

MINUTES

SAN DIEGO HOUSING COMMISSION
MINUTES OF THE SPECIAL MEETING
SEPTEMBER 19, 2008, 11:30 A.M.
SMART CORNER
SAN DIEGO, CALIFORNIA

ATTENDANCE

Present were Commissioners Jennifer Adams-Brooks, Khadija Basir, Todd Gloria and Tony Yip. Also present were Chuck Christensen, General Counsel and President and CEO Richard Gentry. Chair Sal Salas was absent.

10 CALL TO ORDER

Commissioner Yip called the meeting to order at 11:40 a.m.

20 PUBLIC COMMENT

None

30 COMMISSIONER COMMENT

Commissioner Yip welcomed Rick Gentry as the new President and CEO.

40 REPORT BY PRESIDENT & CHIEF EXECUTIVE OFFICER

Mr. Gentry announced that four Housing Commission projects were recommended for the National Awards of Excellence and three awards were received for: Renaissance at North Park in the Community Redevelopment Category; Money Moves Program in the Resident Services Category; the Public Housing Disposition Project in the Administrative Innovation Category. Mr. Gentry also mentioned that he will be receiving a International Housing Award for his years of dedication and that the agency will be well represented at the National Conference in October 2008.

Mr. Gentry also mentioned the City Internal Audit staff will conduct a performance audit of three areas in the Housing Commission; executive compensation, procurement process, and development of Asset Management Department. There are no specific timelines or work plan, we expect the audit to take place some time in fiscal year 2009 and will be completely separate from the financial audit.

Finally, he stated that there have been discussion with SEDC board members about the possibility of partnering with them on some projects and will report back to the board if anything materializes.

50 APPROVAL OF THE MINUTES

MOTION BY GLORIA TO APPROVE THE AUGUST 15, 2008 REGULAR MEETING MINUTES. SECONDED BY ADAMS-BROOKS AND CARRIED ON A UNANIMOUS VOTE OF 4-0 WITH SALAS ABSENT.

CONSENT AGENDA

MOTION BY GLORIA TO APPROVE THE FOLLOWING ITEMS ON CONSENT:

100 HCR08-98 Award of Office Supplies Contract

Recommendation: That the Housing Commission approve the award of a contract to Office Depot, Inc. in the amount of \$250,000 per year for office supplies, for the period of two (2) years with three (3) additional one (1) year options, at a negotiated rate not to exceed the base contract amount plus the increases in the Consumer Price Index for All Urban Consumers (CPI-U).

101 HCR08-103 Proposed Revisions to Policy 101.000 "Conflict of Interest Code And Related Provisions."

Recommendation: That the Housing Commission Board approves Policy 101.000 "Conflict of Interest Code and Related Provisions" as revised by the Housing Commission's General Counsel.

105 HCR08-91 Providing Low Income Families Voucher Assistance Using Reserves

Recommendation: That the Housing Commission Board authorize the use of about \$175,000 in Section 8 program local reserves to pay housing assistance payments for an estimated 137 households currently eligible for and assisted under the Housing Choice Voucher program. These households are considered to be in "over leased" status and therefore housing assistance for these families cannot be

paid from HUD allocated funds for the program. The use of Section 8 program local reserves to pay housing assistance payments is an eligible use of the funds and will be reflected in the FY09 Fall budget revision.

SECONDED BY BASIR AND CARRIED ON A UNANIMOUS VOTE OF 4-0 WITH SALAS ABSENT.

CONSENT AGENDA

102 HCR08-99 Loan and Bond Inducement for Village Green Apartments Council District 7)

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 Item #106, Commissioner Gloria left the dais. Therefore, there is no quorum and this item will be referred to the Housing Authority for action.

Project Manager Carlos C. deBaca gave a staff report.

Commissioners asked numbers questions of staff and developers regarding tenant relocation, community group approvals, appraisal amount and developer fees.

