



SAN DIEGO
HOUSING
COMMISSION

MINUTES

**SAN DIEGO HOUSING COMMISSION
MINUTES OF THE SPECIAL MEETING
APRIL 11, 2019
SMART CORNER
4th FLOOR CONFERENCE ROOM
1122 BROADWAY
SAN DIEGO, CALIFORNIA 92101**

ATTENDANCE

Present:

Chair Stefanie Benvenuto
Commissioner Ryan Clumpner
Commissioner Margaret Davis
President & CEO Richard C. Gentry
General Counsel Charles Christensen

Absent:

Commissioner Johanna Hester
Commissioner Kellee Hubbard
Commissioner Frank Urtasun
Commissioner Tim Walsh

10 CALL TO ORDER

Chair Benvenuto called the Special Meeting to order at 9:09 a.m.

20 NON-AGENDA PUBLIC COMMENT

Justin Kehr spoke about the Plaza Hotel.

30 COMMISSIONER COMMENTS

There were no Commissioner comments.

40 REPORT BY PRESIDENT & CHIEF EXECUTIVE OFFICER

Grand Opening of COMM22 – Habitat for Humanity partnership

A San Diego Housing Commission (Housing Commission) partnership with San Diego Habitat for Humanity culminated in homeownership for four families at the COMM22 Community in Logan Heights. San Diego City Councilmember Vivian Moreno, former City Councilmember David Alvarez and the Housing Commission Chair Stefanie Benvenuto participated in the March 23, 2019, ceremony to welcome these four families to their new townhomes. This first phase of



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the development consisted of four townhomes. When construction of all three phases is complete, the project will provide 11 townhomes for families. The Housing Commission committed up to \$770,000 in loan funding through its First-Time Homebuyer Program to help eligible families with income up to 80 percent of the San Diego Area Median Income buy these homes.

International Housing Group Visits SDHC

The Housing Commission hosted a group of housing professionals from the United Kingdom who recently visited Southern California. On March 13, 2019, President & CEO Gentry and the Housing Commission's senior leadership team met with close to 20 members of The Chartered Institute of Housing South East to discuss their respective programs to create and preserve affordable housing and address homelessness. The Chartered Institute group took a bus tour of Housing Commission affordable housing partnership developments and toured the award-winning rehabilitation of the historic Hotel Churchill, as well as the SDHC Achievement Academy, a learning and resource center and computer lab with programs that emphasize career planning, job skills and personal financial education.

Introductions of new Vice Presidents

President & CEO Gentry introduced two new Housing Commission Vice Presidents. Vice President of Rental Assistance Carrie Bell oversees Rental Assistance programs, services, and activities, under the leadership of Senior Vice President of Rental Assistance & Workforce Development Azucena Valladolid. Vice President of Housing First Programs Deanna Villanueva oversees three initiatives of HOUSING FIRST – SAN DIEGO, the Housing Commission's homelessness action plan, under the leadership of Senior Vice President of Homeless Housing Innovations Lisa Jones. Vice Presidents Bell and Villanueva earned their promotions through hard work and leadership that has been instrumental to the effectiveness of their departments.

50 APPROVAL OF THE MINUTES

The minutes of the Regular Housing Commission meeting of March 8, 2019, were approved on a motion by Commissioner Davis, seconded by Commissioner Clumpner, and passed by a vote of 3-0.

ACTION AGENDA:

100 HCR19-033 Homeless Emergency Aid Program (HEAP) Funded Rapid Rehousing Programs

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

Lisa Jones, Senior Vice President, Homeless Housing Innovations, and Marley Williams, Senior Programs Analyst, Homeless Housing Innovations, presented the request for approval.



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Motion by Commissioner Clumpner to take the following staff recommended actions, with an amendment to staff recommendation 5 to allow staff to present the proposed Memorandum of Understanding between the Housing Commission and City of San Diego regarding HEAP funding, as well as the additional staff recommended actions on this item, directly to the Housing Authority of the City of San Diego and the San Diego City Council without further action by the Housing Commission Board of Commissioners. Seconded by Commissioner Davis and passed by an advisory vote of 3-0.

