations:

1. Ratify a grant application for \$100,000 to the Office of Community Services, U.S. Department of Health and Human Services to fund an Assets for Independence Program.
2. Approval to forward to Housing Authority for authorization to revise the FY08 Housing Commission Budget to reflect the addition of awarded funds, and to authorize the Chief Executive Officer (CEO) to execute all required documents.

102 HCR07-31 Preliminary Items Pursuant to Issuing Multifamily Housing Revenue Bonds for Parkside Terrace Apartments (Council District 2)

Recommendations:

1. Housing Commission recommend the:
 - A. Housing Authority approve a bond inducement resolution (a “declaration of official intent”) for up to \$18 million in multifamily housing revenue bonds for construction of the Parkside Terrace Apartments by Wakeland Housing and Development Corporation;
 - B. Housing Authority approve an application (and subsequent applications if necessary) to the California Debt Limit Allocation Committee (CDLAC) for an allocation of authority to issue tax-exempt “private activity bonds” in an amount up to \$18 million for Parkside Terrace Apartments; and,
 - C. City Council hold a public hearing (*known as a TEFRA hearing - Tax Equity and Fiscal Responsibility Act*) and adopt a resolution approving the issuance of tax-exempt bonds in an amount up to \$18 million by the Housing Authority for Parkside Terrace Apartments, 77 units, located at 505 13th Street in the City of San Diego.
2. Housing Commission approve the financing team of Quint & Thimmig as bond counsel and CSG Advisors as financial advisor to begin work on the project.

SECONDED BY GLORIA AND CARRIED ON A UNANIMOUS VOTE OF 5-0.

ACTION AGENDA

101 HCR07-11 2006 Annual Audit Reports

Chief Operating Officer Carrol Vaughan gave a staff report.

Since the auditors were not able to be present on-site prior to the Board meeting, the audit committee (Commissioners Yip and Gloria) participated in a conference call with auditors prior to today’s meeting. Commissioner Yip reported that there was some concern with the

Commission's processes but not with the financial statement. The Committee will follow up with the auditors and with staff.

Ms. Vaughan discussed the management letter which included special focus on the operation of the IT area and the agency procurement process. Chair Salas asked that we review the procurement process with general counsel's participation and then return to the board.

Commissioner Yip summarized that the FY06 audit process was difficult since we also had to comply with the required additional audit work for FY03 and FY04 for the City. He commended the Housing Commission's clean audit.

MOTION BY YIP TO ACCEPT THE FISCAL YEAR 2006 AUDIT REPORTS PREPARED BY THE REZNICK GROUP, AN INDEPENDENT AUDIT FIRM. SECONDED BY GLORIA AND CARRIED ON A UNANIMOUS VOTE OF 5-0.

103 HCR 07-34 Affordable Housing Fund Fiscal Year 2008 Annual Plan (Citywide)

Senior Program Analyst Ann Kern gave a staff report and Commissioners discussed cost of housing production, potential for 9% tax credits, developer incentives and the public comment process.

AMENDED MOTION BY YIP TO RECOMMEND THAT THE CITY COUNCIL APPROVE THE PLAN WITH THE UNDERSTANDING THAT THE FIGURES LISTED ON PAGE 2 WOULD BE RECONCILED TO SCHEDULE II OF THE FY08 BUDGET. SECONDED BY BASIR AND CARRIED ON A UNANIMOUS VOTE OF 5-0.

104 HCR 07-33 FY08 Budget

CEO Morris presented the FY08 Budget. Commissioners discussed program changes, reductions in funding and focus for FY08.

MOTION BY TUMMINIA TO APPROVE RECOMMENDATIONS THAT:

1. Housing Authority adopt the \$231.3 million FY08 Proposed Activity Based Budget (Attachment 1).
2. Housing Authority delegate to the Housing Commission authority to amend the FY08 Budget for amounts up to \$500,000; and,
3. Housing Commission continue to delegate authority to the President & CEO to amend the FY08 Budget for amounts up to \$100,000 consistent with policies, programs and activities approved by the Housing Commission and Housing Authority.

SECONDED BY GLORIA AND CARRIED ON A UNANIMOUS VOTE OF 5-0.

CLOSED SESSION

The San Diego Housing Commission convened in closed session to discuss the following agenda:

Conference with Labor Negotiators-Pursuant to Government Code Section 54957.6:

Agency Representatives: Terry Whitesides for the San Diego Housing Commission

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

Counsel's Description: Labor Negotiator will seek direction from the Commission concerning labor negotiations.

Direction given to labor negotiators. No action taken.

ADJOURNMENT

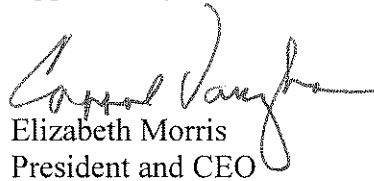
Chair Salas adjourned the regular meeting at 12:27 p.m.

Respectfully submitted,



Bridgit Alexander
Docket Coordinator

Approved by,



Elizabeth Morris
President and CEO