

MINUTES

**SAN DIEGO HOUSING COMMISSION
MINUTES OF THE REGULAR MEETING
JUNE 6, 2008, 9:00 A.M.
CITY ADMINISTRATION BUILDING
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 9:08 a.m.

20 PUBLIC COMMENT

None

30 COMMISSIONER COMMENTS

Commissioner Basir announced that while attending the Pacific South West Regional Council (PSWRC) Conference in Long Beach last month, she received an Award of Merit on behalf of the Housing Commission.

Commissioner Adams-Brooks recommended that the remaining 2008 Housing Commission meetings be held at Smart Corner.

Chair Salas gave an update on the President/CEO Selection Committee progress and was pleased to announced that more than 50 job applications were received. He stated that the semi-finalist interview will be held on July 17th. Three finalists will be selected to be interviewed on July 18th by a joint meeting of the Housing Commission and the Housing Authority. Finally, he gave an update on the Selection Committee for the Creation of 350 Affordable Housing Units Request for Proposals Meeting that was recently held and he will continue to keep the board informed of their progress.

40 REPORT BY INTERIM PRESIDENT & CHIEF EXECUTIVE OFFICER

Ms. Vaughan stated that at the upcoming NAHRO Conference in July 2008 in Nashville, TN the Housing Commission will also be receiving another Award of Merit and has been nominated for the National Award of Excellence. She congratulated General Counsel Chuck Christensen for his recent award of Super Attorney of the Year and mentioned that he has received this award for two years in a row.

50 APPROVAL OF THE MINUTES

MOTION BY GLORIA TO APPROVE THE CORRECTED APRIL 25, 2008 REGULAR MEETING MINUTES. SECONDED BY ADAMS-BROOKS AND CARRIED ON A UNANIMOUS VOTE OF 5-0.

CONSENT AGENDA

MOTION BY ADAMS-BROOKS TO APPROVE THE FOLLOWING ITEMS ON CONSENT:

100 HCR08-60 Award of Contract for the Provision and Installation of Refrigerators at Various Housing Commission Sites (Citywide)

Recommendations:

- 1) Recommend that the Housing Commission approve the award of a contract to M & L Smith, Inc., dba Aztec Appliance, in the amount of \$840,682 for the provision and installation of refrigerators at various Housing Commission sites.
- 2) Authorize the Interim President & Chief Executive Officer to execute the contract (Attachment 1) and expend up to a ten percent contingency (\$84,068) if necessary, for items not anticipated in the original scope of work.
- 3) Request approval to forward to Housing Authority to authorize the Interim President and Chief Executive Officer to amend the FY08 budget to provide for this contract.

101 HCR08-46 Application for Funding to the US Department of Housing and Urban Development, and Application for Funding to the U.S. Department of Health and Human Services

Recommendations:

1. Ratify two grant applications:
 - a) Application for \$400,000 submitted to HUD for the FFY07 Neighborhood Networks program
 - b) Application for \$150,000 submitted to HHS for the Assets for Independence Program
2. Authorize the Interim President and CEO to revise the FY09 Housing

Commission budget to reflect the awarded funds (see Attachments) and execute all required documents.

102 HCR08-47 Pension Consultant Contract Amendment

Recommendation: Amend Section 103 of the Housing Commission's contract with The Epler Company to increase the rate of compensation from the sum of One Hundred Fifty Three Thousand, Five Hundred Dollars (\$153,500) to a revised not to exceed sum of Two Hundred Thirteen, Five Hundred Dollars (\$213,500). The approval of this amendment will ensure adequate funding for the specified three-year period of the contract.

103 HCR08-51 Transfer of Equipment and Supplies

Recommendation: Staff recommends that the Housing Commission accept and approve the transfer of any equipment or supplies purchased for under the amount of Five Thousand Dollars (\$5,000) with the Public Housing fund to the San Diego Housing Commission with no reimbursement to Public Housing fund.

104 HCR08-56 Local Agency Investment Fund Board Resolution

Recommendation: That the Housing Commission **1)** authorize the President & Chief Executive Officer, Executive Vice President & Chief Operating Officer and Chief Financial Officer to invest San Diego Housing Commission monies in the Local Agency Investment Fund (LAIF); and **2)** requires two signatures to execute a transfer of funds.

106 HCR08-62 Amending Affordability Restrictions for Transitional Housing Projects

Recommendation: Authorize existing agreements with providers of transitional housing to be amended **1)** to raise the affordability level for up to ten percent of the units from a maximum of 35 percent AMI (\$27,650 for a family of four) to a maximum of 50 percent AMI (\$39,500 for a family of four); and **2)** to allow program participants to remain in residence if their income increases beyond the program's affordability cap, if deemed in the best interest of the Housing Commission.

