

GREATER GOLDEN HILL COMMUNITY DEVELOPMENT CORPORATION

Board of Directors Meeting

Minutes Date – Aug 20th, 2015

The directors of the GREATER GOLDEN HILL COMMUNITY DEVELOPMENT CORPORATION, constituting the board of directors of this corporation, held a meeting at the time, on the day and the place set forth as follows:

TIME: 6:37 PM

DATE: August 20, 2015

PLACE: Golden Hill Recreation Center, 2600 Golf Course Drive, San Diego, CA 92102

PARTICIPANTS

Board Members Present: Blair Ward, Ethel Sims, Pastor Thomas Sims, Sue Zinda

Guests Attending: Jon Hall, David Allen, Molly Chase

CALL TO ORDER

The meeting was called to order and Thomas Sims read the mission statement.

AGENDA ADDITIONS OR DELETIONS

None

APPROVAL OF MINUTES

Approved June minutes, July minutes deferred to next meeting.

PUBLIC COMMENT:

Molly Chase Has the newsletter of city updates (works with Todd Gloria). In regards to Golden Hill, the 25th st work is done and there's new parking and a new bike lane. She says if there's any problems with the street construction to talk to her. She's working on an updated map of ongoing and completed Golden Hill projects to show the timelines. The 94 expressway project has been pushed back because the public didn't want it. The board of directors paid \$31 mil to demonstrate a community project for a bus-on-shoulder project. They're trying to get a waiver so the bus can drive in the shoulder to improve traffic. The EIR is also looking at other alternatives, such as getting a transit-only lane as opposed to building a fly-over bridge. The main reason for public push-back is because the overhead may not include a transit lane and that wouldn't greatly help to improve traffic. By 2018 the bus-on-shoulder project will come online to have buses running from the border. The 94-working group for the cap park has been assembled from a group of residents in Sherman Heights and Grant Hill among other neighborhoods to help reconnect the community to Sherman Heights. With community input, they're trying to figure out location and costs and community impact to move forward. This is being funded by a \$200,000 grant.

David Allen Is president of Trusthill Development that specializes in financing and renovating affordable housing properties. He and Blair connected and they're talking about bringing in his expertise to "bounce ideas off of" in regards to the affordable housing duplexes that the GHCDC owns.

GENERAL BUSINESS

Committee Reports

Housing Committee:

Ethel said they're waiting on the refine for the duplexes, and they're nearly 75 percent complete with the renovations, but it's been taking two years for the refine. The housing is currently in phase two out of three. They've been doing the rehabbing for the loan modifications. The board on the Housing

Commission will do a walkthrough because they may want to make further changes. The GHCDC is trying to get a loan modification to get finances.

Ethel wants submit for a grant that could potentially help with the housing. San Diego Housing may help train the tenants through a project that last 90 days. This will help with their mission. Blair made a motion to try to get the grant. All were in favor.

Business Development Committee:

They GHCDC is also looking for volunteers to help with the beautification project with landscaping and clean-up.

Partnership: Golden Villas Income Reinstatement & Full Ownership Strategy Proposal:

Blair elaborated on a proposal about gaining ownership of the Golden Villas. There were clauses built into the project that expired (the first in 2010, which enabled the GHCDC to have the opportunity to buy the property to become an equity owner). It takes \$12,000 per year for the GHCDC to survive, and the duplexes barely cover that cost. The other clause was about incentive fees (if the property were run properly it would generate \$15,000), but that clause expired and the money was never collected years ago. The third clause allows a management fee. The GHCDC hasn't collected any revenue from the Golden Villas since 2013 because that clause expired. The goal now is for the clauses to be reinstated to begin generating revenue again. The board wants to gain full ownership of the Golden Villas.

There are 3 partners of the Golden Villas: the GHCDC owns 1%, the developer owns 1%, and Edison Capitol is the investor who owns 98%. The "economic life" of Edison Capitol's tax credits expired now, so there's an opportunity for the GHCDC to ask for ownership of the Golden Villas. The GHCDC now wants to pursue their partial payment moneys in the amount of \$11,000, and try to reinstate the clauses to receive \$30,000. They also want to negotiate with Edison

Capitol to gain full ownership. The replacement value of the housing is about \$13 mil.

Blair and Ethel are willing to recuse themselves from the board to work fully on the loan modifications for the Golden Villas, and begin being paid for their work.

Sue Zinda asked if the board would be violating the self-lending rule for non-profits, but Ethel said it's legal and no lawyers need to be involved as long as everything is in the open. Blair and Ethel would need to recuse themselves and have a board vote. Sue wondered if it's violating the by-laws which state that board members can't collect money for their efforts and that the job is on a volunteer-basis. Blair said there are numerous clauses that would allow them to do this, and if not they may need to rewrite the by-laws. Blair said as long as he and Ethel use their professional expertise to benefit the board, it would be fine for them to be paid for their efforts towards rehabbing and managing the Golden Villas. Ethel could be treated as paid staff if she assumed this position and hire a treasurer to replace her if needed.

Website Report:

Not much work has been done on the website since the Golden Hill Festival, but there are some pictures and videos from the festival which need to be posted on the website and some edits made to the page about board members.

BOARD BUSINESS

Updates/Information Items

Treasurer Report:

Ethel mailed all the bills for the Golden Hill Festival Expo, so all of the costs are accounted for. The board managed to stay in budget for the festival. The board is still waiting on their reimbursement for last month, and the check is missing because their old contact retired from the city. There will also be a bookkeeper hired to look at the GHCDC's extension taxes.

(See the spreadsheet of checks mailed and other expenses)

ADJOURNMENT

Meeting was adjourned at 7:52 PM