

# HOUSING COMMISSION AGENDA

SAN DIEGO HOUSING COMMISSION  
SPECIAL MEETING AGENDA  
FEBURARY 20, 2009, 9:01 A.M.  
SMART CORNER  
4<sup>TH</sup> 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, Gary Gramling, Sam Guillen, Sal Salas, Allen Sims 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 November 21, 2008 and December 19, 2008 regular meetings and of the October 31, 2008 and December 8, 2008 special meetings.

**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    HCR09-002    Proposed Fiscal Year 2009 Budget Revision (Citywide)**

**Recommendation:** That the Housing Commission approve the revision (Attachments 1-7) that will result in a net increase to the Fiscal Year 2009 budget of \$25,984,800, bringing the FY09 budget to \$291,415,049 and forward the revision to the Housing Authority for final approval.

**101    HCR09-005    Application for Funding from the United Way of San Diego County**

**Recommendations:**

1. Ratify the grant application for \$100,000 to United Way of San Diego County (United Way) for the “Promoting Financial Stability and Independence grant for Underserved and/or Marginalized Youth.”
2. Authorize the President & Chief Executive Officer to revise the FY09 Housing Commission budget to reflect the awarded funds (Attachment 1) and execute all required documents.

**102    HCR09-006    Proposed Amendments to Personnel Policies Revision and Delegation of Authority**

**Recommendation:** Housing Commission approval and recommendation of approval to the Housing Authority of proposed amendments to the Personnel Policy Handbook.

**103    HCR09-026    Action to Amend Appendices A and B of Housing Commission PO101.000**

**Recommendation:** That the Housing Commission Board approves the amendment to Appendices A and B to Policy 101.000 “Conflict of Interest Code and Related Provisions” as revised by the Housing Commission’s General Counsel.

**104    HCR09-021    2007 Lenders Performance and Reinvestment Activities of the Reinvestment Task Force**

**Recommendation:** Accept and forward to City Council and Housing Authority

**105    HCR09-007    2008 Annual Audit Reports**

**Recommendation:** Staff recommends that the Housing Commission accept the Fiscal Year 2008 Audit Reports prepared by The Reznick Group, an independent audit firm and distribute the report to the Housing Authority and interested parties.

**106    HCR09-024    K&A Pacific, Inc. Leasing Arrangements**

**Recommendation:** That the President & Chief Executive Officer (CEO) or designee be authorized to execute lease documents between HC and K&A Pacific, Inc., for retail space at the Smart Corner building located at 1122 Broadway, on terms set forth in this report and Attachment 1 and in a lease form as approved by General Counsel to the Commission. The lease would have a four (4)-year initial term and two (2) additional four (4)-year options to renew.

**107    HCR09-023    Amendment to the Parking Study Memorandum of Understanding with the City of San Diego**

**Recommendation:** Authorize the Executive Vice President & Chief Operating Officer or designee to execute an MOU amendment with the City increasing the funding amount from \$40,000 to \$55,000 for the preparation of the Affordable Housing Parking Study.

**108    HCR09-020    Housing Commission Approach to the Foreclosure Problem (Citywide)**

**Recommendations:**

Approve a broad-based approach to minimize and mitigate future foreclosures by:

1. Providing web-based technical support and resources to homeowners facing foreclosure and by monitoring and reviewing proposed foreclosure prevention legislation;
2. Implementing steps to reuse foreclosed properties, and;
3. Seeking Housing Commission and Housing Authority approval of Housing Commission Policy 300.103 (Attachment) that updates the Housing Commission's real estate acquisition policy and delegates, under specific conditions, to the President and Chief Executive Officer (CEO) and the Board of Commissioners, authority to acquire single-family properties and multifamily projects for the purpose of providing additional affordable housing. The Housing Authority would retain the right to review any approval within seven days of any Housing Commission action.

**109    HCR09-018    Loan for Veterans Village Phase III (Council District 2)**

**Recommendation:** Recommend Housing Authority approval of a residual receipts loan of up to \$2,300,000 for development of a 96-bed transitional rental housing facility for very low-income military veterans and authorize the President and Chief Executive Officer or designee to execute necessary documents.

