



SAN DIEGO
HOUSING
COMMISSION

AGENDA

SAN DIEGO HOUSING COMMISSION
REGULAR MEETING AGENDA
FEBRUARY 8, 2019, 9:00 A.M.
SMART CORNER
4TH FLOOR CONFERENCE ROOM
1122 BROADWAY
SAN DIEGO, CALIFORNIA 92101

Chair Stefanie Benvenuto
Vice Chair Ryan Clumpner
Commissioner Margaret Davis
Commissioner Johanna Hester
Commissioner Kellee Hubbard
Commissioner Frank Urtasun
Commissioner Tim Walsh

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Questions Regarding Agenda Items: For specific questions regarding any item on the San Diego Housing Commission agenda, please contact SDHCdocketinfo@sdhc.org or (619) 578-7550. Internet access to agendas and reports is available at www.sdhc.org/governance-legislative-affairs/housing-authority-of-the-city-of-san-diego/meeting/.

ITEMS

10 CALL TO ORDER

20 NON-AGENDA PUBLIC COMMENT

At this time, individuals may address the San Diego Housing Commission (Housing Commission) on any subject in its area of responsibility that is not presently pending before the Housing Commission. Communications are limited to three minutes. Pursuant to the Brown Act, the Housing Commission can take no action. Please fill out a Speaker Request Form and submit it to the secretary prior to the meeting.

30 COMMISSIONER COMMENTS

40 REPORT BY THE PRESIDENT & CHIEF EXECUTIVE OFFICER



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50 APPROVAL OF THE MINUTES

January 11, 2019, Regular Meeting

ADOPTION AGENDA – CONSENT

Members of the public may cause an item to be pulled from the Consent Agenda by submitting a Speaker Request Form prior to the meeting. The item will then be discussed separately, and public testimony will be taken.

All of the actions of the Housing Commission Board listed in the agenda are final seven days after Housing Commission Board action unless the Housing Authority of the City of San Diego asks to review the decision of the Housing Commission Board within the seven day period.

100 HCR19-022 Approval of the Contract between the San Diego Housing Commission and Simon Landscape Architecture to perform Engineering/Landscape Architecture Design Services

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

- 1) Approve the award of a five-month agreement with Simon Landscape Architecture in an amount not to exceed \$324,800 with no renewal options; and
- 2) Authorize the President & Chief Executive Officer (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.

101 HCR19-023 Amendment to Plumbing Maintenance and Repair Services Agreement No. PM-18-09

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

- 1) Approve Amendment 1 (Attachment 1) to increase the annual maximum contract amount with GPS Plumbing in the first contract year (February 1, 2018 – January 31, 2019) from \$499,000 to \$599,000 for plumbing maintenance and services at San Diego Housing Commission–owned and/or managed properties in the City of San Diego. The original contract amounts for the following four one-year options to renew at the Housing Commission’s discretion shall remain intact;
- 2) Authorize the President & Chief Executive Officer (President & CEO), or designee, to substitute the funding sources with other available funding sources provided that the total



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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; and

- 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.

102 [HCR19-006 Final Bond Authorization for Harbor View Apartments](#)

Requires Housing Authority and City Council Approval

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:

Housing Authority:

Authorize the issuance of up to \$10,000,000 in tax-exempt Multifamily Housing Revenue Bonds to facilitate Harbor View SD Partners, L.P.'s acquisition and rehabilitation of Harbor View Apartments, a 60-unit development, located at 404 North 47th Street, San Diego, in the Encanto community planning area, which will remain affordable for 55 years.

City Council:

Hold a Tax Equity Fiscal Responsibility Act (TEFRA) hearing, and adopt a resolution approving the issuance of Multifamily Housing Revenue Bonds in an amount up to \$10,000,000.

103 [HCR19-015 Intercreditor Agreement for the Veterans Village of San Diego Campus at 4141 Pacific Highway \(Phases I – V\)](#)

The seven day advance notice of San Diego Housing Commission's hearing of this matter is being provided to the Housing Authority Members pursuant to the provisions of San Diego Municipal Code Section 98.0301(e)(4)(A) and (B).

That the San Diego Housing Commission (Housing Commission) take the following actions, as described in this report:

1. Approve an Intercreditor Agreement capturing modifications to the of Declarations of Covenants, Conditions and Restrictions and Loan Agreements (Governing Instruments) concerning the Veterans Village of San Diego (VVSD) owned property at 4141 Pacific Highway (Phases I – V) to allow occupancy by individuals experiencing homelessness with income up to 80 percent of the San Diego Area Median Income (AMI), in certain



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circumstances, and to allow non-veterans to occupy the units that are the subject of the Governing Instruments, as approved by the Housing Commission, on an ad hoc basis; and

2. Authorize the Housing Commission President and Chief Executive Officer (President & CEO), or designee, to execute any and all documents that are necessary to effectuate the Intercreditor Agreement and implement these approvals in a form approved by General Counsel, and to take such actions as are necessary, convenient, and/or appropriate to implement these approvals upon advice of General Counsel.