108 HCR08-59 Housing Enhancement Loan Program in the North Park and San Ysidro Redevelopment Project Areas

Recommendation: Authorize the Interim President and Chief Executive Officer of the Housing Commission to execute the Agreements and Guidelines with the City Redevelopment Agency to administer the Housing Enhancement Loan Programs for the North Park and San Ysidro Redevelopment Project

Areas.

111 HCR08-66 Execution of Declaration of Trust (DOT) for Thirty-Six (36) Units at the University Canyon Property

Recommendation: That the Acting Executive Director or the designee of the Housing Authority of the City of San Diego would be authorized to execute the Declaration of Trust creating thirty-six (36) units of conventional public housing at the University Canyon Property and all associated documents.

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

ACTION AGENDA

105 HCR08-45 FY09 Transitional Housing Program Grants

Under the provisions of Government Code Section 1091.5 (a) (7) and (a) 8 Commissioner Adams-Brooks is a non-paid member of the Safe Harbor board and has non-interests for the purpose of Government Code 1090. Ms. Adams-Brooks is entitled to vote in this matter. Commissioner Yip's partner is a non-paid member of the YWCA board and under the provisions of Government Code Section 1091.5 (a) (7) and (a) (8) there is a non-interest and Commissioner Yip is entitled to vote.

Program Analyst Lisa Wolf gave a staff report.

Mr. George Shoemaker, Treasurer spoke on behalf of San Diego Safe Harbor and requested technical assistance for the organization's process to re-submit a request for funding.

Commissioners asked numerous questions regarding the selection committee's processes for awarding grants, prior year funding and public outreach.

MOTION BY GLORIA TO APPROVE THE FOLLOWING RECOMMENDATIONS: **1)** APPROVE THE AWARD OF FIFTEEN CONTRACTS IN AN AGGREGATE AMOUNT NOT TO EXCEED \$1.1 MILLION FOR FY2009 (SEE ATTACHMENT 2 FOR SUMMARIES OF THE 15 RECOMMENDED PROGRAMS); **2)** AUTHORIZE ADDITIONAL ONE-YEAR OPTIONS FOR FY2010 AND FY2011, CONTINGENT UPON THE AVAILABILITY OF FUNDING AND COMPLIANCE WITH ALL PROGRAM REQUIREMENTS; AND **3)** AUTHORIZE THE INTERIM PRESIDENT & CHIEF EXECUTIVE OFFICER TO EXECUTE ALL REQUIRED DOCUMENTS IN A FORM ACCEPTABLE TO GENERAL COUNSEL. SECONDED BY BASIR AND CARRIED ON A UNANIMOUS VOTE OF 5-0.

Chair Salas asked that item 107 be trailed to the end of the agenda and *that item 110 be heard before item 109.*

110 HCR08-28 Acquisition of Mountain View Estates (Council District 4)

Program Analyst Bill Luksic gave a staff report.

Commissioners asked staff numerous questions regarding the demolition of the property.

General Counsel added that before the Housing Commission acquires the property that there will be an amendment to the declaration that terminates the affordability requirements.

MOTION BY ADAMS-BROOKS TO APPROVE THE FOLLOWING RECOMMENDATIONS: 1) FORWARD TO THE HOUSING AUTHORITY A RECOMMENDATION TO ACCEPT AN OFFER FROM THE BOARD OF DIRECTORS OF HOPE CDC TO DEED TO THE HOUSING COMMISSION THEIR FOUR-UNIT AFFORDABLE HOUSING DEVELOPMENT AT 3992 OCEAN VIEW BOULEVARD/422-424 SO. 40TH STREET; 2) APPROVE THE FORGIVENESS OF ALL LOANS AND INTEREST ON THE PROPERTY TOTALING \$300,341; AND 3) AUTHORIZE THE INTERIM PRESIDENT AND CHIEF EXECUTIVE OFFICER, OR DESIGNEE, TO EXECUTE ANY AND ALL DOCUMENTS NECESSARY TO TAKE THE ABOVE ACTIONS. SECONDED BY BASIR AND CARRIED ON A UNANIMOUS VOTE OF 5-0.

109 HCR08-61 Loan for Golden Age Garden Apartments (Council District 4)

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 Dan Cady gave a staff report.

Commissioner Adams-Brooks asked if the tenants are going to be displaced or disturbed while the units are being renovated. Mr. Jules Arthur, representing Amerland stated that the units are currently in good condition and there will be no impact on the tenants while the units are being renovated. Adding most of the renovation will be done to the infrastructure of the building, i.e. boiler, elevators, roof and common areas and that the units and stated that units are currently in good conditions.

Commissioner Basir asked if the units are in compliance with the American Disabilities Act (ADA). Mr. Arthur replied the building was built in the 80's and that minor repairs were being made to a number of units to ensure that they are in compliance with the ADA.

