

MINUTES

**SAN DIEGO HOUSING COMMISSION
MINUTES OF THE REGULAR MEETING
APRIL 4, 2008, 9:00 A.M.
SMART CORNER
SAN DIEGO, CALIFORNIA**

ATTENDANCE

Present were Chair Sal Salas and Commissioners Jennifer Adams-Brooks, Khadija Basir, Todd Gloria and Tony Yip. Also present were Chuck Christensen, General Counsel and Interim President and CEO Carrol Vaughan.

10 CALL TO ORDER

Chair Salas called the meeting to order at 9:07 a.m.

20 PUBLIC COMMENT

None

30 COMMISSIONER COMMENTS

Commissioner Gloria congratulated Carlos C. deBaca on recently receiving the Peacemaker Award from the National Conflict Resolution Center, adding that the Housing Commission is very fortunate to have employees that do great work volunteering in the community.

Chair Salas remarked on his recent trip to the annual NAHRO (National Association of Housing and Redevelopment Officials) Legislative Conference in Washington, DC with Ms. Vaughan, stating that during their congressional visits, the primary discussions was about foreclosures. He stated that there were discussions about uses of shared appreciation monies and raising the AMI in California for homebuyer programs.

40 REPORT BY INTERIM PRESIDENT & CHIEF EXECUTIVE OFFICER

Ms. Vaughan stated she concurred with Chair Salas comments adding that this year's conference included many HUD officials and legislative members. She also mentioned the congressional meetings were very productive, adding there is quite a bit of follow-up to do on the foreclosure

issues. Finally, she also mentioned the next Housing Commission meeting will be held at City's Administrative Building, 12th Floor.

50 APPROVAL OF THE MINUTES

MOTION BY ADAMS-BROOKS TO APPROVE THE MARCH 14, 2008 REGULAR MEETING MINUTES. SECONDED BY BASIR AND CARRIED ON A UNANIMOUS VOTE OF 5-0.

ACTION AGENDA

MOTION BY YIP TO APPROVE THE FOLLOWING ITEMS ON CONSENT:

100 HCR08-33 FY09 Annual Agency Plan (Citywide)

Recommendations:

1. Approve the FY09 Annual Agency Plan (Attachment 1) that details activities planned for the Section 8 and Public Housing programs in FY09;
2. Approve the Summary of Revisions to the Section 8 Administrative Plan (Attachment 2), that details proposed changes to the Section 8 program;
3. Approve the Summary of Revisions to the Public Housing Admissions and Continued Occupancy Plan (Attachment 3) that details proposed changes to the Public Housing program;
4. Approve the Summary of Revision to the Project Based Voucher program (Attachment 4) that details the proposed changes to that program;
5. Approve the Summary of Revision to the Family Self-Sufficiency Action Plan (Attachment 5) that details the proposed changes to that program;
6. Authorize transmittal of the FY09 Annual Agency Plan, and supporting documents, to HUD by the April 17, 2008 deadline.

**104 HCR08-48 U.S. Congressional Set Aside Economic Development Initiative-
Special Purpose Grant (Council District 3)**

Recommendations:

Subject to the conditions described below, recommend Housing Authority approval of:

1. The grant agreement for a \$148,500 Economic Development Initiative - Special Purpose (EDI-SP) Grant on behalf of the City of San Diego to be used for rehabilitation for The Cove Supportive Housing Development, and;
2. Granting funds to The Association of Community Housing Solutions (TACHS) for use in the rehabilitation of The Cove Supportive

- Housing Development, formerly known as Hope Village, located at 5288 El Cajon Boulevard, and;
3. Authorization for the Interim President and Chief Executive Officer, or designee, to execute all documents necessary to obtain and utilize these funds; and,
 4. An amendment to the FY2008 Housing Commission budget to reflect the addition of \$148,500 in EDI-SP funds.

SECONDED BY BASIR AND CARRIED ON A UNANIMOUS VOTE OF 5-0.

ACTION AGENDA

Staff asked that Item #103 be pulled from the agenda.

101 HCR08-43 YWCA – Smart Corner Leasing Arrangements

Commissioner Yip declared that his partner sits as a non-compensated Board member for the YWCA. General Counsel advised that this is a non-interest under the applicable provisions of Government Code Section 1091.5 and that there was no financial interest under the provisions of Government Code Section 87103 and Mr. Yip was entitled to vote and participate on the matter since there was no conflict.

Director of Asset Management Steve Snyder gave a staff report.

Chair Salas asked if the second floor rent projections are in line with the original proforma. Mr. Snyder replied that the lease rate is consistent but that the tenant improvements allowance was greater than the original expectation.

Commissioner Basir asked about the 30 unreserved parking spaces. Mr. Snyder replied the cost is \$125 per space and the tenants do not have the right to sublease spaces.

