

# MINUTES

**SAN DIEGO HOUSING COMMISSION  
MINUTES OF THE REGULAR MEETING  
AUGUST 15, 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 9:09 a.m.

## **20 PUBLIC COMMENT**

## **30 COMMISSIONER COMMENT**

Chair Salas introduced Richard C. (Rick) Gentry as the new President and Chief Executive Officer of the San Diego Housing Commission. Mr. Gentry stated that he is very pleased and looking forward to working for an excellent organization and will be coming on board on October 1, 2008. Chair Salas congratulated Ms. Cissy Fisher for her recent recognition from the City Council on the great work she has done for the Housing Commission.

Commissioner Adams-Brooks stated that while attending the NAHRO Summer Conference in Nashville last month, she was pleased to announce that Housing Commission received four merit awards recognizing excellence in our agency's work in different areas. The four awards were for the following: Program Innovation – Bilingual Computer Literacy Skills Training; Program Innovation – Money Moves Program; Program Innovation – Renaissance at North Park; and Administrative Innovation - Leveraging San Diego's Public Housing.

## **40 REPORT BY INTERIM PRESIDENT & CHIEF EXECUTIVE OFFICER**

Ms. Vaughan announced that the Mayor's office is requesting a performance audit be done by all city agencies, i.e. CCDC, SEDC, San Diego Convention Center and Housing

Commission. She mentioned that the Housing Commission already does a large part of the scope of the work that is required in the performance audit and will keep the Board updated on its progress.

**50 APPROVAL OF THE MINUTES**

MOTION BY YIP TO APPROVE THE JULY 9, 2008 SPECIAL MEETING MINUTES. SECONDED BY GLORIA AND CARRIED ON A UNANIMOUS VOTE OF 5-0.

MOTION BY ADAMS-BROOKS TO APPROVE THE JULY 18, 2008 SPECIAL MEETING MINUTES. SECONDED BY GLORIA AND CARRIED ON A UNANIMOUS VOTE OF 5-0.

**CONSENT AGENDA**

MOTION BY YIP TO APPROVE THE FOLLOWING ITEMS ON CONSENT:

**100 HCR08-89 Standardization of Existing Agreements for the Administration of Housing Enhancement Loan Programs in City Redevelopment Areas**

**Recommendations:**

- 1) Authorize the Interim President and Chief Executive Officer of the Housing Commission to execute the amended standardized Agreements and Scopes of Services with the City Redevelopment Agency to administer the respective Housing Enhancement Loan Programs for the existing Redevelopment Areas of City Heights, Crossroads and Linda Vista, and the incorporation of the existing Mount Hope and Southcrest Areas into the expanded Southeastern San Diego Area in SEDC's Area of Influence; and
- 2) Approve an increase of \$1,000,000 for the Housing Commission's Fiscal Year 2009 budget for owner-occupied Housing Rehabilitation loans to incorporate the tax increment housing set-aside funds for the newly expanded Southeastern San Diego Area Program into the approved Fiscal Year 2009 Housing Commission Budget.

**101 HCR08-92 Award of Contract for Trash and Recycling Collection Services (Citywide)**

**Recommendation:**

Recommend that the Housing Commission approve the award of a contract to USA Waste of California dba Waste Management of San Diego in the amount of \$248,926 for trash and recycling collection services at Housing Commission owned and/or managed sites for the period of one (1) year with three (3) additional one (1) year options at a negotiated rate not to exceed the base contract amount plus the increase in the Consumer Price Index for All Urban Consumers (CPI-U).

**102    HCR08-93    Award of Contract for Landscape Maintenance Services**

**Recommendations:**

- 1) Recommend that the Housing Commission approve the award of a contract to Aztec Landscaping, Inc. in the amount of \$164,225 for landscape maintenance services at Housing Commission owned and/or managed sites for the period of one (1) year with two (2) additional one (1) year options at a negotiated rate not to exceed the base contract amount plus the increase in the Consumer Price Index for All Urban Consumers (CPI-U); and
- 2) Authorize the Interim President and Chief Executive Officer to execute the contract (Attachment 1) and expend up to a ten percent contingency (\$16,423), if necessary, for items not anticipated in the original scope of work.

**103    HCR08-87    Transitional Housing Grant to San Diego Safe Harbor**

**Recommendations:**

- 1) Approve a \$25,000 Transitional Housing grant to Safe Harbor for their six-bed Safe House program located at 2504 "A" Street, including two one-year renewal options for FY2010 and FY2011 in the amount of \$25,000 each, contingent upon future funding availability and program compliance by Safe Harbor; and
- 2) Authorize the Interim President & Chief Executive Officer to execute contracts in a form acceptable to General Counsel.

**107    HCR08-90    Rehabilitation Period for Hotel Churchill (Council District 2)**

**Recommendations:**

Approve an extension of the end of the rehabilitation period from January 31, 2009, to November 30, 2009, and authorize the Interim Chief Executive Officer and President of the Housing Commission to execute such documents as may be necessary.

Commissioner Adams Brooks asked staff to prepare a quarterly progress reports.

**110    HCR08-97    Award of Contract for the Housing Quality Standards (HQS) and Reasonableness Inspection Services**

**Recommendations:**

1. That the Housing Commission approve the award of contract to Sterling Companies, Inc. in the amount of \$135,000 for the provision of Housing Quality Standard inspections and Rent Reasonableness determinations, for the period of one year with one additional one-year option.
2. Authorize the Interim President & Chief Executive Officer to execute the contract (Attachment 1).