MOTION BY ADAMS-BROOKS TO APPROVE AND RECOMMEND TO THE HOUSING AUTHORITY A LOAN OF UP TO \$3,662,000 TO GOLDEN AGE HOUSING PARTNERS, LP AS PERMANENT FINANCING FOR ACQUISITION AND REHABILITATION OF 76 UNITS (ONE UNRESTRICTED UNIT WOULD BE OCCUPIED BY A RESIDENT MANAGER) OF RENTAL HOUSING FOR VERY LOW-INCOME SENIORS AND DISABLED RESIDENTS AND FORWARD TO THE HOUSING AUTHORITY FOR FINAL APPROVAL. SECONDED BY BASIR AND CARRIED ON A UNANIMOUS VOTE OF 4-0 WITH GLORIA ABSTAINING.

107 HCR08-36 Inclusionary Housing

General Counsel stated that before this item is heard by City Council further environmental review should be completed by the City, as it deems appropriate. The environmental language included in the report is adequate for the purposes of the recommendation today, which is advisory and conceptual only.

Subsequent actions by the City in introducing and adopting ordinance amendments, if any, may require that additional environmental review be completed.

Secondly, we would ask that General Counsel be given the opportunity to review specific ordinance language changes, when prepared by the City Attorney's office, to make sure that the issues raised in the BIA litigation continue to be addressed, including issues concerning facial constitutionality and "as applied" constitutionality of the ordinance, as it may be amended.

Director of Policy and Public Affairs Todd Philips gave a staff report.

Jim Davies and Michelle St. Bernard representing the Redevelopment Agency spoke in favor of the Inclusionary Ordinance and discussed concerns regarding student housing restrictions and for-sale and rental units.

The board asked numerous questions of staff regarding recommendations on student housing exemption, for-sale affordable units, and in lieu fees.

MOTION BY YIP TO APPROVE THE AMENDED SAN DIEGO MUNICIPAL CODE (SDMC) CHAPTER 14, ARTICLE 2, DIVISION 13 AS FOLLOWS: 1) EXEMPT FROM THE INCLUSIONARY HOUSING ORDINANCE CERTAIN RESIDENTIAL USES DETAILED IN STAFF RECOMMENDATION NUMBER 1 ON PAGES 7 OF THIS REPORT AND REMOVE STUDENT HOUSING FROM THE LIST OF EXEMPTIONS; 2) RAISE THE INCOME LIMIT ELIGIBILITY AND FOR-SALE PRICING LIMIT ON FOR-SALE AFFORDABLE UNITS; AND 3) ADD LANGUAGE TO SECTION 142.1302 CODIFYING CALIFORNIA'S REDEVELOPMENT LAW'S PREEMINENCE ON PROJECTS WITH FOR-SALE UNITS THAT ARE FUNDED BY THE REDEVELOPMENT AGENCY. SECONDED BY BASIR AND CARRIED ON A UNANIMOUS VOTE OF 5-0.

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 (b) of Government Code Section 54956.9:

Anticipated Litigation by Commission employee against the San Diego Housing Commission.

INFORMATIONAL ONLY, NO ACTION WAS TAKEN. ATTORNEY TO REPORT BACK TO THE BOARD IF A CLAIM OR ACTION IS FILED.

- b. Conference with Labor Negotiators-Pursuant to Government Code Section 54957.6:

Agency Representatives: Terry Whitesides, Tina Holmes and Sean D. Schwerdtfeger for the Commission

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

BOARD BY A VOTE OF 5-0 CONFIRMED THE NEGOTIATING TEAM. BOARD BY A VOTE OF 5-0 GAVE INSTRUCTIONS TO NEGOTIATING TEAM CONCERNING MEET AND CONFER.

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

Anticipated Litigation against the Administrator of Employee Benefits for the Commission.

BOARD GAVE DIRECTIONS TO COUNSEL CONCERNING POTENTIAL SETTLEMENT OF THE CLAIM AGAINST FTS BY A VOTE OF 5-0.

- d. 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 owner of property in the NCFUA and exercise of option to reacquire real property pursuant to the option.

BOARD GAVE DIRECTIONS TO COUNSEL NOT TO PURSUE THE EXERCISE OF AN OPTION TO PURCHASE THIS PROPERTY IN THE NCFUA BY A VOTE OF 5-0 AND TO INSTEAD INITIATE A NON JUDICIAL FORECLOSURE AGAINST OWNER BY A VOTE OF 5-0.

ADJOURNMENT

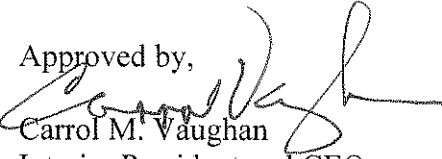
Chair Salas adjourned the regular meeting at 11:20 a.m.

Respectfully submitted,


Angie Risotti

Executive Assistant to the President and CEO

Approved by,


Carrol M. Vaughan

Interim President and CEO