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

- 1) Authorize the Housing Commission to enter into a one-year contract with People Assisting the Homeless (PATH) in the amount of \$454,726 to fund the Homeless Emergency Aid Program (HEAP) funded agreement to operate a Rapid Rehousing program for the term of May 1, 2019, to April 30, 2020, with a one-year option to extend to April 30, 2021;
- 2) Authorize the Housing Commission to enter into a one-year contract with Home Start Inc. (Home Start) in the amount of \$454,726 to fund the HEAP funded agreement to operate a Rapid Rehousing program for the term of May 1, 2019, to April 30, 2020, with a one-year option to extend to April 30, 2021;
- 3) Authorize the Housing Commission to enter into a one-year contract with The Salvation Army in the amount of \$454,726 to fund the HEAP funded agreement to operate a Rapid Rehousing program for the term of May 1, 2019, to April 30, 2020, with a one-year option to extend to April 30, 2021;
- 4) Authorize the President & CEO, or designee, to execute all necessary documents and instruments that are necessary and/or appropriate to implement these approvals, on terms and conditions approved by the President & CEO, or designee, upon the advice of and in a form approved by General Counsel, and to take such actions necessary and/or appropriate to implement these approvals in accordance and compliance with all applicable laws, rules and regulations;
- 5) Authorize the President & CEO to increase the amount of funding in the initial operating year by not more than 30 percent of the annual operating budget, without increasing the total budget over the potential two-year term of the contract, by increasing the initial term budget amount and reducing the option year budget by the same amount without further action by the Housing Commission Board of Commissioners (Board). The execution of the contracts will be contingent on a Memorandum of Understanding (MOU) between the Housing Commission and the City of San Diego being approved under a separate action by the Housing Authority and the San Diego City Council, detailing the roles and responsibilities of the two



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parties related to the amount of HEAP funding being committed, and the purpose for which it is being committed to the Housing Commission; and

- 6) Authorize the President & CEO to substitute funding sources and/or increase compensation by not more than 20 percent of the total agreement amount for each of the proposed agreements, if necessary, without further action by the Housing Commission Board, but only if and to the extent that funds are determined to be available for such purposes.

101 HCR19-035 Budget and Scope of Work Amendment for the Fiscal Year 2020 Downtown San Diego Partnership Family Reunification Program

Lisa Jones, Senior Vice President, Homeless Housing Innovations, and Deanna Villanueva Vice President of Housing First Programs, Homeless Housing Innovations, presented the request for approval.

Kalei Levy and Ketra Carter spoke in favor.

Motion by Commissioner Davis to take the following staff recommended actions, as amended to state, "That the Housing Authority of the City of San Diego take the actions referenced in staff recommendations 1, 2 and 3." Seconded by Commissioner Clumpner and passed by an advisory vote of 3-0.

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 \$450,000 from Homeless Emergency Aid Program (HEAP) funding to be allocated as follows:
 - a. \$90,000 for the contract term of July 1, 2018, to June 30, 2019;
 - b. \$360,000 for the contract term of July 1, 2019, to June 30, 2020;
- 2) Authorize the 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. The execution the contract amendment will be contingent on a Memorandum of Understanding (MOU) between the Housing Commission and the City of San Diego being approved under a separate action by the Housing Authority and the San Diego City Council, detailing the roles and responsibilities of the two parties related to the amount HEAP funding being committed, and the purpose for which it is being committed to the Housing Commission; and



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- 3) 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 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.

102 HCR19-031 Preliminary Bond Authorization for Wesley Terrace

Colin Miller, Vice President, Multifamily Housing Finance, Real Estate Division, and Tina Kessler, Housing Programs Manager, Real Estate Division, presented the request for approval.

Motion by Commissioner Davis to take the following staff recommended actions. Seconded by Commissioner Clumpner and passed by an advisory vote of 3-0. The Preliminary Bond Authorization for Wesley Terrace will be presented to the Housing Authority of the City of San Diego and the San Diego City Council without a recommendation from the Housing Commission Board of Commissioners because of a lack of a quorum, resulting in the lack of four votes in favor.

That the San Diego Housing Commission (Housing Commission) recommend that the Housing Authority of the City of San Diego (Housing Authority) and San Diego City Council (City Council) take the following actions, as described in this report.

