

**HOUSING AUTHORITY
OF THE CITY OF SAN DIEGO
SPECIAL MEETING MINUTES
MONDAY, JUNE 27, 2011**

The Special Housing Authority Meeting was called to order at 2:49 p.m.

ATTENDANCE

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

Adoption :

1. HAR11-025- Proposed Fiscal Year 2012 Budget

1. Housing Authority adoption of the \$285.1 million FY12 Proposed Activity Based Budget and the \$35.4 million FY12 Proposed Capital Budget (Attachment 1).
2. Housing Authority delegation to the Housing Commission Board to amend the FY12 Budget for amounts up to \$500,000 consistent with prior delegation of the Housing Authority for capital renovation and maintenance contracts and in accordance with approved policies, programs and activities.

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

Mr. Gentry provided Councilmember DeMaio assurance that the approval of this item would not include any substantive changes to authorizations regarding the Finance Plan.

Ms. Vaughan addressed Councilmember Emerald's concerns regarding the additional delegation of authority being granted to the Housing Commission.

Mr. Gentry agreed to send the members of the Housing Authority a courtesy notice when such items received Housing Commission Board approval.

MOTION BY COUNCILMEMBER LIGHTNER TO APPROVE THIS ITEM. SECONDED BY COUNCILMEMBER ALVAREZ AND CARRIED BY A UNANIMOUS VOTE OF 8-0.

Council President Young adjourned the Special Meeting at 2:58 p.m.

Council President Young reconvened the Special Meeting at 3:10 p.m.

2. HAR11-034 - Renewal and Revision of Memorandum of Understanding between City and Housing Commission for Provision of Homeless Shelter Services

- City Council Companion Item

Housing Authority and City Council approval for renewal and revision of the Homeless Shelter Services Memorandum of Understanding (MOU) between the City and Housing Commission.

Richard Gentry, President & CEO and Carrol Vaughan, Executive Vice President & Chief Operating Officer presented the staff report.

Councilmember Lightner asked for clarification regarding the Housing Commission Board's request for the MOU to be reviewed and approved on a yearly basis versus the two years originally proposed by staff. She requested that the MOU receive approval for a two year term. She thanked Mr. Gentry and the Housing Commission for the excellent work done on the City's Homeless activities.

Councilmember Gloria stated for the record that the Housing Commission had done a fantastic job with the City's homeless activities.

Council President Pro Tem Faulconer echoed the comments of the other members of the Council regarding the remarkable job done by the Housing Commission with the City's homeless services.

After discussions that included the City Attorney's office, it was requested that the motion remain as a one year approval of the MOU with an amendment requesting a longer term when it is returned for renewal.

MOTION BY COUNCILMEMBER LIGHTNER TO APPROVE THIS ITEM AS AMENDED TO INCLUDE A REQUEST THAT THE MOU BE BROUGHT BACK TO THE HOUSING AUTHORITY FOR ITS RENEWAL WITH A LONGER TERM MOVING FORWARD. SECONDED BY COUNCIL PRESIDENT PRO TEM FAULCONER AND CARRIED BY A UNANIMOUS VOTE OF 7-0 WITH COUNCILMEMBER DEMAIO NOT PRESENT.

3. Approval of the minutes of:

May 17, 2011 Regular Meeting

June 7, 2011 Regular Meeting

MOTION BY COUNCILMEMBER ALVAREZ TO APPROVE THIS ITEM. SECONDED BY COUNCIL PRESIDENT PRO TEM FAULCONER AND CARRIED BY A UNANIMOUS VOTE OF 7-0 WITH COUNCILMEMBER DEMAIO NOT PRESENT.

4. HAR11-032 - FY 2012 Proposed Budget Revision and Contract with Alpha Project to Operate the Neil Good Day Center

- 1) Recommend Housing Authority approval of a revision to the proposed FY2012 Housing Commission budget transferring \$500,000 from unobligated reserves to Special Housing Initiatives loans and grants to provide funding for the Neil Good Day Center.
- 2) Recommend Housing Authority approval of the sole source contract with Alpha Project (Alpha), as referenced in this Report.

- 3) Authorize President and Chief Executive Officer (CEO) or designee to execute necessary documents in the form approved by General Counsel and authorize the CEO to take actions as necessary to implement these approvals.

No staff report was requested.

It was stated for the record that Mr. Robert McNamera was in favor of this item but did not wish to speak.

Councilmember Gloria thanked Mr. Gentry, the Housing Commission Board and the staff of the Housing Commission for stepping up to the plate and saving the Neil Good Day Center. He stated for the record that this was a onetime arrangement. He recommended that the CDBG staff make arrangements to assure the Neil Good Day Center is included in the requests for next year's funding.

Council President Pro Tem Faulconer requested that the CDBG Committee meet for vetting of next year's funding requests since it did not meet this year.

Councilmember DeMaio requested that the City Attorney's Office look into the possible repayment of CCDC, CDBG loans as a means to generate additional revenue that would be accessible to other partners within the Homeless Services network.

MOTION BY COUNCILMEMBER GLORIA TO APPROVE THIS ITEM. SECONDED BY COUNCIL PRESIDENT YOUNG AND CARRIED BY A UNANIMOUS VOTE OF 8-0.

5. HAR11-024 - San Diego Housing Commission FY2012 –Business Plan

Housing Authority approval of the Business Plan for FY2012.

No staff report was requested.

MOTION BY COUNCILMEMBER ALVAREZ TO APPROVE THIS ITEM. SECONDED BY COUNCILMEMBER EMERALD AND CARRIED BY A UNANIMOUS VOTE OF 8-0.

6. HAR11-009 - Real Estate Finance Plan Update as of March 2011

Debbie Ruane, Vice President Real Estate, Emmanuel Arellano, Sr. Program Analyst and Michael Pavco, Financial Analyst presented a staff report.

Councilmember Gloria asked if the Housing Commission had already selected the projects that would be using up the remaining balance from the funds generated in the Finance Plan.

Councilmember Gloria stated his support of the Finance Plan and congratulated the Housing Commission on the success of the plan.

Councilmember DeMaio asked questions regarding the Finance Plan in relation to the foreclosure crisis. He requested that the Housing Commission provide a memo to his office with audit information of the financial transactions of the LLC.

Council President Young and Councilmember Emerald Thanked Mr. Gentry and the Housing Commission for their innovative efforts towards affordable housing.

Mr. Gentry stated he would bring forward a second report on the Finance Plan update in September.

THIS WAS AN INFORMATIONAL ITEM ONLY. NO ACTION WAS TAKEN DURING THIS MEETING.

Adjournment

Council President Young adjourned the Special Meeting at 3:53 p.m.