THE BOARD FORWARD THE FOLLOWING RECOMMENDATIONS ONTO THE HOUSING AUTHORITY FOR APPROVAL: **1)**APPROVE A HOUSING COMMISSION RESIDUAL RECEIPTS PERMANENT LOAN OF UP TO \$2,165,067 TO A SINGLE-ASSET TAX CREDIT LIMITED PARTNERSHIP TO BE FORMED BY WAKELAND VILLAGE GREEN APARTMENTS, LP, TO FUND ACQUISITION AND REHABILITATION OF THE VILLAGE GREEN APARTMENTS LOCATED AT 4140 - 4155 BONILLO DRIVE; **2)** ISSUE A BOND INDUCEMENT RESOLUTION (DECLARATION OF OFFICIAL INTENT) FOR UP TO \$13,300,000 IN MULTIFAMILY HOUSING REVENUE BONDS FOR THE PROJECT; **3)** AUTHORIZE AN APPLICATION (AND SUBSEQUENT APPLICATIONS IF NECESSARY) TO THE CALIFORNIA DEBT LIMIT ALLOCATION COMMITTEE (CDLAC) FOR AN ALLOCATION OF AUTHORITY TO ISSUE TAX-EXEMPT PRIVATE ACTIVITY BONDS IN AN AMOUNT OF UP TO \$13,300,000 FOR THE PROJECT; **4)** HOLD A PUBLIC HEARING BY THE CITY COUNCIL (*KNOWN AS A TEFRA HEARING – TAX EQUITY AND FISCAL RESPONSIBILITY ACT*) AND ADOPT A RESOLUTION APPROVING THE ISSUANCE OF TAX-EXEMPT BONDS IN AN AMOUNT OF UP TO \$13,300,000 FOR THE PROJECT BY THE HOUSING AUTHORITY; **5)** APPROVE THE FINANCING TEAM OF QUINT & THIMMIG AS BOND COUNSEL AND ROSS FINANCIAL SERVICES AS FINANCIAL ADVISOR TO BEGIN WORK ON THE PROJECT.; AND, **6)** AUTHORIZE THE PRESIDENT AND CHIEF EXECUTIVE OFFICER OF THE HOUSING COMMISSION, OR A DESIGNEE, TO EXECUTE NECESSARY DOCUMENTS.

103 HCR08-102 Loan and Bond Inducement for Arbor Village (Council District 4)

Project Manager Dan Cady gave a staff report.

Commissioners asked questions of staff and developers regarding the financial statements, funding sources, ground lease, handicap accessibility and room sizes.

MOTION BY GLORIA TO APPROVE THE FOLLOWING: 1) A HOUSING COMMISSION PERMANENT LOAN OF UP TO \$6,676,000 TO A SINGLE-ASSET TAX CREDIT LIMITED PARTNERSHIP TO BE FORMED BY LINC HOUSING CORPORATION (LINC) SPECIFICALLY FOR THE ACQUISITION AND REHABILITATION OF ARBOR VILLAGE; 2) ISSUE A BOND INDUCEMENT RESOLUTION (DECLARATION OF OFFICIAL INTENT) FOR UP TO \$15.6 MILLION IN MULTIFAMILY HOUSING REVENUE BONDS FOR THE PROJECT; 3) AUTHORIZE AN APPLICATION (AND SUBSEQUENT APPLICATIONS NECESSARY) TO THE CALIFORNIA DEBT LIMIT ALLOCATION COMMITTEE (CDLAC) FOR AN ALLOCATION OF AUTHORITY TO ISSUE TAX-EXEMPT PRIVATE ACTIVITY BONDS IN AN AMOUNT OF UP TO \$15.6 MILLION FOR THE PROJECT; 4) HOLD A PUBLIC HEARING BY THE CITY COUNCIL (*KNOWN AS A TEFRA HEARING – TAX EQUITY AND FISCAL RESPONSIBILITY ACT*) AND ADOPT A RESOLUTION APPROVING THE ISSUANCE OF TAX-EXEMPT BONDS IN AN AMOUNT OF UP TO \$15.6 MILLION FOR THE PROJECT BY THE HOUSING AUTHORITY; 5) APPROVE THE FINANCING TEAM OF STRADLING YOCCA CARLSON AND RAUTH AS BOND COUNSEL AND CSG ADVISORS AS FINANCIAL ADVISOR TO BEGIN WORK ON THE PROJECT; 6) APPROVE AN ANNUAL GENERAL PARTNERSHIP MANAGEMENT FEE IN THE AMOUNT OF \$20,000; AND 7) AUTHORIZE THE PRESIDENT AND CHIEF EXECUTIVE OFFICER OF THE HOUSING COMMISSION, OR A DESIGNEE, TO EXECUTE NECESSARY DOCUMENTS. SECONDED BY BASIR AND CARRIED ON A UNANIMOUS VOTE OF 4-0 WITH SALAS ABSENT.

