

**MINUTES OF THE REGULAR MEETING
OF THE HOUSING AUTHORITY
CITY OF SAN DIEGO, CALIFORNIA
TUESDAY, MAY 25, 1999**

Present: Members Kehoe, Mathis, McCarty, Stevens, Vargas, Warden, Wear.

Absent: Chair Golding and Councilmember Stallings.

CALL TO ORDER

Vice-Chair Wear called the meeting to order at 11:10 a.m.

PUBLIC COMMENT

There were no requests for public comment.

CONSENT AGENDA

**MOTION BY MATHIS TO APPROVE THE FOLLOWING ITEMS ON CONSENT WITH
A REQUEST BY MEMBER WARDEN TO PULL ITEM 7 FOR DISCUSSION:**

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.

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.

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.

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.

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.

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.

COUNCILMEMBER STEVENS INDICATED HIS SUPPORT OF THIS ITEM. HOWEVER HE EXPRESSED CONCERN REGARDING THE ON-SITE DAY CARE CENTER AND REQUESTED THAT THE OWNER AGREE TO A 30-YEAR LEASE TERM FOR THE DAY CARE CENTER FOR \$1.00 PER YEAR. THE OWNER'S REPRESENTATIVE, TOM ZEIDNER, AGREED TO THIS STIPULATION.

SECOND BY KEHOE WITH ITEM 8 BEING MODIFIED AS INDICATED ABOVE.

MOTION CARRIED UNANIMOUSLY BY A VOTE OF 7-0, WITH CHAIR GOLDING AND MEMBER STALLINGS BEING ABSENT.

ADJOURNMENT

Vice-Chair Wear adjourned the meeting at 10:50 a.m.

The Housing Authority reconvened at 11:10 a.m. to discuss the following item.

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.

COUNCILMEMBER WARDEN REQUESTED CLARIFICATION REGARDING RECOMMENDATION #2 RELATING TO AUTHORIZING THE CHIEF EXECUTIVE OFFICER TO MODIFY THE CONTRACT WITHOUT ADDITIONAL APPROVAL OF THE HOUSING COMMISSION OR THE HOUSING AUTHORITY.

CHIEF OPERATING OFFICER STEVE MIKELMAN EXPLAINED THAT THIS RECOMMENDATION ONLY RELATED TO THIS SPECIFIC CONTRACT AND NOT TO ANY OTHER COMMISSION CONTRACTS.

MOTION BY WARDEN TO APPROVE AS RECOMMENDED.

SECOND BY STEVENS.

MOTION CARRIED UNANIMOUSLY BY A VOTE OF 7-0, WITH CHAIR GOLDING AND MEMBER STALLINGS BEING ABSENT.

ADJOURNMENT

Vice-Chair Wear adjourned the meeting at 11:15 a.m.