

## **MINUTES**

**SAN DIEGO HOUSING COMMISSION  
MINUTES OF THE REGULAR MEETING OF  
JANUARY 15, 2010, 9:00 AM  
SMART CORNER  
4<sup>th</sup> FLOOR CONFERENCE ROOM  
1122 BROADWAY  
SAN DIEGO, CALIFORNIA**

### **ATTENDANCE**

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

### **10     CALL TO ORDER**

Chair Salas called the meeting to order at 9:03 am.

### **20     PUBLIC COMMENT**

Brian Maienschein representing United Way, spoke regarding the plans to end chronic homelessness in San Diego.

Mr. Gentry stated the Commission's participation will be an approximate \$600,000 contribution over two years in the form of vouchers to provide housing subsidies for individuals in need. He noted that the Commission's commitment to partner with Mr. Maienschein's program will be contingent on Housing Commission and Housing Authority Board approval.

### **30     COMMISSIONER COMMENTS**

Commissioner Gramling stated the Arbor Village project that was discussed at last month's SDHC and Ad Hoc Committee meeting was authorized to move forward.

Chair Salas announced this to be his last board meeting after having served on the board for 9 years. He applauded the work of the Housing Commission staff, previous board members and the past and current CEO for all of the work done over the last 9 years. He thanked the Commission for allowing him the honor of being a part of such a great organization.

Commissioner Adams-Brooks requested that Chair Salas return for a formal good-bye.

Mr. Gentry stated Chair Salas' replacement was not finalized until late yesterday afternoon. He announced Ms. Roberta Spoon would be joining the Commission Board. He noted her appointment would not become official until Housing Authority action was taken.

Mr. Gentry expressed his appreciation for having been a part of Chair Salas' term.

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

Mr. Gentry announced the \$37 million in Fannie May debt to be used for the acquisitions was issued on December 30, 2009.

Mr. Gentry brought the Informational Report of 2009 Annual Highlights to the Board's attention and stated there would be another prepared at the end of the Fiscal Year.

He briefly described the disposition of property on the agenda and stated there would be a Disposition Policy item on next month's agenda.

Finally, he announced that an additional meeting will be held in February for the Budget and Business Plan Workshops.

**CONSENT AGENDA**

MOTION BY GUILLEN TO APPROVE THE FOLLOWING ITEM ON CONSENT:

**105     HCR10-009     City Heights Community Housing Trust Fund**

**Recommendations:**

1. Authorize the transmittal of \$55,287.98 to the Redevelopment Agency of the City of San Diego (the Agency) for their "Home in the Heights" first-time homebuyer program (the program).
2. Authorize the CEO or his designee to execute a Memorandum of Understanding with the Redevelopment Agency regarding administration of the funds.

SECONDED BY WARING AND CARRIED BY A UNANIMOUS VOTE OF 7-0.

**ACTION AGENDA**

**104     HCR10-012     Offer to Purchase 321 Los Soneto Drive (Council District 4)**

Vicki Monce and Frank Ballow Real Estate Department, presented staff report.

Commissioners asked a variety of questions surrounding the mechanics of the home rehabilitation and rehab loan process.

MOTION BY GRAMLING TO APPROVE THE FOLLOWING RECOMMENDATIONS: THAT THE SAN DIEGO HOUSING COMMISSION RECOMMEND FINAL HOUSING AUTHORITY APPROVAL TO: (1) ACCEPT THE \$147,250 OFFER TO PURCHASE THE PROPERTY AT 321 LOS SONETO DRIVE AS SUBMITTED BY R. MARTINEZ AND A. CHAVEZ UNDER THE CITY'S NEIGHBORHOOD STABILIZATION PROGRAM (NSP); AND (2) AUTHORIZE THE PRESIDENT & CHIEF EXECUTIVE OFFICER, OR DESIGNEE, TO EXECUTE ANY AND ALL DOCUMENTS AND RECEIVE THE SALE PROCEEDS.

SECONDED BY WARING AND CARRIED BY A VOTE OF 7-0.

**100    HCR10-019    SANDAG Smart Growth Concept Map and Tool Box**

**Informational Presentation-No Action Item**

SANDAG staff member Susan Baldwin made a presentation about the Smart Growth Concept Map (a key implementation action of the Regional Comprehensive Plan (RCP)) which includes about 200 existing, planned, or potential smart growth locations in the San Diego region. She also discussed SANDAG's Smart Growth Tool Box that was developed to provide incentives and assistance to local jurisdictions to promote smart growth development in these areas.

