

MINUTES

**SAN DIEGO HOUSING COMMISSION
MINUTES OF THE REGULAR MEETING
AUGUST 21, 2009, 9:00 AM
SMART CORNER
SAN DIEGO, CALIFORNIA**

ATTENDANCE

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

Commissioner Basir applauded the Housing Commission for winning four NAHRO awards of merit at the recent NAHRO Summer Conference in Portland. Commissioner Sims thanked the agency for sending him to the week-long conference, stating he learned quite a lot.

Commissioner Gramling mentioned that due to continuing pressures on use of energy and water, costs to every household will likely increase in the future. Accordingly, Mr. Gramling indicated that the Housing Commission should be looking for affordable housing developers to be incorporating energy-efficient products and construction in all future units.

40 REPORT BY PRESIDENT & CHIEF EXECUTIVE OFFICER

Mr. Gentry announced that Chair Sal Salas will be awarded NAHRO's National Commissioner of the Year Award at the NAHRO Annual Conference in October. Subsequently, Chair Salas thanked staff and co-board members for the support he has received during his eight and one-half years with the Housing Commission.

50 APPROVAL OF THE MINUTES

MOTION BY WARING TO APPROVE THE MINUTES OF THE MAY 15, 2009 REGULAR MEETING; JUNE 19, 2009 REGULAR AND SPECIAL MEETINGS; AND THE

JUNE 29, 2009 AND JULY 10, 2009 SPECIAL MEETINGS. SECONDED BY GRAMLING AND CARRIED ON A UNANIMOUS VOTE OF 6-0 WITH ADAMS-BROOKS ABSENT.

CONSENT AGENDA

MOTION BY WARING TO APPROVE THE FOLLOWING ITEM ON CONSENT:

100 HCR09-077 Award of Contract for Professional Auditing Services

Recommendation: The Audit Committee recommends that the Housing Commission authorize the Executive Vice President & Chief Operating Officer or designee to execute a contract with the Reznick Group for the performance of Financial, Single and various project audits. The FY10 audit cost is proposed to be \$80,000. The current FY10 Budget includes \$91,000 for audit fees.

SECONDED BY BASIR AND CARRIED ON A UNANIMOUS VOTE OF 6-0.

ACTION AGENDA

101 HCR09-065 Disposition of Mountain View Estates (Council District 4)

Staff report was presented by Senior Program Analyst, Bill Luksic.

Discussion ensued regarding rehabilitation, demolition/rebuilding of site, possible homeownership of units.

MOTION BY WARING TO APPROVE THE FOLLOWING RECOMMENDATIONS: SEEK HOUSING AUTHORITY AUTHORIZATION TO: **1) APPROVE THE CONVEYANCE OF MOUNTAIN VIEW ESTATES FROM HOUSING OUR PEOPLE ECONOMICALLY (HOPE) CDC TO THE SAN DIEGO COMMUNITY HOUSING CORPORATION (SDCHC); 2) AMEND THE TERMS OF THE HOUSING COMMISSION LOANS ENCUMBERING THIS PROPERTY BY RESTATING RENT RESTRICTIONS FROM THE CURRENT LEVELS OF BETWEEN 31 AND 37 PERCENT OF AREA MEDIAN INCOME (AMI) TO 50 PERCENT OF AMI (CURRENTLY \$41,300 FOR A FAMILY OF FOUR), AS APPROVED BY GENERAL COUNSEL, AND; 3) APPROVE A LOAN OF UP TO \$300,000 TO SDCHC FOR THE REHABILITATION OF MOUNTAIN VIEW ESTATES AND AUTHORIZE THE PRESIDENT AND CHIEF EXECUTIVE OFFICER OR DESIGNEE TO EXECUTE NECESSARY DOCUMENTS, AS APPROVED AND DRAFTED BY GENERAL COUNSEL. SECONDED BY BASIR AND CARRIED ON A UNANIMOUS VOTE OF 6-0 WITH ADAMS-BROOKS ABSENT.**

102 HCR09-054 Final Bond Authorization for Village Green Apartments (Council District 7)

Staff report was presented by Bond Project Manager, Ann Kern.

Discussion ensued regarding site density of units, preservation and affordability.

MOTION BY SIMS TO APPROVE THE FOLLOWING RECOMMENDATIONS: HOUSING AUTHORITY AUTHORIZE THE ISSUANCE OF UP TO \$9,664,172 IN MULTIFAMILY HOUSING REVENUE BONDS TO FUND THE ACQUISITION AND REHABILITATION OF THE 94-UNIT VILLAGE GREEN APARTMENTS, LOCATED AT 4140-4155 BONILLO DRIVE, BY WAKELAND VILLAGE GREEN APARTMENTS, L.P. SECONDED BY BASIR AND CARRIED ON A UNANIMOUS VOTE OF 6-0 WITH ADAMS-BROOKS ABSENT.

103 HCR09-083 Proposed Revisions to the Neighborhood Stabilization Homeownership Program and Budget Revision – Council Districts 3, 4, 7 and 8

Staff report was presented by Loan Management Supervisor, Vicki Monce.

Discussion ensued regarding revising the Neighborhood Stabilization Program to purchase property and the possible need to rehabilitate sites after purchase. Commissioner Waring requested a monthly update be presented to the Board regarding this program.

