

HOUSING AUTHORITY MINUTES

**TUESDAY, JUNE 11, 2002 MEETING
202 C STREET, 12TH FLOOR
CITY OF SAN DIEGO, CALIFORNIA**

ATTENDANCE

Mayor Murphy and Councilmembers Peters, Wear, Atkins, Stevens, Maienschein, Frye, and Madaffer. Councilmember Inzunza was absent for a portion of the meeting and arrived prior to discussion of Item 4.

CALL TO ORDER

Chair Murphy called the meeting to order at 11:05 a.m.

PUBLIC COMMENT

Mel Shapiro discussed the Housing Commission's plans for a new office facility, particularly as it relates to the current housing emergency.

ADOPTION AGENDA

ITEM 1 APPROVAL OF THE MINUTES

Approval of the minutes of the meeting of May 28, 2002.

A MOTION TO APPROVE THE MINUTES WAS CARRIED ON A UNANIMOUS VOTE OF 8-0, WITH DISTRICT 8 ABSENT.

ITEM 2 HCR02-046 – Application for HUD Lead Hazard Control Grant Program (Council District 8)

Recommendation: Approve an application for HUD's Lead Hazard Control Grant Program, and authorize the Chief Executive Officer to amend the FY03 Housing Commission Budget and execute all required documents.

A MOTION TO APPROVE THIS ITEM WAS CARRIED ON A UNANIMOUS VOTE OF 8-0, WITH DISTRICT 8 ABSENT.

ITEM 3 **HCR02-050 – Final Authorization to Issue Supplemental Multifamily Housing Revenue Bonds to Complete Construction of Hollywood Palms Apartments (Council District 3)**

Recommendation No. 1: Authorize the subordination of the Housing Commission's \$2,200,000 loan to Hollywood Palms for additional tax-exempt bonds during construction if the bonds are fully secured with a bank letter of credit.

Recommendation No. 2: Take final steps to issue up to \$1,500,000 in supplemental tax-exempt multifamily housing revenue bonds to complete the construction of the 94-unit Hollywood Palms Apartments located at 4366 Home Avenue.

Mel Shapiro asked who is receiving the \$1 million developer fee and why they are receiving it.

A MOTION TO CONTINUE THIS ITEM TO JUNE 18, 2002, WAS CARRIED ON A UNANIMOUS VOTE OF 8-0, WITH DISTRICT 8 ABSENT.

ITEM 4 **HCR02-056 (Revised) – Contract with U.S. Department of Housing and Urban Development for Management Services**

Recommendation: Approve a recommendation to authorize the Chief Executive Officer or designee to negotiate a contract with HUD-LA to provide management services at the Housing Authority of the City of Calexico for a limited period of time.

Executive Director Elizabeth Morris provided a brief staff report.

Chair Murphy expressed concern that there is no invitation from the Calexico Housing Authority for these services, and that Housing Commission staff and resources would be diverted from the housing crisis in San Diego.

Councilmember Stevens supported the item and stated it is a compliment to the Housing Commission to be asked to provide assistance.

Councilmember Maienschein voiced opposition to the idea because of uncertainties surrounding the cost and scope of the activity. In response to Councilmember Atkins, Ms. Morris indicated the proposal has revenue-generating potential and it provides an opportunity for Housing Commission staff to gain experience and expertise.

Councilmember Wear supported the proposal only if costs are fully recovered and if any profits are used for affordable housing in San Diego. Councilmember Inzunza offered a motion to continue this item until more details are known about the proposal.

Councilmember Madaffer opposed the item in light of the housing crisis in San Diego, and Councilmember Atkins wanted the record to reflect that consideration of this proposal does not mean there is not a commitment to deal with San Diego's current housing emergency.

A MOTION TO CONTINUE THIS ITEM WAS DEFEATED ON A VOTE OF 6-3, WITH ALL MEMBERS PRESENT.

A MOTION TO APPROVE THIS ITEM WAS DEFEATED ON A VOTE OF 5-4, WITH ALL MEMBERS PRESENT.

ADJOURNMENT

Chair Murphy adjourned the meeting at 11:30 a.m.