Mr. Gentry and Ms. Vaughan followed up with comments regarding the agency's new transit oriented initiatives.

**106    HCR10-002    Acquisition of Vista Verde Apartments for Public Housing**

Wendy DeWitt, Real Estate Department presented staff report.

MOTION BY WARING TO APPROVE THE FOLLOWING RECOMMENDATIONS: (1) APPROVE THE ACQUISITION AND REHABILITATION OF VISTA VERDE AS A 40 UNIT PUBLIC HOUSING DEVELOPMENT IN THE ESTIMATED TOTAL DEVELOPMENT COST AMOUNT OF \$5,183,037 (\$129,576/UNIT) UTILIZING ARRA CAPITAL FUND STIMULOUS MONIES SUPPLEMENTED WITH OTHER PUBLIC HOUSING USES. (2) AUTHORIZE AN AMENDMENT TO THE ANNUAL CONTRIBUTIONS CONTRACT BETWEEN THE HOUSING AUTHORITY OF THE CITY OF SAN DIEGO AND HUD TO ADD THIS PROPERTY AS A PUBLIC HOUSING PROJECT, AND RECORDATION OF DECLARATION OF TRUST WITH A TERM OF 40 YEARS, RESTRICTING THE PROPERTY AT RENT AND INCOME LEVELS REQUIRED UNDER THE PUBLIC HOUSING PROGRAM AND AS FURTHER DESCRIBED IN THIS REPORT. (3) APPROVE THE FORGIVENESS OF INTEREST ON A COMMISSION SUBORDINATE 55-YEAR RESIDUAL RECEIPTS HOME PROGRAM LOAN, CONTINGENT UPON CLOSING OF THE PURCHASE AND SALE OF THE PROPERTY, WITH A PRESENT INTEREST RATE OF 5.76 PERCENT, COMPOUNDED ANNUALLY ON A \$1,400,370 LOAN WITH INTEREST CALCULATED TO BE \$1,004,906 AS OF DECEMBER 31, 2009 AND INSTEAD ACCEPT PAY-OFF OF THE ORIGINAL PRINCIPAL AMOUNT OF \$1,400,370 IN HOME FUNDS WHICH SHALL BE RETURNED TO THE COMMISSION AND BE AVAILABLE FOR ADDITIONAL

AFFORDABLE HOUSING DEVELOPMENT. (4) AUTHORIZE THE CHIEF EXECUTIVE OFFICER ("CEO") TO EXECUTE ANY AND ALL DOCUMENTS NECESSARY TO ALLOW THE COMMISSION TO ACQUIRE THE PROPERTY AND AWARD CONTRACTS CONSISTENT WITH THE HUD DEVELOPMENT PROPERTY AND AWARD CONTRACTS CONSISTENT WITH THE HUD DEVELOPMENT COST BUDGET FOR COMPLETION OF THE PROJECT IN ACCORDANCE WITH THE COMMISSION'S PROCUREMENT POLICIES AND IN A FORM AND UPON TERMS AS APPROVED BY GENERAL COUNSEL THAT ARE WITHIN THE TOTAL DEVELOPMENT COST LIMITS AS IMPOSED BY HUD. (5) AUTHORIZE EARNEST MONEY DEPOSITS PAYABLE TO OWNER IN THE AMOUNT OF NO GREATER THAN \$50,000, WHICH SHALL BE APPLICABLE TO THE PURCHASE PRICE BUT SHALL BE NON-REFUNDABLE UPON RELEASE OF DUE DILIGENCE CONTINGENCIES. SECONDED BY GRAMLING AND CARRIED BY A VOTE OF 6-0 WITH CHAIR SALAS RECUSED.

**103    HCR10-011    Offer to Purchase 3634 Polk Avenue (Council District 3)**

Vicki Monce and Frank Ballow Real Estate Department, presented staff report.

Commissioners asked questions regarding potential alternative finance plans to better assist clients as well as the lead paint abatement testing of the property.