MOTION BY WARING TO APPROVE THE FOLLOWING RECOMMENDATIONS: **1)** APPROVE A REVISION TO THE NSP TO ALLOW THE HOUSING COMMISSION (HC) TO PURCHASE AND REHABILITATE SINGLE FAMILY DWELLINGS AND CONDOMINIUMS THAT HAVE BEEN ABANDONED OR FORECLOSED IN ORDER TO RESELL THE HOMES TO ELIGIBLE LOW AND MODERATE FIRST TIME BUYERS UNDER THE NSP OR TO RENT THE HOMES TO ELIGIBLE VERY LOW INCOME RENTERS; **AND 2)** APPROVE A REVISION (ATTACHMENT 1) TO THE FISCAL YEAR 2010 BUDGET THAT WILL TRANSFER \$1,700,000 FROM HOMEOWNERSHIP LOANS AND GRANTS TO RENTAL HOUSING DEVELOPMENT AND AUTHORIZE THE PRESIDENT AND CHIEF EXECUTIVE OFFICER AUTHORITY TO REVISE THE BUDGET TO INCLUDE PROGRAM INCOME AS IT IS RECEIVED FOR NSP ACTIVITIES. AMENDMENT ADDED TO POST AN RFP FOR A DISPOSITION AGENT; TO INSURE NET OF COMMISSIONS WITH BANK OF AMERICA, WHEN POSSIBLE; AND TO PASS REHABILITATION OF UNITS ON TO SUBSEQUENT OWNERS, WHEN POSSIBLE. SECONDED BY GUILLEN AND CARRIED ON A UNANIMOUS VOTE OF 6-0 WITH ADAMS-BROOKS ABSENT.

104 HCR09-081 Workshop Discussion: SDHC Financing Plan

No-action item. Discussion only.

105 HCR09-084 City Auditor's Performance Audit of the Housing Commission

Staff report was presented by Executive Vice President & Chief Operations Officer, Carrol Vaughan.

MOTION BY GUILLEN TO APPROVE FOLLOWING RECOMMENDATION:
REVIEW AND ACCEPT THE PERFORMANCE AUDIT ISSUED BY THE OFFICE OF THE CITY AUDITOR, CITY OF SAN DIEGO AND DIRECT STAFF TO IMPLEMENT ACTIONS NEEDED TO ADDRESS RECOMMENDATIONS INCLUDED IN PARTS I AND II OF THE AUDIT REPORT. SECONDED BY GRAMLING AND CARRIED ON A UNANIMOUS VOTE OF 6-0 WITH ADAMS-BROOKS ABSENT.

CLOSED SESSION

The San Diego Housing Commission convened in closed session.

- a. Conference with Real Property Negotiators-Negotiation with Real Property Negotiator pursuant to subdivision (b) of 54954.5 Government Code and Section 54956.8:
Property: Chollas Creek, 49th Street and Charles Lewis Way, San Diego, California, Parcel Nos. 547-330-64 and 547-330-65

Agency Negotiator: Rick Gentry, Carrol Vaughan and Larry Clemens 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(s) will seek direction from the Commission concerning price and terms of payment.

THE COMMISSION TOOK NO OFFICIAL ACTION ON THIS MATTER. THE MATTER WAS INFORMATIONAL ONLY.

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

Property: 453 13th Street, San Diego, CA 92101; APN: 535-155-01,02,03,08,09, &10

Agency Negotiator: Rick Gentry, Carrol Vaughan, Wendy DeWitt, Debbie Ruane and Marco Vakili
Negotiating Parties: Owner: Entrada LLC, a Washington limited liability Company;

Under Negotiation: Price and Terms of Payment. Real Property Negotiator will seek direction from the Board.

NO DIRECTION WAS GIVEN TO REAL PROPERTY NEGOTIATOR BECAUSE THE SELLER HAS DETERMINED TO PURSUE ANOTHER OFFER FROM ANOTHER POTENTIAL BUYER.

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

Number of cases: One (1) or more

Counsel's Description of General Nature of Closed Session:

The Commission will discuss whether to initiate litigation based on existing facts and circumstances.

THE BOARD TOOK NO ACTION CONCERNING THE INITIATION OF LITIGATION.

- d. Public Employee Performance Evaluation pursuant to subdivision (e) of 54954.5 Government Code and Section 54957:

Title: President & Chief Executive Officer

THE BOARD, WITH COMMISSIONERS ADAMS-BROOKS AND WARING ABSENT, PERFORMED THE CEO'S PERFORMANCE EVALUATION IN CLOSED SESSION.

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

Property: 2015 Hancock Street, San Diego, CA 92110; APN: 450-613-08-00

Agency Negotiator: Rick Gentry, Carrol Vaughan, Larry Clemens, Debbie Ruane and Marco Vakili

Negotiating Parties: Owner: Bob Simonson, Comercia Bank;

Under Negotiation: Price and Terms for the acquisition of partially completed 88 unit multifamily project .

Real Property Negotiator will seek direction from the Board.

THE BOARD, WITH COMMISSIONERS ADAMS-BROOKS AND WARING ABSENT, BY A VOTE OF 5-0, GAVE DIRECTIONS TO REAL PROPERTY NEGOTIATOR CONCERNING PRICE AND TERMS OF PAYMENT.

ADJOURNMENT

Chair Salas adjourned the regular meeting at 2:40 p.m.

Respectfully submitted,



Bridgit Alexander
Docket Coordinator

Approved by,



Richard C. Gentry
President and CEO