Housing Authority:

- 1) Approve the following steps to issue Housing Authority tax-exempt Multifamily Housing Revenue Bonds for Wesley Terrace, a 161-unit rental housing development, located at 5343 Monroe Avenue, San Diego 92115, which will include 159 units that will remain affordable for 55 years and two unrestricted managers' units:
 - a. Issue a bond inducement resolution (Declaration of Official Intent) for up to \$24,000,000 in Multifamily Housing Revenue Bonds for the acquisition and rehabilitation of Wesley Terrace by Wesley Terrace Partners, L.P.;
 - b. Authorize an application (and subsequent applications, if necessary) to the California Debt Limit Allocation Committee (CDLAC) for an allocation of authority to issue tax-exempt private activity bonds in an amount up to \$24,000,000 for Wesley Terrace;
 - c. Approve the financing team of Squire Patton Boggs LLP as Bond Counsel and CSG Advisors as Financial Advisor; and
- 2) Authorize the Housing Commission President & Chief Executive Officer (President & CEO), or designee, to execute any and all documents that are necessary to effectuate the transaction and implement these approvals in a form approved by General Counsel and Bond Counsel, and to take such actions as are necessary, convenient, and/or appropriate to implement these approvals upon advice of General Counsel and/or the Bond Counsel.



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City Council:

Hold a Tax Equity and Fiscal Responsibility Act (TEFRA) public hearing and adopt a resolution approving the issuance of Multifamily Housing Revenue Bonds in an amount up to \$24,000,000 for the acquisition and rehabilitation of Wesley Terrace.

103 HCR19-024 Proposed Fiscal Year 2020 Affordable Housing Fund Annual Plan

Suket Dayal, Senior Vice President of Business Administration, and Tracey McDermott, Senior Vice President & Chief Financial Officer, Financial Services Department, presented the request for approval.

Motion by Commissioner Davis to take the following staff recommended actions. Seconded by Commissioner Clumpner and passed by an advisory vote of 3-0. The Affordable Housing Fund Annual Plan will be presented to the San Diego City Council without a recommendation from the Housing Commission Board of Commissioners because of a lack of a quorum, resulting in the lack of four votes in favor.

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

1. Recommend that the San Diego City Council (City Council) approve the Proposed Fiscal Year 2020 (FY 2020) Affordable Housing Fund (AHF) Annual Plan (Annual Plan) Program Activity Allocation of \$72,683,923 in anticipated funds (also included in the FY 2020 Housing Commission Proposed Budget) and the proposed Model Programs; and
2. Authorize the President & Chief Executive Officer (President & CEO) of the Housing Commission to reallocate funds among the proposed Model Programs included in the FY 2020 AHF Annual Plan in response to market demands and opportunities.

104 HCR19-036 Workshop & Discussion: San Diego Housing Commission Proposed Fiscal Year 2020 Budget

NO ACTION WAS REQUIRED ON THE PART OF THE HOUSING COMMISSION

Jeff Davis, Executive Vice President and Chief of Staff, and Tracey McDermott, Senior Vice President & Chief Financial Officer, Financial Services Department, presented an informational workshop regarding the proposed Fiscal Year 2020 Budget for the San Diego Housing Commission.

CLOSED SESSION:

The San Diego Housing Commission convened in closed session to consider the following agenda:

- 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.



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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 LABOR NEGOTIATORS pursuant to Government Code section 54957.6:

Agency Representatives: Richard C. Gentry, Jeff Davis, Michael McKenna, Charles B. Christensen and Joel Mason for the San Diego Housing Commission

Employee Organization: Service Employees International Union, Local 221, AFL-CIO

Counsel's Description of General Nature of Closed Session: Agency Representatives will seek direction from the Commission concerning labor negotiations.

V. Announcement of Actions Taken in Closed Session.

No action was taken. This matter was informational only.

Closed session items were introduced in open session at 10:37 a.m. and members of the public were given the opportunity to make public comment on the matters before the Housing Commission convened in closed session. No public comments were made.

ADJOURNMENT:

Chair Benvenuto adjourned the Special Meeting at 10:48 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