



SAN DIEGO
HOUSING
COMMISSION

MINUTES

**HOUSING COMMISSION
MINUTES OF THE REGULAR MEETING
NOVEMBER 9, 2012
SMART CORNER
4th FLOOR CONFERENCE ROOM
1122 BROADWAY
SAN DIEGO, CALIFORNIA**

ATTENDANCE

Present were Chair Gary Gramling, Commissioners Khadija Basir, Sam Guillen, Ben Moraga, Allen Sims, Roberta Spoon, and Jim Waring. Also present were Charles Christensen, General Counsel and President & CEO, Richard Gentry.

10 CALL TO ORDER

Chair Gramling called the Regular Meeting to order at 9:10 am.

20 PUBLIC COMMENT

There were no public comments.

30 COMMISSIONER COMMENTS

Chair Gramling announced that Commissioner Guillen is stepping down due to increased employment demands. Commissioner Guillen's work will be recognized in an upcoming meeting. Mayor Sanders' office has identified a new board member who will be confirmed at City Council and present at the December Board meeting.

Also, Chair Gramling touched on the recent elections. He congratulated all the newly-elected officials, and stated that a new Mayor and changes in Council bring a new set of opportunities.

40 REPORT BY PRESIDENT & CHIEF EXECUTIVE OFFICER

On October 22nd, a celebration took place at the Estrella del Mercado, one of the eight properties acquired under the public housing repositioning program. Attendees included Assemblymembers Atkins and Hueso, Councilmembers Alvarez and Gloria, HUD Regional Public Housing Director Ed Moses, and former HUD Assistant Secretary Orlando Cabrera, who approved the program in 2007. Speakers included Chair Gary Gramling, who accepted a State of California resolution, as well as a City Council Proclamation declaring October 22nd San Diego Housing Commission Affordable Housing Day in the City of San Diego. Chair Gramling also accepted a plaque from the California Association of Housing Authorities.



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On November 1st, a grand opening was held for Mission Apartments, another property in the repositioning program. Attendees included Mayor Sanders, Council President Pro Tem Faulconer, and Councilmember Gloria. The Housing Commission partnered with AMCAL Housing and the former redevelopment agency on the development.

On October 12th, the Housing Commission Board approved a final property acquisition using the proceeds of the repositioning program, Park Crest. The deal was closed on the same day, bringing purchases and investment under the program to a close.

On November 8th, the Housing Commission participated in a tour of Connections Housing, a one-stop homeless housing and service facility. Attendees included Councilmembers Faulconer, Gloria and Lightner, as well as representatives from the offices of Councilmember Zapf and Council President Young. The development, being constructed by Affirmed Housing, is projected to open in January with a grand opening scheduled for March.

The Housing Commission also announced on November 8 that it will provide an additional 75 sponsor-based vouchers to three non-profit RFP sponsors. Father Joe's Villages and Mental Health Systems will receive 20 vouchers each, and PATH will receive 35 vouchers.

The Housing Commission held another lead hazard blood-testing event in conjunction with Neighborhood House Association. This was the sixth event since 2010 funded by lead hazard control grants from HUD. Seventy-nine children were tested and one was found positive.

Finally, Mr. Gentry announced that on November 2nd, the Housing Commission received a Technology Heroes Award from Technology Training Foundation of America, as a result of the donation of old computer equipment to their program. The organization refurbishes old computers and provides them to schools and nonprofits.

CONSENT AGENDA:

MOTION BY COMMISSIONER SIMS TO APPROVE THE FOLLOWING ITEMS ON CONSENT:

100 HCR12-118 Approval for the Principal Pay Down on the Smart Corner Office Building Mortgage Loan

That the President & Chief Executive Officer ("President & CEO") of the San Diego Housing Commission ("Housing Commission"), or designee, be authorized to pay down not to exceed \$1.5 million in principal each year on the Smart Corner office building mortgage loan provided that adequate funds exist in the Housing Authority of the City of San Diego ("Housing Authority") approved budget reserve, and further authorize the President & CEO, or designee, to



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execute such documents and to take such actions as are necessary, convenient and/or appropriate to implement this approval, upon the advice of General Counsel.

103 HCR12-119 Actions Establishing President & Chief Executive Officer Compensation for Period of September 19, 2012 through September 18, 2013

That the Board of Commissioners for the San Diego Housing Commission (“Board”) establish the CEO’s compensation package to coincide with the fourth anniversary date of the commencement of employment, as authorized by the Employment Agreement, and as recommended by the Performance Evaluation Ad Hoc Committee, consisting of the Chair Gary Gramling, Vice Chair Roberta Spoon, and Commissioner Ben Moraga, retroactive for the period of September 19, 2012, through September 18, 2013, specifically:

- 1) Maintain the current salary and compensation package as referenced within this report, without any increase, for the partially retroactive period of September 19, 2012 through September 18, 2013; and
- 2) Approve a five percent (5%) incentive performance payment net of taxes, as described in the report, in recognition of the CEO’s accomplishment of goals set at the CEO’s last evaluation and in recognition of his outstanding work for the last four years.