MOTION BY GLORIA TO APPROVE THE FOLLOWING RECOMMENDATION: THAT THE INTERIM PRESIDENT & CHIEF EXECUTIVE OFFICER (CEO) BE AUTHORIZED TO EXECUTE LEASE DOCUMENTS BETWEEN THE SDHC AND YWCA, FOR OFFICE SPACE AT THE SMART CORNER BUILDING LOCATED AT 1122 BROADWAY, ON TERMS SET FORTH IN THIS REPORT AND ATTACHMENT 1 AND IN A LEASE FORM AS APPROVED BY GENERAL COUNSEL TO THE SDHC. THE LEASE WOULD HAVE A SEVEN (7) YEAR INITIAL TERM AND ONE (1) FIVE (5) YEAR OPTION TO RENEW. SECONDED BY ADAMS-BROOKS AND CARRIED ON A UNANIMOUS VOTE OF 5-0.

102 HCR08-37 Final Bond Authorization for Ten Fifty B (Council District 2)

General Counsel stated that pursuant to the provisions of the California Government Code § 84308 Commissioner Gloria will be abstaining from any actions and participation in connection with this item.

Supervising Project Manager Peter Armstrong gave a staff report.

Chair Salas asked about the term of the CCDC loan. Mr. Armstrong replied that the loan is for 55 year loan, 4% interest and residual receipts.

Commissioner Adams-Brooks asked about the 5% vacancy rate in the current housing market. Mr. Armstrong replied typically our projects have lower than 5% vacancy and it is very plausible for these types of projects to have 1-3% vacancy rates.

MOTION BY YIP TO FORWARD TO THE HOUSING AUTHORITY FOR APPROVAL TO AUTHORIZE THE ISSUANCE OF TWO SERIES OF HOUSING REVENUE BONDS IN AN AMOUNT UP TO \$51 MILLION TO FUND THE DEVELOPMENT OF TEN FIFTY B, A 229-UNIT APARTMENT COMPLEX LOCATED ON TWO SEPARATE LEGAL PARCELS AT 1050 B STREET BY AFFIRMED HOUSING GROUP (AFFIRMED). SECONDED BY BASIR AND CARRIED ON A UNANIMOUS VOTE OF 4-0 WITH GLORIA ABSTAINING.

105 HCR08-35 Loan Request for COMM 22 Senior Housing (Council District 8)

General Counsel stated that pursuant to the provisions of the California Government Code § 84308 Commissioner Gloria will be abstaining from any actions and participation in connection with this item.

Project Manager Carlos C. deBaca gave a staff report.

Commissioner Basir asked about the phases of completion. Mr. Arnulfo Manriquez representing COMM22 stated the senior housing portion will be completed by 2009 and the for-sale and family housing will be completed by 2010 or 2011.

Commissioner Yip asked why the childcare center is located in the senior building. Mr. Steve Sutton representing COMM22 replied based on past experiences, this will create an intergenerational program and create a sense of a community within the project.

MOTION BY YIP TO FORWARD TO THE HOUSING AUTHORITY FOR APPROVAL OF THE FOLLOWING RECOMMENDATIONS: **A)** THE FUNDING OF A 55-YEAR, RESIDUAL RECEIPTS LOAN OF UP TO \$4,200,000 TO COMM 22, LLC AS PERMANENT FINANCING FOR DEVELOPMENT OF 70 UNITS (TWO TWO-BEDROOM UNITS WOULD BE OCCUPIED BY RESIDENT MANAGERS) OF RENTAL HOUSING FOR VERY LOW-INCOME SENIORS AND DISABLED RESIDENTS TO BE LOCATED AT 22ND STREET AND COMMERCIAL STREET; AND, **B)** 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. SECONDED BY BASIR AND CARRIED ON A UNANIMOUS VOTE OF 4-0 WITH GLORIA ABSTAINING.

CLOSED SESSION

The San Diego Housing Commission convened in closed session.

- a. Conference with Legal Counsel- Anticipated Litigation Claim pursuant to subdivision (c) of Government Code Section 54954.5 and subdivision (c) of Government Code Section 54956.9:

Anticipated Litigation against the owner of that real property commonly known as Mountain View Estates, located at 3992 Ocean View Blvd./422-424 So. 40th Street, San Diego, CA.

BY A VOTE OF 5-0 BOARD GAVE DIRECTION TO COUNSEL NOT TO INITIATE LITIGATION.

ADJOURNMENT

Chair Salas adjourned the regular meeting at 10:12 a.m.

Respectfully submitted,



Angie Risotti
Executive Assistant to the President and CEO

Approved by,



Carrol M. Vaughan
Interim President and CEO