



SAN DIEGO
HOUSING
COMMISSION

MINUTES

**SAN DIEGO HOUSING COMMISSION
MINUTES OF THE REGULAR MEETING
JANUARY 12, 2018
SMART CORNER
4th FLOOR CONFERENCE ROOM
1122 BROADWAY
SAN DIEGO, CALIFORNIA 92101**

ATTENDANCE

Present:

Vice Chair Dorothy Surdi
Commissioner Stefanie Benvenuto
Commissioner Ben Moraga
Commissioner Tim Walsh
President & CEO Richard C. Gentry
General Counsel Charles Christensen

Absent:

Chair Frank Urtasun
Commissioner Margaret Davis
Commissioner Kellee Hubbard

10 CALL TO ORDER

Vice Chair Surdi called the Regular Meeting to order at 9:05 a.m.

20 NON-AGENDA PUBLIC COMMENT

There were no public comments.

30 COMMISSIONER COMMENTS

There were no Commissioner comments.

40 REPORT BY PRESIDENT & CHIEF EXECUTIVE OFFICER

Zephyr Groundbreaking

The San Diego Housing Commission's (Housing Commission) partnership development Zephyr celebrated its groundbreaking on November 30, 2017. Affirmed Housing is converting a former motel in the Grantville area into 84 new permanent supportive housing units. These units will



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remain affordable for 55 years for homeless Veterans with income up to 40 percent of AMI. The Housing Commission awarded a \$3 million loan and 84 Federal project-based housing vouchers to Zephyr through HOUSING FIRST – SAN DIEGO, the Housing Commission’s homelessness action plan.

The Lofts at Normal Heights Groundbreaking

On January 11, 2018, another development for homeless Veterans that is supported by HOUSING FIRST – SAN DIEGO also celebrated its groundbreaking. The Lofts at Normal Heights will provide 52 new permanent supportive housing units for homeless Veterans. This is a partnership development with Chelsea Investment Corporation, and tenants will receive supportive services through Alpha Project. The Housing Commission awarded a \$5.2 million loan and 52 Federal project-based housing vouchers to The Lofts at Normal Heights through HOUSING FIRST – SAN DIEGO.

Temporary Bridge Shelters

The City’s three Temporary Bridge Shelters have all opened. On December 1, 2017, the shelter for single adults, operated by Alpha Project, opened at 16th Street and Newton Avenue; the shelter for Veterans, operated by Veterans Village of San Diego, on Sports Arena Boulevard in the Midway district, opened on December 22, 2017; and the shelter for families, operated by Father Joe’s Villages at Father Joe’s campus at 14th and Commercial streets, opened on January 4, 2018. Collectively, the three bridge shelters will provide up to 700 beds for homeless San Diegans.

Mayor Kevin L. Faulconer’s State of the City Address

The Housing Commission will be involved with the housing and homelessness programs that Mayor Kevin L. Faulconer identified in his State of the City Address on January 11, 2018. The Mayor’s housing production initiatives reflect the conclusions in the Housing Commission report, “Addressing the Housing Affordability Crisis: An Action Plan for San Diego.” In addition, the report, “Addressing the Housing Affordability Crisis: San Diego Housing Production Objectives 2018-2028,” issued by the Housing Commission last September, will be integral to those efforts.

The Housing Commission’s HOUSING FIRST – SAN DIEGO homelessness action plan for the next three fiscal years (2018-2020) includes applying the lessons of the Housing Our Heroes Initiative to other programs. Last September, Housing Our Heroes reached its goal of helping 1,000 homeless Veterans obtain permanent rental housing. Going forward, the Housing Commission will be involved with the assessment center and the storage center for homeless San Diegans that Mayor Faulconer discussed in his State of the City Address.

Project Homeless Connect

The 12th Project Homeless Connect – Downtown San Diego will take place from 9 a.m. to 3 p.m. on Wednesday, January 31, 2018, at Golden Hall in the San Diego Concourse. The Housing Commission is the lead organizer for this one-day resource fair. Major organizing partners are: the City of San Diego, Interfaith Shelter Network, Family Health Centers of San Diego, and



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Father Joe's Villages. Several Commissioners have volunteered in previous years and are welcome to volunteer this year.