SECONDED BY COMMISSIONER SPOON AND CARRIED BY A UNANIMOUS VOTE OF 6-0 WITH COMMISSIONER WARING NOT YET PRESENT.

Commissioner Waring joined the meeting.

50 APPROVAL OF THE MINUTES

MOTION BY COMMISSIONER WARING TO APPROVE THE MINUTES OF THE REGULAR HOUSING COMMISSION MEETING OF OCTOBER 12, 2012. SECONDED BY COMMISSIONER BASIR AND CARRIED BY A UNANIMOUS VOTE OF 7-0.

ACTION AGENDA:

101 HCR12-109 Final Bond Authorization for Ninth and Broadway

Ann Kern, Director of Housing Development and Finance presented a staff report.

Ms. Kern and Debbie Ruane, Senior Vice President of Real Estate, helped answer questions from the Commissioners regarding current market rate rents in the development area.



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MOTION BY COMMISSIONER GUILLEN TO RECOMMEND THAT THE HOUSING AUTHORITY OF THE CITY OF SAN DIEGO (“HOUSING AUTHORITY”) AUTHORIZE THE ISSUANCE OF UP TO \$39 MILLION IN MULTIFAMILY HOUSING REVENUE BONDS TO FUND THE ACQUISITION OF LAND AND CONSTRUCTION OF FAIRBANKS COMMONS, LOCATED ON NIGHTHAWK LANE, BY FAIRBANKS COMMONS CIC, LP (“FAIRBANKS COMMONS CIC”). SECONDED BY COMMISSIONER MORAGA AND CARRIED BY A UNANIMOUS VOTE OF 7-0.

102 HCR12-110 Final Bond Authorization for COMM22 Family

Ann Kern, Director of Housing Development and Finance and Joe Correia, Project Manager, presented a staff report.

BRIDGE Housing’s Project Manager, Jeff Williams, and Construction Manager, Jeff McMillian, assisted staff in answering Commissioner questions regarding current project costs, LEED standards, and the status of state grants awarded to the project.

MOTION BY COMMISSIONER GUILLEN TO RECOMMEND THAT THE HOUSING AUTHORITY OF THE CITY OF SAN DIEGO (“HOUSING AUTHORITY”) AUTHORIZE THE ISSUANCE OF UP TO \$28,000,000 IN MULTIFAMILY HOUSING REVENUE BONDS TO FUND CONSTRUCTION OF THE COMM22 FAMILY APARTMENTS (“COMM22 FAMILY”) LOCATED SOUTH OF COMMERCIAL STREET BETWEEN 21ST STREET AND HARRISON AVENUE. SECONDED BY COMMISSIONER SIMS AND CARRIED BY A UNANIMOUS VOTE OF 7-0.

CLOSED SESSION:

Closed session items were introduced in open session and members of the public were given the opportunity to make public comment on the matters before the Commission convened in closed session. There were no public comments made.

IV. Housing Commission will convene in closed session to consider the following agenda:

A. CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION pursuant to subdivision (c) of 54954.5 of the Government Code and pursuant to subdivision (a) of Section 54956.9:

Aimee Sanders vs. Northern SDHC FHA LLC, SDSC Case No. 37-2012-00103546-CU-PO-CTL

Counsel’s Description of General Nature of Closed Session:



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Counsel will discuss existing litigation initiated by Ms. Sanders against Northern SDHC FHA LLC in the Superior Court of the County of San Diego seeking to recover damages for alleged injuries sustained on property located at 12643 – 12687 El Camino Real, San Diego, CA 92130.

INFORMATIONAL ITEM ONLY. NO ACTION WAS TAKEN.

B. CONFERENCE WITH LABOR NEGOTIATORS - Pursuant to Government Code Section 54957.6:

Agency Representatives: Richard C. Gentry, Jennifer Adams-Brooks, Tina Holmes, Charles B. Christensen and Joel Mason for the San Diego Housing Commission

Employee Organization: Social Services Union, Local 221, AFL-CIO

Counsel Description: Agency Representatives will seek direction from the Commission concerning labor negotiations.

INFORMATIONAL ITEM ONLY. NO ACTION WAS TAKEN.

V. Announcement of Actions Taken in Closed Session.

VI. Adjournment.

ADJOURNMENT:

Chair Gramling adjourned the Regular meeting at 10:00 a.m.

Respectfully submitted,

Pari Ryan
Legislative Coordinator
San Diego Housing Commission

Approved by,

Richard C. Gentry
President & Chief Executive Officer
San Diego Housing Commission