

**HOUSING AUTHORITY
OF THE CITY OF SAN DIEGO
SPECIAL MEETING MINUTES
MONDAY, APRIL 25, 2011**

The Special Housing Authority Meeting was called to order at 3:33 p.m.

ATTENDANCE

Council members Lightner, Council President Pro Tem Faulconer, Gloria, Council President Young, DeMaio, Zapf, Emerald and Alvarez were present.

Adoption:

1. HAR11-029 – Proposal to the Department of Housing and Urban Development (HUD) for Contract Administration of California Project-Based Section 8 Housing Assistance Payments (HAP) Contracts

1. Authorize the submission of an application to provide contract monitoring and administration services that cover the geographic area of the State of California in response to the HUD Office of Housing Assistance Contract Administration Oversight's invitation for Submission of Applications due on April 28, 2011.
2. Authorize the CEO, in conjunction with General Counsel, to establish a Limited Liability Company ("LLC") that will allow the Housing Commission to provide these services and work outside the jurisdiction of the City of San Diego.

Richard Gentry, President & Chief Executive Officer and Carrol Vaughan, Executive Vice President & Chief Operating Officer and Charles Christensen, General Counsel presented a staff report.

Members of the Housing Authority asked a variety of questions regarding the retained earnings should the Housing Commission obtain the contract administrator designation from HUD.

Councilmember Lightner asked if Nan McKay had any interest in the LLC that was being formed. General Counsel responded by clarifying that Nan McKay would be considered a sub-contractor not a partner.

The City Attorney's office stated that this was a wonderful program and a great opportunity for the City. It was stated for the record that the City Attorney's Office had not had the opportunity to review all of the legal documents in order assure no exposure to the Housing Authority. An amendment to the motion was requested stating that all legal documents continue to be sent to the City Attorney's Office for review and that any agreements that would be considered a part of this project would also be presented to the Housing Authority in addition to the Housing Commission Board.

MOTION BY COUNCILMEMBER GLORIATO APPROVE THIS ITEM AS AMENDED TO INCLUDE THE DIRECTIONS OUTLINED BY THE CITY ATTORNEY. SECONDED BY COUNCILMEMBER EMERALD AND CARRIED BY A UNANIMOUS VOTE OF 8-0.

Adjournment

Council President Young adjourned the Special Meeting at 4:10 p.m.