

HOUSING COMMISSION AGENDA

**SAN DIEGO HOUSING COMMISSION
REGULAR MEETING AGENDA
OCTOBER 31, 2008, 9:00 A.M.
SMART CORNER
4TH FLOOR CONFERENCE ROOM
1122 BROADWAY
SAN DIEGO, CALIFORNIA**

Assistance for the Disabled: Agendas, reports and records are available in alternative formats upon request. Please call the Housing Commission Docket Coordinator at least five days prior to the meeting at **578-7552 (voice) or 398-2440 (TTY)**.

Questions Regarding Agenda Items: For specific questions regarding any item on the Housing Commission agenda, please contact **Bridgit Alexander at 578-7552**. Internet access to agendas and reports is available at <http://sdhc.net/CommissionAgenMinRpts.shtml>.

ITEMS

10 CALL TO ORDER

Commissioners Jennifer Adams-Brooks, Khadija Basir, Todd Gloria, Sal Salas and Tony Yip

20 PUBLIC COMMENT

At this time individuals may address the Commission on any subject in its area of responsibility on any matter not presently pending before the Commission. Communications are limited to three minutes. Pursuant to the Brown Act, the Commission can take no action. Please fill out a **SPEAKER REQUEST FORM** and submit it to the secretary prior to the meeting.

30 COMMISSIONER COMMENTS

40 REPORT BY THE PRESIDENT AND CHIEF EXECUTIVE OFFICER

50 APPROVAL OF THE MINUTES

Approval of the minutes of the September 19, 2008 regular meeting.

ADOPTION AGENDA – CONSENT

Members of the public may cause an item to be pulled from the Consent Agenda by submitting a Speaker Request Form prior to the meeting. The item will then be discussed separately and public testimony taken.

100 HCR08-108 Proposed Adoption of Policy 800.001 Implementation of Environmental Guidelines

Recommendation: That the Housing Commission Board approves Policy 800.001 “Implementation of Environmental Policy” as drafted by the Housing Commission’s General Counsel.

101 HCR08-116 Award of Contract for Protective Services (District 2)

Recommendations:

- 1) Recommend that the Housing Commission approve the award of a contract to ABM Security Services in the annual amount of \$356,739 for protective services at its corporate office building located at 1122 Broadway, known as Smart Corner, for the period of two (2) years with three (3) additional one (1) year renewal options at a negotiated rate not to exceed the base contract amount plus the increase in the National Consumer Price Index for All Urban Consumers.
- 2) Authorize the President & Chief Executive Officer or designee to execute the contract (Attachment 1) and expend up to a ten percent contingency (\$35,674), if necessary, for items not anticipated in the original scope of work.

102 HCR08-112 Action Setting Interim Compensation Package Executive Vice President and Chief Operating Officer of Housing Commission pending Approval of formal Written Employment Contract

Recommendations:

That the San Diego Housing Commission take all actions necessary to implement these actions including;

1. The compensation package set forth in this report be approved and ratified by the Board of Commissioners;
2. Establish a bonus for Carrol Vaughan for her exemplary service as the Interim President and Chief Executive Officer of the San Diego Housing Commission for the period from January 15, 2008 through September 19, 2008 when the new President and Chief Executive Officer assumed his duties;
3. Direct that an action item concerning an employment contract for the Chief Operating Officer be brought to the Board of Commissioners at the

earliest possible time after the performance audit of the San Diego Housing Commission has been satisfactorily completed..

103 HCR08-111 Neighborhood Stabilization Program

Recommendations:

Approve and forward to City Council the following uses for the NSP funds:

1. Create second trust deed mortgages and other financing mechanisms for homebuyers whose incomes do not exceed 120% Area Median Income (AMI) and for properties which qualify under the NSP guidelines and regulations;
2. Provide 0% interest rehabilitation loans to eligible homebuyers for those NSP-eligible properties that require rehabilitation;
3. Partner with homebuyer counseling agencies in San Diego to provide the requisite U.S. Department of Housing and Urban Development (HUD) eight hours of home buying counseling and a steady stream of eligible homebuyers for the NSP program;
4. Partner with regional holders of Real Estate Owned (REO) portfolios to identify eligible properties for eligible homebuyers to purchase under NSP;
5. Utilize at least 25% of the NSP funding for Housing Commission acquisition and rehabilitation of single family residences to be rented to families making no more than 50% AMI.