**110    HCR09-019    Loans for North Park Inn (Council District 3)**

**Recommendations:** Approve an increase of \$40,000 in the predevelopment loan for this project to \$50,000 and recommend Housing Authority approval of a permanent residual receipts loan of up to \$2,050,000 for the acquisition and rehabilitation of seventeen rental housing units and one manager's unit to be used as permanent supportive rental housing for extremely low-income homeless men dually-diagnosed with mental illness and substance abuse, and authorize the President & Chief Executive Officer or designee to execute necessary documents.

**111    HCR09-022    Approval of Purchase and Sale Agreement for the Acquisition of Chollas Creek Villas Condominium Project**

**Recommendations:**

1. Recommend Housing Commission and Housing Authority authorize:
  - a. the Housing Commission's purchase of the property for a total acquisition cost not to exceed \$8.6 million;
  - b. authorize the CEO or designee to execute a purchase and sale agreement for the property between the Commission and Chollas Creek 31 LLC as approved by the CEO and General Counsel; and
  - c. authorize the CEO to enter into any and all other agreements and execute any and all documents that are approved by General Counsel and are necessary to effectuate the foregoing.
2. Recommend the Housing Commission and Housing Authority authorize an amendment to the Fiscal Year 2009 Commission's budget transferring \$6,112,478 of Local Units funds from the Reserves for development to Rental Housing Development for the acquisition of Chollas Creek Villas.

**CLOSED SESSION**

It is anticipated that the San Diego Housing Commission will convene in closed session on Friday, February 20, 2009, 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:

*Abdulali Ali v. San Diego Housing Commission*  
San Diego Superior Court, Case No. 37-2008-00096873-CU-WM-CTL

Counsel's Description of General Nature of Closed Session:  
The Commission will discuss the status of the litigation.

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

*Davis Framing, Inc. v. Sigsbee Row, LLC, Preferred Bank, D&A Daily Mortgage Fund III, L.P., San Diego Housing Commission, et al.*  
San Diego Superior Court, Case No. 37-2008-00096227-CU-BC-CTL

Counsel's Description of General Nature of Closed Session:  
The Commission will discuss the status of this litigation.

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

*Anticipated litigation initiated by a former employee against the San Diego Housing Commission (One matter)*

Counsel's Description of General Nature of Closed Session:  
The Commission will discuss the threat of litigation by a former employee based on her termination of employment from the Housing Commission.

- d. Conference with Legal Counsel-Negotiation with Real Property Negotiator pursuant to subdivision (b) of 54954.5 Government Code and Section 54956.8:

*Property: Chollas Creek, 49<sup>th</sup> Street and Charles Lewis Way, San Diego, California, Parcel Nos. 547-330-64 and 547-330-65*

Agency Negotiator: Rick Gentry, Carrol Vaughan and Steve Snyder, San Diego Housing Commission  
Negotiating Parties: Chollas Creek 31, LLC a California limited liability company and the San Diego Housing Commission

Under Negotiation: Real Property Negotiator will seek direction from the Commission concerning price, terms of payment and other issues associated with the purchase of real property.

- e. Conference with Legal Counsel-Negotiation with Real Property Negotiator pursuant to subdivision (b) of 54954.5 Government Code and Section 54956.8:

*Property: River Walk, 1194 Hollister Way, San Diego, California*

Agency Negotiator: Rick Gentry, Carrol Vaughan and Steve Snyder, San Diego Housing Commission

Negotiating Parties: Affirmed Housing Group, Inc., a California corporation (Optionee), Otto Roppel, an individual (Owner-Optionor) and the San Diego Housing Commission

Under Negotiation: Real Property Negotiator will seek direction from the Commission concerning price, terms of payment and other issues associated with the potential purchase of real property.

V. Announcement of Actions Taken in Closed Session.

VI. Adjournment.

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### INFORMATIONAL REPORTS

- HCR09-008 FY09 2<sup>nd</sup> Quarter Notice of Settlement of Pending Litigation
- HCR09-009 FY09 2<sup>nd</sup> Quarter Loan Portfolio
- HCR09-010 FY09 2<sup>nd</sup> Quarter Investment Status
- HCR09-013 Disposition of Assets
- HCR09-015 FY09 Semi-Annual Grants Report for July-December 2008
- HCR09-017 Multifamily Bond Program – Annual Status Report for CY 2008