



MINUTES

**SAN DIEGO HOUSING COMMISSION
MINUTES OF THE REGULAR MEETING
NOVEMBER 17, 2000, 9:00 AM
CITY ADMINISTRATION BUILDING
202 C STREET, 12TH FLOOR
SAN DIEGO, CALIFORNIA**

ATTENDANCE

All Commissioners were present. Also present were Carrol Vaughan, Chief of Staff, and Charles Christensen, General Counsel. Elizabeth Morris was absent.

10 CALL TO ORDER

Chair Arthur called the meeting to order at 9:10 a.m.

20 PUBLIC COMMENT

None.

30 COMMISSIONER COMMENTS

None.

40 REPORT BY THE CHIEF EXECUTIVE OFFICER

Chief of Staff Carrol Vaughan noted the Housing Authority approved HCR00-088, which revises the Commission's Conflict of Interest policies, but that in January 2001 it will review a separate report dealing with delegation of operational policies. She also stated the Commission received its largest ever residual receipts loan payment from the San Diego Interfaith Housing Council.

Ms. Vaughan announced the selection of two individuals to fill management positions at the Housing Commission. Jack Farris, a current employee and former City economist, accepted the position of Housing Finance and Development Manager. Jeff Washington, who was Deputy Director of the City's Community Services Division, is the Commission's newest Policy and Planning Manager.

50 APPROVAL OF THE MINUTES

MOTION BY STEINKE TO APPROVE THE MINUTES FROM THE OCTOBER 20, 2000 HOUSING COMMISSION MEETING. (COMMISSIONER OXBERRY NOTED A PROCEDURAL ERROR ON ITEM 106, WHICH WILL BE CORRECTED IN REVISED MINUTES.)

SECONDED BY TUMMINIA AND CARRIED ON A VOTE OF 4-0, WITH DICK ABSENT DURING THIS PORTION OF THE MEETING. STEINKE AND GRINCHUK ABSTAINED FROM VOTING SINCE THEY WERE NOT AT THE OCTOBER MEETING.

ADOPTION AGENDA – CONSENT

MOTION BY STEINKE TO APPROVE THE FOLLOWING ITEMS ON CONSENT:

100 HCR00-101 — Request for Variance from Housing Impact Fee for Pro Kids Golf Academy, Inc. (Council District 7)

Recommendation: Grant a variance to Pro Kids Golf Academy, Inc., located at 4085 52nd Street, for a conditional exemption from payment of the City's Housing Impact Fee in the amount of \$2,432.51.

101 HCR00-107 — Request for Variance from Housing Impact Fee for San Diego First Church of the Nazarene (Council District 2)

Recommendation: Grant a variance to San Diego First Church of the Nazarene, located at 3901 Lomaland Drive, for a conditional exemption from payment of the City's Housing Impact Fee in the amount of \$10,814.

102 HCR00-106 — Appointment to the Board of Directors of Housing Development Partners of San Diego (Citywide)

Recommendation: Adopt the recommendation of the Chair and appoint Mr. Tom Carter of Carter-Reese and Associates to serve on the Board of Directors of Housing Development Partners.

103 HCR00-108 — Authorization to Apply for Governor's Workforce Investment Act 15% Discretionary Funds (Citywide)

Recommendation #1: That the Housing Commission ratify the preliminary application for Governor's WIA 15% Discretionary Funds to continue and expand workforce development services, and seek Housing Authority approval to

authorize the CEO to amend the FY01 Housing Commission Budget and execute all required documents.

104 HCR00-112 — Funding for the FY 2001 Winter Shelter Program for the Homeless (Citywide)

Recommendation: That the Housing Commission recommend Housing Authority approval of a Memorandum of Understanding between the Housing Commission and the City of San Diego to provide up to \$445,000 for the City's FY01 Winter Shelter Program.

MOTION SECONDED BY TUMMINIA AND CARRIED ON A VOTE OF 6-0, WITH DICK ABSENT DURING THIS PORTION OF THE MEETING.

