



SAN DIEGO
HOUSING
COMMISSION

MINUTES

SAN DIEGO HOUSING COMMISSION
MINUTES OF THE REGULAR MEETING
MARCH 9, 2018
SMART CORNER
4th FLOOR CONFERENCE ROOM
1122 BROADWAY
SAN DIEGO, CALIFORNIA 92101

ATTENDANCE

Present:

Vice Chair Dorothy Surdi
Commissioner Stefanie Benvenuto
Commissioner Margaret Davis
Commissioner Ben Moraga
Commissioner Tim Walsh
General Counsel Charles Christensen

Absent:

Chair Frank Urtasun
Commissioner Kellee Hubbard
President & CEO Richard C. Gentry

10 CALL TO ORDER

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

20 NON-AGENDA PUBLIC COMMENT

Katheryn Rhodes spoke about unrestricted funds.
Martha Welch spoke about housing.
Joy Sunyata spoke about homelessness.

30 COMMISSIONER COMMENTS

There were no Commissioner comments.

40 REPORT BY PRESIDENT & CHIEF EXECUTIVE OFFICER

City Council Approves Housing SD Plan

On March 6, 2018, the San Diego City Council approved actions proposed by Mayor Kevin Faulconer through his "Housing SD" Plan to expedite the construction of additional affordable housing.



Regular Meeting Minutes of March 9, 2018

Executive Vice President & Chief of Staff Jeff Davis said that President & CEO Gentry participated in a news conference on February 28, 2018, with Mayor Faulconer in support of these proposals. As part of the Mayor's "Housing SD Plan," the City Council approved changes to the City's Affordable Housing Density Bonus Program and the 11th Land Development Code to encourage the creation of more housing and streamline the development process. The recommended actions in the San Diego Housing Commission's report, "Addressing the Housing Affordability Crisis: An Action Plan for San Diego" align with many of the proposals in the Mayor's "Housing SD Plan."

50 APPROVAL OF THE MINUTES

The minutes of the Regular Housing Commission meeting of February 9, 2018, and the Special Housing Commission meeting of February 9, 2018, were approved on a motion by Commissioner Walsh, seconded by Commissioner Benvenuto, and passed by a vote of 4-0. Commissioner Davis abstained.

CONSENT AGENDA:

Katheryn Rhodes commented in opposition to Consent Item 102.

Motion by Commissioner Benvenuto to approve items 100, 101, 102 and 103 on consent. Seconded by Commissioner Walsh and passed by a vote of 5-0.

100 HCR18-035 2018-2019 Procurement of Property Insurance Coverage

That the San Diego Housing Commission (Housing Commission) approve the procurement and binding of property insurance coverage for the Housing Commission from the California State Association of Counties Excess Insurance Authority (CSAC EIA) in an amount not to exceed \$317,517 with effective dates of March 31, 2018, to March 31, 2019.

101 HCR18-032 Application for Mortgage Credit Certificate Allocation

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 submission of an application and payment of required application fee to the California Debt Limit Allocation Committee (CDLAC) for a Mortgage Credit Certificate (MCC) Program allocation of up to \$25 million;
2. If the Housing Commission receives less than a \$25 million allocation, authorize staff to submit additional MCC applications to CDLAC in 2018 up to the approved \$25 million in total allocation;



Regular Meeting Minutes of March 9, 2018

3. Approve recommended increase to the MCC application fee, as detailed in the summary of this report;
4. Authorize the President and Chief Executive Officer (President & CEO), or designee, to:
 - a) Execute any and all documents necessary to effectuate the transaction and implement the project in a form approved by General Counsel, and to take such actions as are necessary, convenient and/or appropriate to implement the approvals upon advice of General Counsel; and
 - b) Further authorize the President & CEO, or designee, to take such actions as are necessary, convenient and/or appropriate to implement this approval and delegation of authority by the Housing Commission upon advice of General Counsel.

102 HCR18-040 Fiscal Year 2019 Moving to Work Annual Plan Approval

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

1. Approve the Fiscal Year (FY) 2019 Moving to Work (MTW) Annual Plan; 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.