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

*Chair Salas asked that this item be pulled from the agenda.*

**109    HCR08-95    Employment Contract for Executive Vice President and Chief Operating Officer of the San Diego Housing Commission and Establishing Compensation for Same**

**ACTION AGENDA**

**104    HCR08-88    Smart Corner Leasing Arrangements with DAVICH, USA, a California Corporation**

Asset Management Director Steve Snyder gave a staff report.

Chair asked if a letter has been sent to CCDC regarding the leasing restrictions for the second floor. Mr. Snyder replied yes, a letter has been sent to CCDC, however, no decision has been made yet.

MOTION BY YIP TO APPROVE THAT THE INTERIM PRESIDENT AND CHIEF EXECUTIVE OFFICER (CEO) BE AUTHORIZED TO EXECUTE LEASE DOCUMENTS BETWEEN THE HOUSING COMMISSION AND DAVICH, USA, FOR RETAIL 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 COMMISSION. THE LEASE WOULD HAVE A TEN (10) YEAR INITIAL TERM AND ONE (1) FIVE (5) YEAR OPTION TO RENEW. SECONDED BY GLORIA AND CARRIED ON A UNANIMOUS VOTE OF 5-0.

**105    HCR08-53    Loan for Boulevard Apartments (Council District 3)**

*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, Commissioner Gloria left the dais.*

Project Manager Joe Correia gave a staff report.

Commissioners asked numerous questions of staff regarding the developer costs, construction costs and construction contingencies.

MOTION BY ADAMS-BROOKS TO FORWARD TO THE HOUSING AUTHORITY FOR APPROVAL TO FUND A HOUSING COMMISSION LOAN, OF UP TO \$600,000 TO 3137 EL CAJON BOULEVARD L.P., TO FACILITATE DEVELOPMENT OF THE BOULEVARD APARTMENTS (BOULEVARD), 24 UNITS OF RENTAL HOUSING FOR EXTREMELY LOW-INCOME AND VERY LOW-INCOME FAMILIES INCLUDING UNITS FOR RESIDENTS WHO ARE HOMELESS OR AT-RISK OF BECOMING HOMELESS, AND IN WHICH THERE IS A DISABLED ADULT WITH MENTAL ILLNESS, HIV/AIDS OR SUBSTANCE ABUSE. IN ADDITION, THAT THERE IS MECHANICS LIEN ENDORSEMENT FROM THE DEVELOPER IN CONNECTION WITH THIS LOAN AND THAT COST SAVINGS WILL REDUCE THE LOAN. SECONDED BY BASIR AND CARRIED ON A UNANIMOUS VOTE OF 4-0 WITH GLORIA ABSTAINING.

**106    HCR08-71    Loan for Townspeople 34<sup>th</sup> Street (Council District 3)**

Project Manager Dan Cady gave a staff report

Commissioners asked numerous questions regarding the developer fees, cash flow, special needs housing and loan financing and stated that they are very supportive of the project.

MOTION BY YIP TO RECOMMEND TO THE HOUSING AUTHORITY A PERMANENT LOAN OF UP TO \$2,040,000, AND A PREDEVELOPMENT LOAN OF UP TO \$40,000, FOR THE ACQUISITION AND REHABILITATION OF A 34-UNIT MIXED-INCOME HOUSING COMPLEX WITH TWELVE UNITS RESERVED AS PERMANENT RENTAL HOUSING FOR VERY LOW-INCOME PERSONS LIVING WITH HIV/AIDS AND TO INCLUDE A POTENTIAL REDUCTION IN THE PRINCIPAL. SECONDED BY GLORIA AND CARRIED ON A UNANIMOUS VOTE OF 5-0.

**108    HCR08-101    Memorandum of Understanding with the San Diego Capital Collaborative**

*Commissioner Adams-Brooks sits as a non-compensated Board member for the San Diego Foundation which is a 501c3 corporation that provides funding to the San Diego Capital Collaborative. 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 Commissioner Adams-Brooks was entitled to vote and participate on the matter since there was no conflict.*

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

Commissioners asked numerous questions of staff and Barry Schultz representing San Diego Capital Collaborative regarding regional land banking, rehab and disposition strategies, foreclosure properties, and private and public capital leveraging.

MOTION BY GLORIA TO AUTHORIZE THE INTERIM PRESIDENT AND CEO OF THE HOUSING COMMISSION TO EXECUTE ALL PERTINENT DOCUMENTS TO EFFECTUATE THE EXECUTION OF THE MOU. 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- Public Employee Performance Evaluation Pursuant to Government Code Section 54957 and Subdivision (e) of Government Code Section 54954.5

*Performance Evaluation for Carrol Vaughan, Interim President and CEO of the San Diego Housing Commission.*

PERFORMANCE EVALUATION WAS HELD IN ACCORDANCE WITH APPLICABLE LAW.

**ADJOURNMENT**

Chair Salas adjourned the regular meeting at 10:39 a.m.

Respectfully submitted,



Angie Risotti  
Executive Assistant to the President and CEO

Approved by,



Carrol M. Vaughan  
Interim President and CEO