ACTION AGENDA

105 HCR00-109 – Loan to Bayview Community Development Corporation for the Acquisition and Rehabilitation of 1440-1516 South 40th Street (Council District 4)

Carlos C. de Baca, Project Manager, presented the staff report.

Commissioner Oxberry commented on the leverage aspects of the proposed project and he asked how credit ratings were determined. Jack Farris, Housing Finance and Development Manager, stated the applicant is attempting to obtain more favorable loan rates on its first position note, which will increase debt service coverage. Mr. C de Baca briefly explained the credit rating process and noted that Bayview CDC's credit report is satisfactory.

Chair Arthur inquired whether there were additional Bayview CDC projects developed with Commission assistance and, if so, were those projects in compliance with the terms of credit. Mr. C de Baca informed the Board that Bayview CDC is in compliance with its two other Commission loans (National Avenue and Stork Street).

Isabele St. Germain and Earl Martin, two development team members, provided the Board with information concerning Bayview's \$420,000 first trust deed.

MOTION BY OXBERRY TO RECOMMEND HOUSING AUTHORITY APPROVAL OF A LOAN OF UP TO \$696,000 TO BAYVIEW CDC FOR THE ACQUISITION AND REHABILITATION OF A 16-UNIT PROPERTY LOCATED AT 1440-1516 SOUTH 40TH STREET.

SECONDED BY ROBLES AND CARRIED ON A VOTE OF 7-0 WITH ALL COMMISSIONERS PRESENT.

106 HCR00-111 — Loan To The Related Companies, LLC and Wakeland Housing and Development Corp. for Vista Terrace (Council District 8)

Wendy DeWitt, Project Manager, presented the staff report.

Chair Arthur and Commissioners Dick and Oxberry raised general questions concerning the Commission's financial exposure in the project, security issues, its debt service coverage ratio, whether and when the loan is non-recourse, and the \$5 million gap between appraised and after-rehabilitation value.

Staff and General Counsel provided additional project details.

MOTION BY OXBERRY TO RECOMMEND HOUSING AUTHORITY APPROVAL OF A LOAN TO THE RELATED COMPANIES, LLC AND WAKELAND HOUSING AND DEVELOPMENT CORP IN THE AMOUNT OF \$1,200,000 FOR THE ACQUISITION AND REHABILITATION OF VISTA TERRACE LOCATED AT 1606 DEL SUR BOULEVARD IN SAN YSIDRO.

SECONDED BY TUMMINIA AND CARRIED ON A VOTE OF 7-0 WITH ALL COMMISSIONERS PRESENT.

ADJOURNMENT

The Commission recessed and convened in closed session.

CLOSED SESSION

- I Conference with Real Property Negotiator - Pursuant to California Government Code Section 54954.5(b) and 54956.8:

Property: 2484 Grove Avenue
San Diego, CA 92154

THIS ITEM WAS PULLED PRIOR TO THE MEETING.

- II Conference with Legal Counsel - existing litigation, pursuant to California Government Code Section 54956.9(a) and 54954.5(c):

(a) Steven J. Small v. Morris, San Diego Housing Commission

BY A VOTE OF 7-0, DIRECTION WAS GIVEN TO GENERAL COUNSEL.

III Conference with Legal Counsel - anticipated litigation, pursuant to Government Code Section 54956.9(c) and 54954.5(c):

(a) One matter.

BY A VOTE OF 7-0, DIRECTION WAS GIVEN TO GENERAL COUNSEL.

IV Public Employee Performance Evaluation, pursuant to Government Code Section 54957(e):

Title: Chief Executive Officer

BY A VOTE OF 7-0, A COMMITTEE WAS ESTABLISHED TO CONDUCT A PERFORMANCE EVALUATION OF THE CHIEF EXECUTIVE OFFICER.

Chair Arthur adjourned the meeting at 10:45 a.m.

Respectfully submitted,

Bill Luksic
Docket Coordinator

**Signature on File
With Original Document**

Approved by,

Elizabeth C. Morris
Chief Executive Officer