

MINUTES

SAN DIEGO HOUSING COMMISSION
MINUTES OF THE SPECIAL MEETING
JUNE 29, 2009, 9:00 AM
SMART CORNER
SAN DIEGO, CALIFORNIA

ATTENDANCE

Present were Chair Sal Salas, Commissioners Jennifer Adams-Brooks, Sam Guillen, Gary Gramling, Allen Sims and Jim Waring. Also present were Chuck Christensen, General Counsel and President and CEO Richard Gentry. Commissioner Basir was absent.

10 CALL TO ORDER

Chair Salas called the meeting to order at 9:08 a.m.

20 PUBLIC COMMENT

None

30 COMMISSIONER COMMENT

None

40 REPORT BY PRESIDENT & CHIEF EXECUTIVE OFFICER

None

ACTION AGENDA

- 100 HCR09-059 San Diego Housing Commission \$20,000,000 Interim Line of Credit to Facilitate Acquisition and/or Production of At Least 350 Affordable Units (Citywide)

General Counsel stated that pursuant to the provisions of Government Code Section § 87103, Commissioner Waring is a paid member of the Regional Advisory Board and has a financial interest in US Bank. Commissioner Waring abstained from voting on this matter.

Senior Vice President Larry Clemens gave a staff report.

Commissioners asked numerous questions regarding the time lines, collateral, property appraisals, and loan application fees.

MOTION BY GUILLEN TO APPROVE THE FOLLOWING AMENDMENTS TO THE RECOMMENDATIONS: **1)** HAVE CLARIFIED THE DEBT SERVICE COVERAGE; **2)** HAVE CAPPED THIRD PARTY COSTS AND ATTORNEY'S FEES AND EXPENSES AT A REASONABLE LEVEL; **3)** HAVE AMENDED THE BORROWER DEPOSITS SECTION AS IT IS INAPPLICABLE TO A REVOLVING LINE OF CREDIT; **4)** HAVE CLARIFIED THE LIMITS OF THE ASSIGNMENT PROVISION OF THE AGREEMENT; **5)** HAVE CLARIFIED THAT THE "NET ASSET" PROVISION OF THE LOAN AGREEMENT IS BASED UPON FINANCIAL STATEMENT VALUES SUBMITTED BY THE HOUSING COMMISSION TO THE BANK, AND NOT APPRAISED VALUES; AND **6)** HAVE DELETED ALL PROVISIONS OF THE LOAN DOCUMENTATION DEALING WITH CONSTRUCTIONS LOANS; AND **7)** APPROVE THE FOLLOWING RECOMMENDATIONS: **A)** HOUSING COMMISSION APPROVE THE \$20,000,000 INTERIM REVOLVING LINE-OF-CREDIT FROM U.S. BANK TO THE SAN DIEGO HOUSING COMMISSION, ON TERMS AND CONDITIONS APPROVED BY THE CHIEF EXECUTIVE OFFICER (CEO) AND AS REFERENCED WITHIN THIS REPORT AND AS APPROVED BY GENERAL COUNSEL; **B)** THE CEO, OR DESIGNEE, IS AUTHORIZED TO EXECUTE ANY AND ALL DOCUMENTS AND TO PERFORM ANY AND ALL ACTS REASONABLY NECESSARY TO ACQUIRE AND TO DOCUMENT AND MEMORIALIZE THE LINE-OF-CREDIT, ON TERMS AND CONDITIONS APPROVED BY GENERAL COUNSEL, AND AS REFERENCED WITHIN THIS REPORT AND TO HAVE AN AD HOC COMMITTEE OF THE COMMISSION APPROVE OF THE FINAL VERSION OF THE LOAN DOCUMENTATION; **C)** HOUSING COMMISSION BOARD AUTHORIZE THE CEO, OR DESIGNEE, TO EXPEND SUCH FUNDS AS ARE NECESSARY TO ACQUIRE THE LINE OF CREDIT, INCLUDING THE EXPENDITURE OF FUNDS FOR THIRD PARTY REPORTS, LOAN APPLICATION FEES, AND SUCH OTHER AND FURTHER EXPENSES AS MAY BE REASONABLY NECESSARY TO ACQUIRE THE INTERIM LINE OF CREDIT; AND **D)** AUTHORIZE THE CEO, OR DESIGNEE TO EXECUTE A RESOLUTION APPROVING THE ACTIONS REFERENCED WITHIN THIS REPORT, IN A FORM AND FORMAT, AS APPROVED BY GENERAL COUNSEL. SECONDED BY GRAMLING AND CARRIED A UNANIMOUS VOTE OF 5-0 WITH WARING ABSTAINING AND BASIR ABSENT.

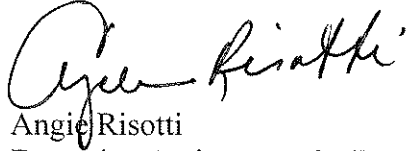
CLOSED SESSION

The San Diego Housing Commission did not convene in closed session.

ADJOURNMENT

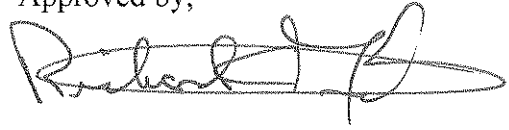
Chair Salas adjourned the regular meeting at 10:07 a.m.

Respectfully submitted,



Angie Risotti
Executive Assistant to the President and CEO

Approved by,



Richard C. Gentry
President and CEO