



SAN DIEGO
HOUSING
COMMISSION

MINUTES

**SAN DIEGO HOUSING COMMISSION
MINUTES OF THE SPECIAL MEETING
MARCH 19, 2015
SMART CORNER
4th FLOOR CONFERENCE ROOM
1122 BROADWAY
SAN DIEGO, CALIFORNIA 92101**

ATTENDANCE

Present:

Chair Gary Gramling
Vice Chair Roberta Spoon
Commissioner Margaret Davis
Commissioner Dorothy Surdi
Commissioner Frank Urtasun
President & CEO Richard C. Gentry
General Counsel Charles Christensen

Absent:

Commissioner Kellee Hubbard
Commissioner Ben Moraga

10 CALL TO ORDER

Chair Gramling called the Special Meeting to order at 9:07 a.m.

20 NON-AGENDA PUBLIC COMMENT

Carolana Hermanex spoke about the City of San Diego's Emergency Winter Shelters.

SDHC employee Mamie McCall, representing Service Employees International Union Local 221, spoke about the employee performance incentive program.

Martha Welch spoke about the construction of affordable housing.

30 COMMISSIONER COMMENTS

Chair Gramling announced that Commissioner Urtasun was sworn in before the meeting for his second term on the San Diego Housing Commission Board of Commissioners.



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40 REPORT BY PRESIDENT & CHIEF EXECUTIVE OFFICER

HUD Secretary Visit to San Diego:

On February 20, U.S. Department of Housing and Urban Development Secretary Julián Castro toured the SDHC affordable housing development partnership COMM 22 in Logan Heights. The COMM22 tour was hosted by U.S. Representative Juan Vargas and SDHC, and was attended by: HUD Western Representative Ophelia Basgal, State Senator Ben Hueso, Speaker of the California State Assembly Toni Atkins, State Assemblymember Lorena Gonzalez, City Councilmembers Todd Gloria and David Alvarez; and SDHC Chair of the Board Gary Gramling, Vice Chair Roberta Spoon, and Commissioners Ben Moraga, Dorothy Surdi and Frank Urtasun.

SDHC loaned \$4,190,000 in federal HOME Investment Partnership Program funds, granted to the City of San Diego and administered by SDHC, toward the development of the 70-unit senior housing at COMM22 and \$500,000 from the City of San Diego Inclusionary Affordable Housing Fund, administered by SDHC, toward the 130-unit family housing at COMM22. SDHC also authorized the issuance of \$28,700,000 in multifamily housing revenue bonds toward the family housing. The Housing Authority of the City of San Diego approved the bonds.

Cielo Groundbreaking:

The groundbreaking for Cielo Carmel in Pacific Highlands Ranch was commemorated on March 4 with City Council President Sherri Lightner. Cielo Carmel is a 195-unit development for low-income families being built by Affirmed Housing Group under inclusionary housing requirements for the North City Future Urbanizing Area. SDHC authorized the issuance of \$34.6 million in multifamily housing revenue bonds for Cielo Carmel, which represents more than 72 percent of the total development cost of \$47,624,657. The Housing Authority of the City of San Diego approved the bonds.

City Heights Ten Rehabilitation:

The City Heights Community Development Corporation, Wakeland Housing and Development Corporation and SDHC commemorated the completion of a major rehabilitation project in City Heights on March 13. The rehabilitation improved 129 affordable housing apartments and preserved them as affordable housing for 55 years. SDHC refinanced 17 loans totaling \$6.2 million into a single loan and authorized the issuance of \$8 million in multifamily housing revenue bonds for the rehabilitation. The Housing Authority of the City of San Diego approved the bonds.

Supportive Housing Grant:

On March 11, SDHC was selected for a federal grant of up to \$150,000 to develop a project focused on providing supportive housing for chronically homeless individuals. The grant is from the Corporation for National and Community Service's Social Innovation Fund, and a program called Pay for Success.