MOTION BY GUILLEN TO APPROVE THE FOLLOWING RECOMMENDATIONS: THAT THE SAN DIEGO HOUSING COMMISSION RECOMMEND FINAL HOUSING AUTHORITY APPROVAL TO (1) ACCEPT THE \$190,920 OFFER TO PURCHASE THE PROPERTY AT 3634 POLK AVENUE AS SUBMITTED BY D. HUYHN UNDER THE CITY'S NEIGHBORHOOD STABILIZATION PROGRAM (NSP); AND (2) AUTHORIZE THE PRESIDENT AND CHIEF EXECUTIVE OFFICER, OR DESIGNEE, TO EXECUTE ANY AND ALL DOCUMENTS AND RECEIVE THE SALE PROCEEDS. SECONDED BY ADAMS-BROOKS AND CARRIED BY A VOTE OF 5-0 WITH GRAMLING AND WARING VOTING NAY.

**102    HCR10-005    Offer to Purchase 3051 Camino Aleta (Council District 8)**

Vicki Monce and Frank Ballow Real Estate Department, presented staff report.

MOTION BY ADAMS-BROOKS TO APPROVE THE FOLLOWING RECOMMENDATIONS: THAT THE SAN DIEGO HOUSING COMMISSION RECOMMEND FINAL HOUSING AUTHORITY APPROVAL TO: (1) DETERMINE THE PROPERTY LOCATED AT 3051 CAMINO ALETA TO BE SURPLUS IN ACCORDANCE WITH THE PROVISIONS OF CALIFORNIA HEALTH AND SAFETY CODE 34315.7 AND HOUSING COMMISSION POLICY NO. 600.103; AND TO FIND THAT SUCH DETERMINATION WILL ALLOW THE HOUSING COMMISSION TO SELL THE PROPERTY UNDER PROVISIONS OF HEALTH AND SAFETY CODE SECTIONS 34325.7; (2) ACCEPT THE \$214,800 OFFER TO PURCHASE THE PROPERTY AT 3051 CAMINO ALETA AS SUBMITTED BY C.M. HORRIAT; AND (3) AUTHORIZE THE

PRESIDENT& CEO, OR DESIGNEE, TO EXECUTE ANY AND ALL DOCUMENTS AND RECEIVE THE SALE PROCEEDS.  
SECONDED BY SIMS AND CARRIED BY A UNANIMOUS VOTE OF 7-0.

Mr. Gentry requested the Chair appoint one or two members of the Board to serve on an Ad Hoc Committee to better advise the agency to develop policy that better serves the wishes of the Board.

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

101    **HCR10-003**    **Money Purchase Pension Plan Document for Temporary Employees of San Diego Housing Commission**

**Recommendation:** Approve and adopt the Money Purchase Pension Plan Document for Temporary Employees of the San Diego Housing Commission prepared by Pension Consultant, the Epler Company.

SECONDED BY GRAMLING AND CARRIED BY A UNANIMOUS VOTE OF 7-0.

**ADJOURNMENT**

Chair Salas adjourned the Regular Meeting at 11:55 a.m.

Chair Salas reconvened the Regular Meeting at 12:02 p.m.

**CLOSED SESSION**

The San Diego Housing Commission convened in closed session.

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

*San Diego Housing Commission v. J&J Properties, LLC*  
San Diego Superior Court, Case No. GIC-858807

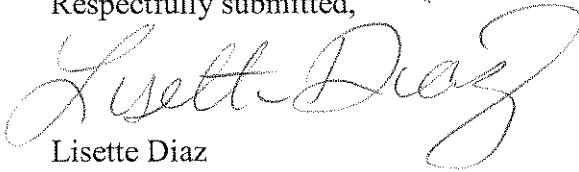
*J&J Properties, LLC v. San Diego Housing Commission*  
San Diego Superior Court, Case No. GIC-858800

DISCUSSION ONLY. NO ACTION TAKEN ON THIS ITEM.

**ADJOURNMENT**

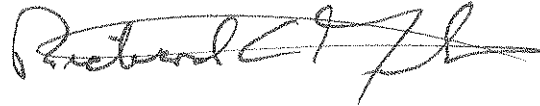
Chair Salas adjourned the Regular Meeting at 1:15 p.m.

Respectfully submitted,

A handwritten signature in cursive script, reading "Lisette Diaz".

Lisette Diaz  
Docket Coordinator

Approved by,

A handwritten signature in cursive script, reading "Richard C. Gentry".

Richard C. Gentry  
President and CEO