103 HCR18-029 Authorization to Transfer Title of Via Las Cumbres Apartments from the Housing Authority of the City of San Diego to the San Diego Housing Commission

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).

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

1. Transfer title to the property known as Via Las Cumbres Apartments, described below, from the Housing Authority of the City of San Diego (Housing Authority) to the Housing Commission for the sum of \$1 per unit, or for a total of \$120, similar to the 2007 conversion of the public housing units to non-federally subsidized units:

ALL OF THE LAND REFERRED TO HEREIN BELOW IS SITUATED IN THE CITY OF SAN DIEGO, IN THE COUNTY OF SAN DIEGO, STATE OF CALIFORNIA, AND IS DESCRIBED AS FOLLOWS



Regular Meeting Minutes of March 9, 2018

PARCEL A: APN 431-731-01, 02 & 13

LOTS 1, 2 AND 40, OF UNIVERSITY CANYON, IN THE CITY OF SAN DIEGO, COUNTY OF SAN DIEGO, STATE OF CALIFORNIA, ACCORDING TO MAP THEREOF 10694, FILED IN THE OFFICE OF THE COUNTY RECORDER OF SAN DIEGO COUNTY, AUGUST 9, 1983.

PARCEL B: APN 431-731-27 THRU 29

PARCELS 1, 2 AND 3 OF PARCEL MAP NO. 20296, IN THE CITY OF SAN DIEGO, COUNTY OF SAN DIEGO, STATE OF CALIFORNIA, FILED IN THE OFFICE OF THE COUNTY RECORDER OF SAN DIEGO COUNTY, JULY 11, 2007 AS INSTRUMENT NO. 2007-0465645 OF OFFICIAL RECORDS.

2. Authorize Executive Director of the Housing Authority and the President and Chief Executive Officer (President & CEO) of the Housing Commission to execute any and all documents necessary to effectuate the transfer of title from the Housing Authority to the Housing Commission and to accept such transfer;
3. Authorize the Executive Director of the Housing Authority and President & CEO of the Housing Commission to take such actions as are necessary to amend the Declaration of Trust to substitute the new owner, the Housing Commission, for the previous owner, the Housing Authority;
4. Authorize the Executive Director of the Housing Authority, or designee, to execute a grant deed to the Housing Commission providing that at such time as the Property ceases to be utilized for affordable housing, it shall revert to the Housing Authority;
5. Authorize the President, or designee, to execute an acceptance of the grant deed concerning the property;
6. Authorize both the Executive Director and the President to perform any and all acts necessary or appropriate to implement the approvals contemplated by these actions, upon advice of the General Counsel of the Housing Commission.



Regular Meeting Minutes of March 9, 2018

ACTION AGENDA:

104 HCR18-030 Approval of Contract between San Diego Housing Commission and a Contractor to operate the Transitional Storage Center at 116 South 20th Street, San Diego, California 92113

General Counsel Christensen read into the record the following technical changes to the staff report:

- On Page 1, the Council District was changed to District 8.
- On Page 3, under item “a,” the text was modified to state the following:

Provide Environmental Services cleanup of the exterior of the Premises; the regularity of cleaning shall be evaluated throughout the term of the operation of the Center and increased or decreased accordingly based on need.

- The staff report also stated that the Housing Commission will provide reimbursements to the City of San Diego. Instead, if approved by the Housing Authority and the City Council, the Housing Commission will transfer the money necessary for the City of San Diego to make lease payments for Fiscal Year 2018 upon approval by the Housing Authority and City Council.

Debra Fischle-Faulk, Vice President of Procurement & Compliance, and Lisa Jones, Director of Housing First Administration, presented the request for approval.

Testimony in support by Jonathan Herrera, Kim Mitchell, Andre Simpson, Paul De Lessio, Amy Gonyeau, Matt Armstrong, Carlos Quezada, Linda Pennington, Jonathon Castillo, Patricia Moore, Esperanza Gonzales, Paul Connelly and Alexandra Berenter.