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50 APPROVAL OF THE MINUTES

The minutes of the Regular Housing Commission meeting of February 13, 2015, were approved on a motion by Vice Chair Spoon, seconded by Commissioner Davis, and passed by a vote of 4-0 with Commissioner Urtasun abstaining.

CONSENT AGENDA:

Motion by Chair Gramling to approve the items listed below on consent. Seconded by Commissioner Surdi and passed by a vote of 5-0:

103 HCR15-029 Fiscal Year 2016 Moving to Work Annual Plan

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

- 1) Approve the Fiscal Year (FY) 2016 Moving to Work (MTW) Annual Plan (Attachment 1); and
- 2) Authorize the President & Chief Executive Officer, or designee, to execute all documents and instruments necessary and/or appropriate to implement these approvals, in a form approved by General Counsel, and to take such actions as are necessary and/or appropriate to implement these approvals.

ACTION AGENDA:

100 HCR15-023 Fiscal Year 2016 Provision of Interim Housing for Homeless Adults in Existing Non-Tent Facilities

Jeff Davis, Executive Vice President and Chief Operating Officer, and Melissa Peterman, Director, Homeless Housing Innovations, presented the request for approval.

Motion by Vice Chair Spoon to take the following staff-recommended action. Seconded by Commissioner Davis and passed by a vote of 5-0:

That the San Diego Housing Commission (Housing Commission) recommend that the Housing Authority of the City of San Diego (Housing Authority) and the San Diego City Council (City Council) take the following actions, contingent upon the subsequent appropriations, [prior to July 1, 2016] of sufficient funds by the City of San Diego (City) and approval of funds by the Housing Authority, in the Housing Commission's Fiscal Year (FY) 2015 and 2016 budgets, as the City Council and Housing Authority shall determine in their sole and unfettered discretion:



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- 1) Approve the award of two grants totaling \$2,248,637 to St. Vincent de Paul Village, Inc. (St. Vincent) for operation of the FY 2016 Interim Housing Facility for Homeless Adults (Interim Housing) and the FY 2016 Day Center Facility for Homeless Adults (Day Center);
- 2) Authorize the execution of an agreement with St. Vincent in the amount of \$1,748,637 for the oversight and management of the FY 2016 Interim Housing at the Paul Mirabile Center at 16 15th Street in Downtown San Diego. The form and format of the agreement shall be subject to the approval of General Counsel of the Housing Commission;
- 3) Authorize the execution of an agreement with St. Vincent in the amount of \$500,000 for the oversight and management of the FY 2016 Day Center at the Neil Good Day Center at 299 17th Street, under the provisions of Section 9.4 of the Housing Commission's procurement policy. The form and format of the agreement shall be subject to the approval of General Counsel of the Housing Commission;
- 4) Authorize four additional one-year renewal options for FYs 2017 to 2020 for each grant agreement respectively with St. Vincent, contingent upon the availability of funding, compliance with all grant agreement requirements, and program performance, to be exercised in the sole discretion of the San Diego Housing Commission;
- 5) Authorize the expenditure of up to \$1,470,000 in FY 2016 City General Funds, \$808,602 in Federal Community Development Block Grants, and \$145,155 in Federal Emergency Solutions Grant funds as part of the Housing Commission's FY 2016 Proposed Budget, contingent upon the appropriation of said funds by the City of San Diego (City) and approval of funds by the Housing Authority in the Housing Commission's FY 2016 Budget, as the City Council and Housing Authority shall determine in their discretion, and contingent upon the adoption of the FY 2016 Appropriation Ordinance and contingent upon the City's Chief Financial Officer furnishing a certificate certifying that the funds necessary for expenditures are, or will be, on deposit with the City Treasurer;
- 6) Recommend that the City Council find and declare the existence of a "shelter crisis" [as defined in Government Code Section 8698(d)] in the City pursuant to and in accordance with the provisions of California Government Code section 8698 et seq. and suspend any and all housing, health and safety codes that interfere with efforts to mitigate the shelter crisis;
- 7) Authorize the Housing Commission to enter into a contract with St. Vincent of up to \$250,000 from City General Funds in FY 2015 for transition to Interim Housing, as defined in this report, commencing April 1, 2015, under the provisions of Section 9.4 of the Housing Commission's procurement policy. The execution of this contract and the expenditure of funds for this purpose is contingent upon timely and appropriate