104 HCR08-106 Housing Commission Plans for Development of Additional Affordable Units

Recommendations:

That the Housing Commission approve and forward to the Housing Authority for final approval:

1. The project plans for the Housing Commission to pursue development of additional affordable housing units. These plans are the next steps in the process of the public housing disposition and creation of affordable housing units; and
2. Authorization for the Housing Commission Board to enter into exclusive negotiations with Citi Community Group to provide financing for additional affordable units including the existing stock of housing units owned by the Commission and new units to be acquired and/or created.

105 HCR08-113 Workshop Discussion: San Diego Housing Commission Reinstatement as a Moving to Work (MTW) Agency

Non-action item. Workshop only.

106 HCR08-124 Dawson Avenue Senior Apartments (Council District 7)

Recommendations:

Approve the following:

1. Amendment of the ground lease to provide, in the event of a foreclosure of the construction loan, that the rent and occupancy restrictions contained in the ground lease will be rescinded; inclusionary and density bonus rent and occupancy restrictions would continue in full force and effect.
2. Amendment of the ground lease to provide, in the event of a foreclosure of the permanent loan, that the rent and occupancy restrictions contained in the ground lease will be adjusted so that 35 units are restricted at 60 percent of Area Median Income (AMI) and the remaining 52 units will be restricted at 80 percent of AMI; inclusionary and density bonus rent and occupancy restrictions would continue in full force and effect.
3. An increase in the permanent first priority loan from \$2,991,000 to approximately \$4,500,000 due to a reduction of anticipated tax credit proceeds from \$14,829,257 to approximately \$13,500,000.
4. Reduction of the interest rate on the Housing Commission \$6,000,000 loan from the Applicable Federal Rate (AFR) to two percent (2%).
5. Authorization for the President and Chief Executive Officer or designee to execute necessary documents.

107 HCR08-110 Loan for Arbor Crest (Council District 3)

Recommendation: Recommend to the Housing Authority a permanent loan to Community Housing Works of up to \$5,700,000 for site acquisition and authorization for the President and Chief Executive Officer, or designee, to execute necessary documents.

CLOSED SESSION

It is anticipated that the San Diego Housing Commission will convene in closed session on Friday, October 31, 2008, at 9:00 a.m. with the following agenda:

- I. Announcement by Counsel of the Matters to be discussed in Closed Session and the basis upon which each will be discussed, as referenced within the Brown Act.
- II. Public Testimony and Comment, if any, concerning any matter on the Closed Session Agenda.

- III. Commissioner public comments, if any.
- IV. Commission will convene in closed session to consider the following agenda:
- a. Conference with Legal Counsel-Existing Litigation pursuant to subdivision (c) of 54954.5 Government Code and subdivision (a) of Section 54956.9:
- Maria Elena Ritchie v. San Diego Housing Commission, et al.*
San Diego Superior Court, Case No. 37-2007-00082708-CU-OE-CTL
- Counsel's Description of General Nature of Closed Session:
The Commission will discuss the status of the litigation and potential settlement of the litigation.
- b. 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 Starbucks Corporation concerning the lease for Starbucks Coffee Company Store #11837CA*
- Counsel's Description of General Nature of Closed Session:
The Commission will discuss initiating an action declaring breach under the terms of the lease with Starbucks Corporation.
- 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 initiated by EV, LLC against the San Diego Housing Commission*
- Counsel's Description of General Nature of Closed Session:
The Commission will discuss the threat of litigation made by EV, LLC based on the Housing Commission's decision to collect on its letter of credit.
- V. Announcement of Actions Taken in Closed Session.
- VI. Adjournment.

INFORMATIONAL REPORTS

HCR08-76 Fourth Quarter FY08 Budget Status Report

HCR08-117 First Quarter FY09 Notice of Settlement of Pending Litigation