Testimony in opposition by Richard Walker, Lannon Turowski, Ralph Hughes, Neil Jose Wilkinson, Christian Ramirez, Randolph Navarro, Michele Navarro, Mark Harpin, Connie Zuniga, Rene Guzman, Ashley Ziegans, George Blackwood, Noel Bishop, Kristin Dennis, Damon Stannard, Robert Leif, Rafael Perez, Cheri T., Rita Verdin, Marta Flores and, Rene Mathis.

Vice Chair Surdi recessed the meeting at 10:50 a.m. for a break and reconvened at 10:58 a.m.

Motion by Commissioner Benvenuto to take the following staff-recommended actions with a recommendation to further engage the surrounding community to commit to working with the residents to include and incorporate community feedback. Seconded by Commissioner Walsh. The vote was 3-1 (Commissioner Davis opposed), with Vice Chair Surdi abstaining, in support of the staff recommendations. Because fewer than 4 members of the Board of Commissioners (Board) voted in favor of the staff recommendations, this item will be forwarded to the Housing Authority of the City of San Diego and the San Diego City Council without a recommendation from the Board.



Regular Meeting Minutes of March 9, 2018

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

City Council:

Authorize the execution of a First Amendment to the Memorandum of Understanding between the City of San Diego and the Housing Commission for the City of San Diego Temporary Bridge Shelters to also address the duties of the parties concerning the Transitional Storage Center (Center) at 116 South 20th Street, San Diego, California 92113 (Premises), as approved by General Counsel for the Housing Commission and the Office of the City Attorney.

Housing Authority:

1. Approve a one-year agreement, with two one-year options to extend at the Housing Commission's sole discretion, for a total term of 3 years, if and when all options are exercised with Mental Health Systems (MHS) to operate the Center on terms and conditions as set forth in the agreement, which is attached hereto as Attachment No. 1 (Agreement), as it may be amended upon advice of General Counsel of the Housing Commission; approval of the Agreement shall be contingent on City Council's approval of the City's lease agreement for rental of the Premises;
2. Authorize the President and Chief Executive Officer (President & CEO), or delegated designee, to execute the Agreement and any and all other documents and agreements that are necessary to implement these approvals;
3. Authorize the execution of a First Amendment to the Memorandum of Understanding between the City of San Diego and the Housing Commission for the City of San Diego Temporary Bridge Shelters to also address the duties of the parties concerning the Center, which is attached hereto as Attachment No. 2, and as it may be amended upon advice of General Counsel for the Housing Commission and the Office of the City Attorney;
4. Authorize the President & CEO to take such actions as are reasonably necessary to implement the approvals referenced in this report;
5. Authorize the amendment of the Housing Commission FY 2018 Budget to allow for the funding of the operation of the Center with Contractor, funding for a construction agreement for initial tenant improvements at the Premises, and funding for the payment of lease payments for the lease to be entered into by the City of San Diego for the Center, with the expressed understanding that the Successor Agency or City of San Diego, as appropriate, will approve the transfer of funds from the Low-Moderate Housing Fund or any other eligible funds, as determined by the City of San Diego, to backfill the costs advanced by the Housing Commission for the Temporary Bridge Shelter Programs, funding of the lease for the Center, and funding for the Agreement – the total expected funding is set forth in Attachment No. 3; and,
6. Authorize the President & CEO to substitute funding sources and/or increase funding amounts for services provided under the Agreement for the operation of the Center, under



SAN DIEGO
HOUSING
COMMISSION

Regular Meeting Minutes of March 9, 2018

the construction agreement for initial tenant improvements at the Premises, and for the payment of lease payments for the lease agreement to be entered into by the City of San Diego for the Premises by not more than 20 percent of the original amount allocated herein, if necessary, without further action of the Housing Commission or Housing Authority, but only if and to the extent that such funds are determined to be available for such purposes and when it is determined to be in the best interests of the Housing Commission.

ADJOURNMENT:

Vice Chair Surdi adjourned the Regular Meeting at 11:22 a.m.

Respectfully submitted,

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

Approved by,

Jeff Davis
Executive Vice President & Chief of Staff
San Diego Housing Commission