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authorization by the City of sufficient funds. This funding amount is to be provided to the Housing Commission upon proper submittal of adequate documentation of expenditures, by the Housing Commission, as determined by the City's Economic Development staff, and contingent upon the Comptroller certifying that funds are available;

- 8) Amend the Housing Authority-approved Housing Commission FY 2015 budget to include an additional sum of \$250,000 in General Funds and authorize the Housing Commission to expend \$250,000 from the City's General Fund in addition to sums originally included within the Housing Commission's FY 2015 Housing Authority approved budget;
- 9) Contingent upon the Housing Authority's approval of the proposed increase to the Housing Commission's FY 2015 budget, authorize the President & CEO or designee to execute new agreements and/or amendments with St. Vincent to transition operation of the existing winter tent program to the Interim Housing program at the Paul Mirabile Center at 16 15th Street for the term of April 1, 2015 through June 30, 2015, in a form and format approved by General Counsel, for up to \$250,000;
- 10) 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
- 11) Authorize the President & CEO to substitute funding sources and/or increase compensation by not more than 20 percent of the total contract amounts for the proposed contracts, if necessary, without further action by the City Council, Housing Authority, or Board of Commissioners (Board) of the Housing Commission, but only if and to the extent that funds are determined to be available for such purposes.

101 HCR15-024 Contracts for the Fiscal Year 2016 City of San Diego Homeless Shelters and Services Programs

Jeff Davis, Executive Vice President and Chief Operating Officer, and Melissa Peterman, Director, Homeless Housing Innovations, presented the request for approval.

Motion by Commissioner Urtasun to take the following staff-recommended action. Seconded by Commissioner Davis and passed by a vote of 5-0:

That the San Diego Housing Commission (Housing Commission) recommend that the Housing Authority of the City of San Diego (Housing Authority) take the following actions, contingent upon the subsequent appropriation (prior to July 1, 2016) of sufficient funds by the City of San Diego (City) and approval of funds by the Housing Authority, in the Housing Commission's



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Fiscal Year (FY) 2016 budget, as the San Diego City Council (City Council) and Housing Authority shall determine in their discretion:

- 1) Authorize the execution of contracts in a form and format subject to the approval of General Counsel of the Housing Commission with the following organizations for FY 2016 (July 1, 2015 – June 30, 2016):**
 - a. People Assisting the Homeless (PATH) in the amount of \$688,838 for the oversight and management of the Connections Housing Interim Bed Program at 1250 Sixth Avenue, San Diego, CA 92101;**
 - b. YWCA of San Diego County in the amount of \$669,209 for oversight and management of the Cortez Hill Family Center;**
 - c. Emergency Solutions Grant (ESG) funding in the amount of \$340,483 for five organizations participating in the Rapid Re-Housing Program;**
 - d. Mental Health Systems, Inc. in the amount of \$185,000 for housing operations of the Serial Inebriate Program (SIP) at 3340 Kemper Street, San Diego, CA 92110; and**
 - e. Girls Think Tank in the amount of \$138,750 in FY 2016 funding for the oversight and management of the Homeless Transitional Storage Center at 252 16th Street, San Diego, CA 92101. This contract period, however, shall be May 1, 2015, to April 30, 2016, and includes FY 2015 funds for May 1, 2015 to June 30, 2015. The \$138,750 in FY 2016 funding will be applied to the contracts during the time period of July 1, 2015 to June 30, 2016;**
- 2) Authorize the President and 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;**
- 3) Authorize the President & CEO to substitute funding sources and/or increase compensation by not more than 20 percent of the total contract amount for the proposed contracts, if necessary, without further action by the City Council, Housing Authority, or Board of Commissioners of the Housing Commission, but only if and to the extent that funds are determined to be available for such purposes; and**
- 4) Authorize the expenditure of up to \$570,000 in City General Funds, \$509,477 in federal Community Development Block Grants (CDBG), \$762,074 in federal Emergency Solutions Grant funds (ESG), \$274,000 in City Housing Trust Fund dollars (HTF), and \$40,000 in Housing Commission funds as part of the Housing Commission's proposed FY 2016 budget, contingent upon the appropriation of said funds by the City and approval of funds by the Housing Authority in the Housing Commission's FY 2016 budget, as the City Council and Housing Authority shall determine in their discretion, and contingent upon the adoption of the Fiscal Year 2016 Appropriation Ordinance and contingent upon**



