

**HOUSING AUTHORITY
OF THE CITY OF SAN DIEGO
REGULAR MEETING MINUTES
TUESDAY, JUNE 10, 2008**

Council President Peters called the meeting to order as the Housing Authority at 4:51 p.m.

ATTENDANCE

Council President Peters and members Faulconer, Atkins, Young, Frye, and Madaffer were present; Maienschein and Hueso were not present.

Adoption:

1. Approval of the minutes of:

May 20, 2008.

MOTION BY FRYE TO APPROVE MINUTES. SECONDED BY ATKINS. CARRIED BY UNANIMOUS VOTE OF 6-0. MAIENSCHIN AND HUESO EXCUSED.

2. HAR08-003 – Grant Application Authorization – HUD Lead Hazard Program (Citywide)

Authorize the Housing Commission to submit applications to the Department of Housing and Urban Development's (HUD) Lead Hazard Program on behalf of the City of San Diego.

Housing Authority approve the following action:

(1) Authorize staff to submit applications in response to HUD's 2008 Notice of Funding Availability (NOFA) for the Lead-Based Paint Hazard Control and Lead Hazard Reduction Demonstration Grant Programs; (2) Authorize the Interim President/CEO to amend the Housing Commission budget, as needed, to include the funding, if awarded; (3) Authorize the Interim President/CEO to execute all necessary documents with HUD, participating non-profit organizations and City Departments to implement the grant(s); and (4) Authorize the Housing Commission Board to approve future grant applications for HUD's Lead Hazard Control Programs, amend the Housing Commission budget as needed should these applications be approved and to authorize the President/CEO to execute all required documents as long as the applications do not propose significant changes to the Lead Hazard Control Program of the City of San Diego.

MOTION BY FRYE TO APPROVE THIS ITEM. SECONDED BY FAULKNER. CARRIED BY UNANIMOUS VOTE OF 6-0. MAIENSCHIN AND HUESO EXCUSED.

3. HAR08-009 - Loan Request for COMM 22 Senior Housing (Council District 8)

Approve a loan of up to \$4,200,000 to COMM 22, LLC to facilitate the construction of a 70-unit rental housing development for very low-income seniors and disabled residents.

Housing Authority approve the following action:

Recommend that the Housing Authority: (1) approve a 55-year, residual receipts loan of up to \$4,200,000 to COMM 22, LLC, as permanent financing for the development of 68 affordable housing units and two resident manager units to be located at 22nd Street and Commercial Street; and (2) authorize the Interim President and Chief Executive Officer of the Housing Commission, or their designee, to execute all documents necessary to make the approved loan.

MOTION BY YOUNG TO APPROVE THIS ITEM. SECONDED BY ATKINS.
CARRIED BY UNANIMOUS VOTE OF 6-0. MAIENSCHIN AND HUESO
EXCUSED.

4. HAR08-016 - FY2009 Transitional Housing Grants

Housing Authority approval of three FY09 Transitional Housing grants to St. Vincent de Paul Villages, Inc. (SVDP) in the aggregate amount of \$333,275, and authorization of up to two additional one-year options for FY2010 and FY2011.

Housing Authority approve the following actions:

1. Approve the award of three contracts to SVDP in an aggregate amount not to exceed \$333,275 for FY2009;
2. Authorize up to two additional one-year options for FY2010 and FY2011, contingent upon future funding availability and program performance; and
3. Authorize the Interim President & Chief Executive Officer to execute all required documents in a form acceptable to General Counsel.

MOTION BY YOUNG TO APPROVE THIS ITEM. SECONDED BY ATKINS.
CARRIED BY UNANIMOUS VOTE OF 6-0. MAIENSCHIN AND HUESO
EXCUSED.

5. HAR08-012 - San Diego Housing Commission FY2009 – FY2011 Business Plan

Approval of the San Diego Housing Commission's FY2009 – FY2011 Business Plan.

Housing Authority approve the following action:

That the Housing Authority approve the San Diego Housing Commission's Three-Year Business Plan for FY2009 – FY2011. The Business Plan is meant to be a "road map" for the agency and includes agency goals, strategies and actions needed to work toward achieving the Housing Commission's mission.

Speaking in opposition: Tom Scott, San Diego Housing Federation; Rocky Neptune, San Diego Renter's Union; Catherine Rodman, Affordable Housing Advocates; Kathy Evans-Calderwood and Greg Robinson, San Diego Affordable Housing Coalition. Discussion followed.

MOTION BY YOUNG TO Adopt the recommendation with the following amendments and with direction to return to the Housing Authority with an update.

Amendment to the Business Plan:

Page 3, Business Plan Goal 2 include “practices within the context that the highest priority of the Commission is to provide homes at below market rates for those who can least afford it.”

Amendment to the Business Plan:

Page 8, New Strategy #4 include “Produce and/or acquire additional San Diego Housing Commission-owned rental units to meet the commitment of the 350 units using the most cost-effective financing methods available.”

Further direction was given that the San Diego Housing Commission bring a comprehensive financial plan forward at the same time as action items for financing and acquisition and/or production of units, specifically:

“Before producing or acquiring any of the 350 units, complete a comprehensive financial plan that includes:

- a. A long range pro forma on each unit of the existing Commission-owned inventory to determine best and worst case scenarios for operating and capital costs for 20 years and projected cash flow at various below market rate rents;
- b. Analyses of various options for acquiring and/or producing the 350 units including using third party developers and typical federal and state affordable housing finance sources;
- c. Identify appropriate Commission overhead charges; and,
- d. Based on the first three analyses, develop a plan to achieve greatest long-term affordability while maintaining the rents at the lowest rates feasible.”

Additional comments/directions were given:

1. To work on a plan for development and operation of a permanent homeless shelter;
2. To continue to participate in activities that will help alleviate the foreclosure problem in the City;
3. To ensure that the rental housing NOFA include new ways to promote green buildings and energy efficiency; and
4. To expand wherever possible the use of technology in assisting San Diego residents in their search for affordable housing.
5. As recommended by the Independent Budget Analyst’s office, work to increase the amount of unrestricted reserves in FY2010.

SECONDED BY ATKINS. CARRIED BY UNANIMOUS VOTE OF 6-0.
MAIENSCHIN AND HUESO EXCUSED.

6. HAR08-011 - Proposed Fiscal Year 2009 Budget

Housing Commission and Housing Authority adoption of the Proposed Fiscal Year 2009 (FY09) Budget and authority for the Housing Commission Board to amend the FY09 Budget under specific circumstances.

Housing Authority approve the following actions:

1. Housing Commission and Housing Authority adoption of the \$265.0 million FY09 Proposed Activity Based Budget (Attachment 1).
2. Housing Authority delegation to the Housing Commission to amend the FY09 Budget for amounts up to \$250,000 consistent with prior delegation of the Housing Authority and with adopted policies, programs and activities.

MOTION BY ATKINS TO APPROVE THIS ITEM. SECONDED BY FRYE.
CARRIED BY UNANIMOUS VOTE OF 5-0. PETERS, MAIENSCHIN AND HUESO
EXCUSED.

Council President Pro Tem Madaffer adjourned the meeting at 6:34 p.m.