104 HCR08-109 Predevelopment Loan for Dawson Avenue Senior Apartments

Project Manager Dan Cady gave a staff report

MOTION BY ADAMS-BROOKS TO APPROVE AND RECOMMEND TO THE HOUSING AUTHORITY FOR APPROVAL OF AN INCREASE IN THE HOUSING COMMISSION PREDEVELOPMENT LOAN FROM \$300,000 TO UP TO \$750,000 AND REDUCTION OF THE INTEREST RATE ON THE HOUSING COMMISSION \$6,000,000 PERMANENT LOAN FROM THE APPLICABLE FEDERAL RATE (AFR) TO TWO PERCENT (2%). SECONDED BY BASIR AND CARRIED ON A UNANIMOUS VOTE OF 4-0 WITH SALAS ABSENT.

CLOSED SESSION

The San Diego Housing Commission convened in closed session.

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

San Diego Housing Commission, et al, v. Mohamad Mabhoodi, et al.
San Diego Superior Court, Case No. 37-2008-00078385-CU-OR-CTL

THE BOARD GAVE DIRECTION TO COUNSEL CONCERNING POTENTIAL SETTLEMENT AND IF SETTLEMENT IS NOT POSSIBLE METHOD OF PROCEEDING IN LITIGATION BY A VOTE OF 4-0.

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

Housing Authority of the City of San Diego, et al., et al. v. Bank of America, et al; San Diego Superior Court, Case No. 37-2008-00089110-CU-OR-CTL

NO ACTION TAKEN AND NO DISCUSSION HAD OTHER THAN COUNSEL ANNOUNCED THE SETTLEMENT OF THIS CASE.

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

Anticipated Litigation against Erin Tartakoff concerning property located at 14134 Brent Wilsey Place, Unit No. 2, San Diego, California 92128

THE BOARD GAVE INSTRUCTIONS TO COUNSEL CONCERNING THE INITIATION OF LITIGATION AND POTENTIAL SETTLEMENT OF THE SAME BY A VOTE OF 4-0.

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

Anticipated Litigation against EV I and EV II and PPD San Diego Project Owner I, LLC concerning the Market Street Village SRO and In Lieu Fee Agreements

THE BOARD GAVE INSTRUCTIONS CONCERNING THE MATTER AND INITIATION OF LITIGATION BY A VOTE OF 4-0.

ADJOURNMENT

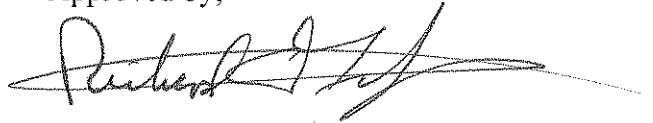
Commissioner Yip adjourned the regular meeting at 1:52 p.m.

Respectfully submitted,



Angie Risotti
Executive Assistant to the President and CEO

Approved by,



Richard C. Gentry
President and CEO