Point-in-Time Count

The annual Point-in-Time Count of homeless individuals will take place in the early morning hours on Friday, January 26, 2018. The Regional Task Force on the Homeless coordinates this regional census of homeless individuals. This count is essential to obtaining about \$20 million in Federal funding for local homelessness programs. Several Commissioners also have volunteered for the Point-in-Time Count in the past and are invited to participate again this year.

50 APPROVAL OF THE MINUTES

The minutes of the Regular Housing Commission meeting of November 17, 2017, and Special Meeting of November 17, 2017, were approved on a motion by Commissioner Moraga, seconded by Commissioner Walsh and passed by a vote of 3-0. Commissioner Benvenuto did not vote because she was not in attendance at the November 17, 2017, meetings. General Counsel Christensen stated a quorum is not required for the approval of the minutes, which is a ministerial item, not an action item.

CONSENT AGENDA:

Motion by Commissioner Walsh to approve items 100, 101 and 104 on consent. Seconded by Commissioner Benvenuto and passed by a vote of 4-0.

100 HCR18-011 Award of Plumbing Maintenance and Repair Services Contract

That the San Diego Housing Commission (Housing Commission) take the following actions:

1. Approve the award of a one-year, as-needed contract to GPS Plumbing, in an amount not to exceed \$499,000. The contract term shall be for a one-year period, with four one-year renewal options based on the need of the Housing Commission. Spending against the contract will not exceed the approved total budget each fiscal year.
2. Authorize the President & Chief Executive Office (President & CEO), or designee, to substitute the funding sources with other available funding sources so long as the total program/project budget amount after substitution does not exceed the approved total budget, should the operational need arise or should such actions be to the benefit of the Housing Commission and its mission.
3. Authorize the President & CEO, or designee, to execute all documents and instruments that are necessary and/or appropriate to implement these approvals, in a form approved by General Counsel, and take such actions as are necessary and/or appropriate to implement these approvals.



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101 HCR18-009 Budget Amendment for Fiscal Year 2018 Downtown San Diego Partnership Family Reunification Program

Ketra Carter and Barbara Daly spoke in favor.

That the San Diego Housing Commission (Housing Commission) take the following actions:

1. Authorize the execution of a contract amendment for the Downtown San Diego Partnership Clean and Safe Family Reunification Program, awarding an additional \$250,000 for the contract term of June 1, 2017, to June 30, 2018, to provide housing relocation and supportive services to individuals experiencing homelessness;
2. Authorize an extension of the Family Reunification Program contract with the Downtown San Diego Partnership Clean and Safe through June 30, 2018;
3. Authorize the President & Chief Executive Officer (President & CEO), or designee, to execute all necessary documents and instruments that are necessary and/or appropriate to implement these approvals, in a form approved by General Counsel, and to take such actions necessary and/or appropriate to implement these approvals; and
4. Authorize the President & CEO to substitute funding sources and/or increase compensation by not more than 20 percent of the total agreement amount for the proposed agreement, if necessary, without further action by the Housing Commission Board of Commissioners (Board), but only if and to the extent that funds are determined to be available for such purposes.

104 HCR18-015 Actions Establishing President & Chief Executive Officer Compensation for Period of September 19, 2017, through September 18, 2018, as recommended by the Ad Hoc CEO Performance Evaluation Committee of the San Diego Housing Commission

That the Board of Commissioners for the San Diego Housing Commission (“Board”) establish the CEO’s compensation package retroactively to September 19, 2017, to coincide with the anniversary date of the commencement of employment, as authorized by the Employment Agreement, and as recommended by the CEO Performance Evaluation Ad Hoc Committee, consisting of the Chair Frank Urtasun and Vice Chair Dottie Surdi, for the period of September 19, 2017, through September 18, 2018, specifically:

1. Increase the CEO’s current base salary by 3 percent for the period of September 19, 2017, through September 18, 2018, (the “Compensation Period”), in consideration of the outstanding/excellent work of the CEO as determined by the Board, and consistent with the 3 percent cost of living salary increase approved for all San Diego Housing Commission employees;



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2. Maintain the CEO's current compensation package as referenced within the report for the period of September 19, 2016, through September 18, 2017, except as expressly modified by Items 1 and 3 of these recommendations; and
3. Approve a \$25,000.00 incentive performance payment in recognition of the CEO's accomplishment of all of the goals set at the CEO's last evaluation and his extraordinary performance.

