

HOUSING AUTHORITY AGENDA

AGENDA 517

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Questions Regarding Agenda Items: For specific questions regarding any item on the Housing Authority agenda, please contact **Rob Albrecht at 525-3602**.

HOUSING AUTHORITY
OF THE CITY OF SAN DIEGO
REGULAR MEETING
TUESDAY, MAY 25, 1999
COUNCIL CHAMBERS - 12TH FLOOR
202 C STREET
SAN DIEGO, CALIFORNIA
10:00 A.M.

CALL TO ORDER

PUBLIC COMMENT

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

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**. This item will then be discussed separately and public testimony taken.

1 APPROVAL OF THE MINUTES

Approval of the Minutes of the Meeting of April 20, 1999.

2 HAR99-002 — Proposed Revisions to the Housing Commission Loan and Grant Policies (Citywide)

Recommendation: It is recommended that the Housing Authority approve the proposed revisions to the Housing Commission loan and grant policies.

Fiscal Impact: None with this action.

Previous Related Actions: This item was approved by the Housing Commission on March 26, 1999 and by the Land Use and Housing Committee on April 21, 1999.

3 HAR99-003 — SEDC/Housing Commission First-Time Homebuyer Program (Council District 4)

Recommendation: It is recommended that the Housing Authority authorize the Chief Executive Officer to execute a contract with Southeastern Economic Development Corporation (SEDC) in the amount of \$1,255,244 to continue funding for the SEDC first-time homebuyer programs.

Fiscal Impact: \$1,255,244 of SEDC funds have been earmarked for homeownership programs which includes \$1,122,000 for loans and \$133,244 for administrative fees.

Previous Related Actions: On September 21, 1992 (Report No. HCR92-256), the Housing Commission approved a Memorandum of Agreement (MOA) with SEDC for a First-Time Homebuyer Program targeting the Mt. Hope and Southcrest areas. On May 5, 1994 (Report No. HCR94-018), the San Diego Housing Commission accepted additional funding from SEDC to support the program and to expand the target areas. On April 23, 1999, the Housing Commission recommended Housing Authority approval of the above-referenced issue.

4 HCR99-042 — Loan to Bayview Community Development Corporation for Acquisition of 550-554 Stork Street (Council District 4)

Recommendation: It is recommended that the Housing Authority approve a 3-

percent residual receipts loan secured by a second trust deed in the maximum amount of \$412,200 to Bayview Community Development Corporation (Bayview CDC) for the acquisition and rehabilitation of a 15-unit property located at 550-554 Stork Street.

Fiscal Impact: Approval of this recommendation would result in an expenditure of up to \$412,200 in Housing Trust Funds. This amount includes a \$10,000 Project Support Grant which was approved by the Loan Committee on April 6, 1999.

Previous Related Actions: This was approved by the Housing Commission at its meeting of April 23, 1999.

5 **HCR99-049 — Loan to Chicano Federation for the Acquisition and Rehabilitation of 5052 Wightman Street (Council District 7)**

Recommendation 1: It is recommended that the Housing Authority approve a 3 percent residual receipts second trust deed in the maximum amount of \$1,536,750 to the Chicano Federation.

Recommendation 2: That the Housing Authority approve an amendment to the FY99 Budget adding \$1,427,676 of HOME funds from canceled continuing appropriations to Rental Housing Production Loans and Grants for the acquisition and rehabilitation of 5052 Wightman Street.

Fiscal Impact: Funds for this project will be allocated as follows:

Certificate No.:	99-210
Amount:	\$1,536,750
Revenue Sources:	\$1,427,676 (HOME) / \$109,074 (Housing Trust Fund)
Division:	Housing Finance
Line Item:	Loans

6 **HCR99-050 — Amendment to Agreement for Legal Services with Detisch & Christensen (Citywide)**

Recommendation: It is recommended that the Housing Authority approve the proposed amendment to the contract for legal services with Detisch & Christensen by the increasing the maximum contract compensation for FY99 from \$300,000 to \$450,000.

Fiscal Impact: Approval of this action will increase the maximum contract compensation for legal services with Detisch & Christensen for FY99 by \$150,000. Transfer of \$150,000 of local funds from litigation reserves to Rental Housing Development, Construction Services, Loan Portfolio Servicing & Occupancy Monitoring, and Rental Assistance. This action would reduce litigation reserves to \$150,000.

Previous Related Actions: On February 9, 1998, the Housing Authority authorized an amendment to the contract for legal services with Detisch & Christensen by increasing the maximum contract compensation for FY98 from \$300,000 to \$500,000.

7 **HCR99-048 — Contract for Legal Services (General Counsel) (Citywide)**

Recommendation: It is recommended that the Housing Authority approve a two-year legal services contract with the law firm of Detisch & Christensen (contract is included as Attachment 1 of the staff report). The contract includes an option to renew for up to three additional one year periods, subject to HUD's approval.

Recommendation 2: It is recommended that the Housing Authority authorize the Chief Executive Officer to modify subject contract, when the Board of Commissioners direct staff to conduct unusual activities that require special legal services, without the additional approval of the Housing Commission or Housing Authority, subject to availability of appropriate funds.

Fiscal Impact: Total fiscal impact is not to exceed \$900,000. Of which \$400,000 is included in the proposed FY00 Budget and \$500,000 will be included in the FY01 Budget. The funds would be allocated as follows:

Certificate No:	00-37, 01-05
Amount:	\$400,000 (FY00); \$500,000 (FY01)
Revenue Source:	Various
Division:	Various
Line Item:	Legal Services

Previous Related Action(s): On June 10, 1997, the Housing Authority authorized an agreement for legal services with Detisch & Christensen for the period July 1, 1997 through June 30, 1999 at an hourly rate of \$90.00

8 **HAR99-017 — Refunding of \$6,000,000 Housing Authority Revenue Bonds (Creekside Villa Apartments) (Council District 4)**

Recommendation 1: It is recommended that the Housing Authority approve the issuance of multifamily housing refunding bonds to the Creekside Villa Apartments' new owners to preserve and extend the provision of very low income housing at the property and to strengthen the project's financial position.

Recommendation 2: It is recommended that the Housing Authority approve

Fannie Mae's underwriting criteria to allow for the addition of properties that would reduce the overall loan-to-value from 85 to 75 percent, thus strengthening the project's security.

Recommendation 3: It is recommended that the Housing Authority approve the financing team consisting of CSG Advisors and CIC Research, Inc. (MBE - 20 percent) as financial advisors; Orrick, Herrington & Sutcliffe and Williams & Gilmore (MBE - 20 percent) as bond counsels; and Banc One Capital Markets, Inc. as bond underwriter for the proposed refunding.

Fiscal Impact: Issuance of the refunding bonds would not financially obligate the City, the Housing Authority or the Housing Commission because security for the repayment of the bonds will be limited to specific private revenue sources. All costs of the refunding, including compensation for the financing team members and staff in preparing the refunding will be borne by the project owner. The Housing Commission has no financial involvement in the project and none is proposed.

Previous Related Action(s): The original issuance of bonds was approved by the Housing Authority (R-00481) and the City Council (R-274570) on October 16, 1989.

ADJOURNMENT