104 [HCR19-016 Approval of Contract renewal between San Diego Housing Commission and Mental Health Systems \(MHS\) to operate the City of San Diego's Transitional Storage Center, currently known as the Storage Connect Center, at 116 South 20th Street, San Diego, California 92113](#)

Requires Housing Authority Approval

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 a two-month extension of the contract term for the current Agreement (Attachment No. 1) with Mental Health Systems, Inc. (MHS), for the operation of the City of San Diego's Transitional Storage Center, currently known as the Storage Connect Center (Center), at 116 South 20th Street, San Diego, California 92113 (Premises), for an amended term of May 14, 2018, through June 30, 2019, and a corresponding amendment to the contract budget to accommodate the two additional operating months in the amended term at current capacity of 500 storage units at any one time for an adjusted budget of \$1,426,729.26 (an addition of \$160,084.26 for the extension) (Attachment 2);
2. Approve the execution of the first one-year renewal option and third amendment of the Agreement with Mental Health Systems (MHS), contingent on necessary City of San Diego approvals, if any, to operate the Center for a term of July 1, 2019, through June 30, 2020, with a corresponding budget at current capacity of 500 storage units at any one time with an annual budget amount of \$1,190,828.40, on terms and conditions as set forth in the agreement, which is attached hereto as Attachment No. 3, as it may be amended upon advice of General Counsel of the Housing Commission;
3. 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;
4. Authorize the President & CEO to take such actions as are reasonably necessary to implement the approvals referenced in this report;



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5. Authorize the allocation and expenditure of funds in the Fiscal Year 2020 Housing Commission budget to support the payment of building lease costs for the lease to be renewed by the City of San Diego for the Center (Attachment No. 4), from July 1, 2019, through June 30, 2020. The total expected funding is set forth in Attachment No. 5, and,
6. Authorize the President & CEO, or delegated designee, to substitute funding sources and/or increase funding amounts for services provided under the Agreement for the operation of the Center 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.

105 [HCR19-017](#) [Loan Recommendation for the Ivy Senior Apartments](#)

The seven day advance notice of San Diego Housing Commission's hearing of this matter is being provided to the Housing Authority Members pursuant to the provisions of San Diego Municipal Code Section 98.0301(e)(4)(A) and (B).

That the San Diego Housing Commission (Housing Commission) take the following actions, as described in this report:

1. Approve a Housing Commission residual receipts loans in an amount not to exceed \$6,500,000 to Mt. Alifan Apartments L.P. a California limited partnership formed by Wakeland Housing & Development (Wakeland), and a tax credit investor to finance the development of the Ivy Senior Apartments, a 53-unit affordable rental housing development to be located at 5858 Mt. Alifan Drive, San Diego, 92111, which will include 52 units that will remain affordable for 55 years.. The proposed loan would be contingent upon the developer receiving all necessary third-party funding commitments as referenced in this report. Third party funding commitments would be subject to the Housing Commission's General Counsel's approval.
2. Authorize the President and Chief Executive Officer (President & CEO) of the Housing Commission, or designee:
 - a. To execute all necessary documents and instruments 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;
 - b. To adjust financing terms/conditions as necessary for consistency with requirements of other funding sources or to accommodate market changes that may occur, provided that the proposed \$6,500,000 maximum Housing Commission loan amount may not increase; and



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- c. To substitute approved funding sources with any other available funds as deemed appropriate, contingent upon budget availability, and 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.

106 [HCR19-018](#) [Loan Recommendation for Hollister](#)

The seven day advance notice of San Diego Housing Commission's hearing of this matter is being provided to the Housing Authority Members pursuant to the provisions of San Diego Municipal Code Section 98.0301(e)(4)(A) and (B).

That the San Diego Housing Commission (Housing Commission) take the following actions, as described in this report:

1. Approve a Housing Commission residual receipts loan in an amount not to exceed \$4,860,000 to Hollister Apartments, LP to finance the proposed rehabilitation of a motel located at 1010 Outer Road, San Diego, CA 92154, to create 82 units of permanent supportive housing for individuals experiencing homelessness, which will remain affordable for 55 years, and one unrestricted manager's unit;

The Housing Commission's proposed loan would be contingent upon the developer receiving all necessary third-party funding commitments, including a California Tax Credit Allocation Committee (TCAC) award of 9 percent tax credits, as well as additional funds from other third-party sources as described in this report.