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the City's Chief Financial Officer furnishing a certificate certifying that the funds necessary for expenditures are, or will be, on deposit with the City Treasurer.

102 HCR15-022 Hotel Churchill – Development Plan Funding Increase

Ann Kern, Vice President, Real Estate Finance and Program Development, and Michael Pavco, Executive Director, Housing Development Partners, the Housing Commission's nonprofit affiliate, presented the request for approval.

Motion by Vice Chair Spoon to take the following staff-recommended action. Seconded by Commissioner Urtasun and passed by a vote of 5-0:

That the San Diego Housing Commission (Housing Commission) recommend that the Housing Authority of the City of San Diego (Housing Authority) take the following actions:

- 1) Approve the developer's request to provide an additional \$3,300,000 consisting of grant and loan funds, to HDP Churchill L.L.C. (HDP L.L.C.), from sources as detailed in this report, for the affordable housing rehabilitation of Hotel Churchill;
- 2) Execute a U.S. Department of Housing and Urban Development (HUD) Moving-to-Work (MTW) new grant and related funding documents, as and to the extent determined advisable by the Executive Vice President and Chief Operating Officer (Executive Vice President) of the Housing Commission upon the advice of General Counsel of the Housing Commission, to reflect new MTW funding as referenced within Recommendation 4.b. below;
- 3) Execute new and/or revised loan agreements for new local funds as proposed and as referenced within Recommendation 4.b. below; and
- 4) Authorize the Executive Vice President, or designee, to:
 - a. Execute any and all documents and to perform such acts as are necessary or appropriate to implement these approvals, including without limitation the execution of the final agreements contemplated in the items approved by this action, upon the advice and consent of the General Counsel; and
 - b. Adjust financing terms/conditions as necessary for consistency with requirements of other funding sources or to accommodate market changes that may occur after approval of this report but before close of escrow. The following funding amounts may not increase without Housing Commission approval: the proposed revised \$9,289,800 maximum MTW grants; the proposed \$2,306,609 maximum Housing Commission local funds loan as referenced within this report; the maximum Housing Commission \$3,800,000 previously approved loan (consisting of \$2,900,000 in HUD HOME



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Investment Partnerships Program (HOME) funds granted to the City of San Diego (City) and administered by the Housing Commission, and \$900,000 of City Inclusionary Affordable Housing Funds or Single-Room Occupancy (SRO) Inclusionary In-Lieu funds).

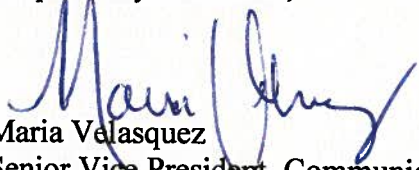
104 HCR15-006 Workshop & Discussion: San Diego Housing Commission Proposed Fiscal Year 2016 Budget

Leslie Levinson, Vice President, and Chief Financial Officer, Financial Services Department, and Tracey McDermott, Director of Grants and Compliance, Financial Services Department, presented an informational staff report about the proposed Fiscal Year 2016 Budget for the San Diego Housing Commission (Housing Commission). No action was taken on this item.


ADJOURNMENT:

Chair Gramling adjourned the Special Meeting at 11:55 a.m.

Respectfully submitted,


Maria Velasquez
Senior Vice President, Communications
and Legislative Affairs
& Chief Communications Officer
San Diego Housing Commission

Approved by,


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