ACTION AGENDA:

102 HCR18-001 Authorization to Purchase Land of La Jolla Marine Apartments from City of San Diego

Seven-Day Advance Notice of San Diego Housing Commission hearing of the following matter has been provided to the Housing Authority Members in accordance with the terms and provisions of San Diego Municipal Code Section 98.0301(e)(4)(b).

Michael Pavco, Senior Vice President, Real Estate Division, and Jennifer McKinney, Vice President, Real Estate Operations, presented the request for approval.

Motion by Commissioner Moraga to take the following staff-recommended actions. Seconded by Commissioner Benvenuto and passed by a vote of 4-0.

That the San Diego Housing Commission (Housing Commission) take the following actions:

1. Authorize the Housing Commission to purchase the land from the City of San Diego (City) known as Assessor's Parcel Number (APN) 351-022-07-00 located at 7410 – 7412 Cuvier Street, San Diego, CA 92037, for a purchase price not to exceed \$10,000 and closing costs not to exceed \$50,000. The property is improved with two townhome four-plexes, commonly known as La Jolla Marine Apartments;
2. Authorize the President & Chief Executive Officer (President & CEO), or designee, to implement Fiscal Year (FY) 2018 budget adjustments as the purchase of the Land might require; and
3. Authorize the President & CEO, or designee to sign any and all documents and to take any such actions and to perform such acts as are necessary to purchase the Land from the City.



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103 HCR18-002 Authorization to Purchase Land of San Diego Square from City of San Diego and Authorization to Lease Land of San Diego Square to Housing Development Partners

Seven-Day Advance Notice of San Diego Housing Commission hearing of the following matter has been provided to the Housing Authority Members in accordance with the terms and provisions of San Diego Municipal Code Section 98.0301(e)(4)(b).

Michael Pavco, Senior Vice President, Real Estate Division, and Jennifer McKinney, Vice President, Real Estate Operations, presented the request for approval.

Motion by Commissioner Moraga to take the following staff-recommended actions. Seconded by Commissioner Walsh and passed by a vote of 4-0.

That the San Diego Housing Commission (Housing Commission) take the following actions:

1. Authorize the Housing Commission to purchase land from the City of San Diego (City) known as Assessor's Parcel Number (APN) 534-196-05-00, located at 1055 Ninth Avenue, San Diego, CA 92101 (Land), for a purchase price not to exceed \$10,000 and closing costs not to exceed \$50,000. The property is improved with a 12-story senior apartment building commonly known as San Diego Square Senior Apartments;
2. Authorize the Executive Vice President & Chief of Staff (Executive Vice President & COS), or designee, to implement Fiscal Year (FY) 2018 Housing Commission budget adjustments as the purchase of the Land may require;
3. Authorize the Executive Vice President & COS, or designee, upon completion of the Housing Commission's purchase of the Land from the City, to execute a ground lease of the Land to the Housing Commission's nonprofit affiliate, Housing Development Partners (HDP);
4. Authorize the Executive Vice President & COS, or designee, to request and receive approval from the U.S. Department of Housing and Urban Development (HUD), Boston Capital, Citibank and any and all entities with interest in the real estate to purchase the Land from the City of San Diego and thereafter execute a ground lease of the Land with HDP;
5. Authorize the Executive Vice President & COS, or designee, to sign any and all subordination agreements in the same lien positions as existing financing of the improvements at 1055 Ninth Avenue; and
6. Authorize the Executive Vice President & COS, or designee to sign any and all documents and to take any such actions and to perform such acts as are necessary to purchase the



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Land from the City of San Diego and to execute a ground lease of the Land with HDP and to perform such other acts as are necessary to implement these approvals.

105 HCR18-003 Workshop and Discussion: Multifamily Housing Revenue Bonds

NO ACTION WAS REQUIRED ON THE PART OF THE HOUSING COMMISSION

Ted Miyahara, Vice President, Multifamily Housing Finance, Real Estate Division, presented a workshop on Multifamily Housing Revenue Bonds.

106 HCR18-012 Workshop & Discussion: Affordable Housing Bond Measure

This item was removed from the agenda.

ADJOURNMENT:

Vice Chair Surdi adjourned the Regular Meeting at 9:55 a.m.

Respectfully submitted,

Scott Marshall
Vice President
Communications and Government Relations
San Diego Housing Commission

Approved by,

Richard C. Gentry
President & Chief Executive Officer
San Diego Housing Commission