2. Authorize the President and Chief Executive Officer (President & CEO) of the Housing Commission, or designee:
 - a. To execute all necessary documents and instruments 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;
 - b. To adjust financing terms/conditions as necessary for consistency with requirements of other funding sources or to accommodate market changes that may occur, provided that the proposed \$4,860,000 maximum Housing Commission loan amount may not increase; and
 - c. To substitute approved funding sources with any other available funds as deemed appropriate, contingent upon budget availability, and 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.



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107 [HCR19-019](#) [Loan Recommendation for Trinity Apartments](#)

The seven day advance notice of San Diego Housing Commission’s hearing of this matter is being provided to the Housing Authority Members pursuant to the provisions of San Diego Municipal Code Section 98.0301(e)(4)(A) and (B) concerning staff recommendation No. 1 only.

That the San Diego Housing Commission (Housing Commission) take the following actions, as described in this report:

1. Approve a Housing Commission residual receipts loan in an amount not to exceed \$700,000 to Wakeland Trinity Place, LP to finance the new construction development of 74 units at 4445 Glacier Avenue, San Diego, CA 92120, of which 73 units for seniors experiencing homelessness will remain affordable for 55 years.

The Housing Commission’s proposed loan would be contingent upon the developer receiving all necessary third-party funding commitments, including a California Tax Credit Allocation Committee (TCAC) award of 9 percent tax credits, as well as additional funds from other third party sources as described in this report.

2. Authorize the President and Chief Executive Officer (President & CEO) of the Housing Commission, or designee:
 - a. To execute all necessary documents and instruments 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;
 - b. To adjust financing terms/conditions as necessary for consistency with requirements of other funding sources or to accommodate market changes that may occur, provided that the proposed \$700,000 maximum Housing Commission loan amount may not increase; and
 - c. To substitute approved funding sources with any other available funds as deemed appropriate, contingent upon budget availability, and 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.



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108 [HCR19-014 Workshop & Discussion: San Diego Housing Commission Administrative Services](#)

NO ACTION IS REQUIRED ON THE PART OF THE HOUSING COMMISSION

An informational workshop will be presented to provide an overview of the San Diego Housing Commission Administrative Services Division that includes Procurement, Grants & Special Programs, and Section 3/Equal Opportunity Contracting/Labor Compliance. The workshop will provide the regulatory guidelines, roles and responsibilities and share outcomes. No action will be taken on this item.

109 [HCR19-020 Workshop & Discussion: Fiscal Year 2020 Moving to Work Annual Plan](#)

NO ACTION IS REQUIRED ON THE PART OF THE HOUSING COMMISSION

An informational workshop will be held on the Fiscal Year 2020 Moving to Work (MTW) Annual Plan. No action is required.

The San Diego Housing Commission (Housing Commission) is one of only 39 public housing authorities nationwide (out of 3,400) to receive an MTW designation from U.S. Department of Housing and Urban Development (HUD). As a result, the Housing Commission has the ability to seek HUD approval to implement a variety of innovative new approaches to provide affordable housing assistance and other services to low-income families within the City of San Diego. Housing Commission staff is developing the Fiscal Year 2020 MTW Annual Plan (Plan) in accordance with HUD regulations, to seek HUD approval. This plan includes the proposal of a Landlord Partnership Program initiative to incentivize landlords to lease units to the Housing Commission's Section 8 Housing Choice Voucher (HCV) rental assistance families. It also includes a reproposal of "The Monarch School Project," a local, non-traditional, tenant-based rental assistance program in partnership with the Monarch School, to offer affordable housing solutions to families experiencing homelessness that have school-aged children. The Plan includes a description of the proposed initiatives and how performance will be measured and tracked. In addition to providing information on the draft Plan, the workshop will share some of the successes achieved through the Housing Commission's MTW flexibility.



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CLOSED SESSION

- I. **Announcement by Counsel of the Matters to be discussed in Closed Session and the basis upon which each will be discussed, as referenced within the Brown Act.**
- II. **Public Testimony and Comment, if any, concerning any matter on the Closed Session Agenda.**
- III. **Commissioner comments, if any.**
- IV. **Commission will convene in closed session to consider the following agenda:**

- A. **CONFERENCE WITH LEGAL COUNSEL - EXISTING LITIGATION pursuant to subdivision (c) of section 54954.5 of the Government Code and pursuant to subdivision (d)(1) of section 54956.9:**

One (1) matter:

SDHC vs. APR Construction, Inc.; Eric Scarbrough, Superior Court of California, County of San Diego, Case No. 37-2016-00011386-CU-BC-CTL consolidated with 37-2018-00009966-CU-BC-CTL.

Counsel will seek direction from the Board concerning potential settlement of the foregoing consolidated cases.

- V. **Announcement of Actions Taken in Closed Session.**
- VI. **Adjournment.**

ADJOURNMENT