

**HOUSING AUTHORITY OF THE CITY OF SAN DIEGO
REGULAR MEETING MINUTES
TUESDAY, OCTOBER 15, 2019
CITY COUNCIL CHAMBERS – 12TH FLOOR**

The Meeting of the Housing Authority of the City of San Diego was called to order at 3:06 p.m.

ATTENDANCE

Present:

Council President Georgette Gómez, District 9
Council President Pro Tem Barbara Bry, District 1
Councilmember Jennifer Campbell, District 2
Councilmember Chris Ward, District 3
Councilmember Monica Montgomery, District 4
Councilmember Mark Kersey, District 5
Councilmember Chris Cate, District 6
Councilmember Scott Sherman, District 7

Not present:

Councilmember Vivian Moreno, District 8

APPROVAL OF HOUSING AUTHORITY MINUTES:

The minutes of the Regular Housing Authority meeting of October 1, 2019, were approved on a motion by Councilmember Ward, seconded by Councilmember Sherman, and passed by a vote of 8-0.

NON-AGENDA PUBLIC COMMENT

Izean Rim commented on housing.
Martha Welch commented on housing.

DISCUSSION AGENDA:

ITEM 1: HAR19-031 Final Bond Authorization for 14th & Commercial Apartments

Colin Miller, Vice President, Multifamily Housing Finance, San Diego Housing Commission, and Joe Correia, Senior Real Estate Project Manager, San Diego Housing Commission, presented the request for approval.

Bill Bolstad commented in favor.

Motion by Councilmember Ward to approve the staff-recommended actions. Seconded by Councilmember Sherman and passed by a vote of 8-0.

That the Housing Authority of the City of San Diego (Housing Authority) authorize the issuance of up to \$101,000,000 in Multifamily Housing Revenue Bonds/note to facilitate 14th and Commercial CIC L.P.'s new construction of 14th and Commercial Apartments, which will consist of three managers' units and 323 affordable rental housing units located at 1 14th Street, San Diego, that will remain affordable for 55 years, of which 93 units will be for low- and very low-income tenants and 230 units will be permanent supportive housing for very low- and low- income individuals experiencing homelessness in the City of San Diego who will receive assistance through the Project-Based Housing Voucher program, who meet income criteria, and who are identified as most appropriate for permanent supportive housing through the Coordinated Entry System.

ITEM 2: HAR19-032 Final Bond Authorization for 14C VHHP Apartments

Colin Miller, Vice President, Multifamily Housing Finance, San Diego Housing Commission, and Joe Correia, Senior Real Estate Project Manager, San Diego Housing Commission, presented the request for approval.

Motion by Councilmember Ward to approve the staff-recommended actions. Seconded by Councilmember Sherman and passed by a vote of 8-0.

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

- 1) Authorize the issuance of up to \$22,000,000 in tax-exempt Multifamily Housing Revenue Bonds/note to facilitate 14th and Commercial CIC VHHP L.P.'s new construction of 14C VHHP Apartments, which will consist of one manager's unit and 80 affordable rental housing units located at 1 14th Street, San Diego, that will remain affordable for 55 years, of which 40 units will be for low- and very low-income tenants; 24 units will be permanent supportive housing for very low-income individuals experiencing homelessness in the City of San Diego who will receive assistance through the Project-Based Housing Voucher program, who meet income criteria, and who are identified as most appropriate for permanent supportive housing through the Coordinated Entry System; and 16 units will be permanent supportive housing for very low-income veterans experiencing chronic homelessness in the City of San Diego who will receive assistance through Veterans Affairs Supportive Housing (VASH) Project-Based Housing Vouchers, who meet income and U.S. Department of Veterans Affairs (VA) criteria, and who are identified as most appropriate for permanent supportive housing through the Coordinated Entry System; and
- 2) Authorize the issuance of up to \$2,000,000 in taxable Multifamily Housing Revenue Bonds/note for the 14th and Commercial CIC VHHP L.P.'s construction financing for 14C VHHP Apartments.

ITEM 3: HAR19-041 Approval of the Fiscal Year 2020 Operating Agreement for the City of San Diego Bridge Shelter located at 1710 Imperial Avenue, San Diego, CA 92101 and Amendment to the Memorandum of Understanding Between the City of San Diego and the San Diego Housing Commission for the oversight and administration of the City's Bridge Shelters

Lisa Jones, Senior Vice President, Homeless Housing Innovations, and Casey Nguyen, Director, Housing First Administration, Homeless Housing Innovations, San Diego Housing Commission, presented the request for approval.

Bruce Gregory spoke in opposition.

Haney Hong, Joy Sunyata, Edward Bidwell, Mary Foster, Mark Bingman, Brandon Callahan, Marshall Anderson, Bob McElroy, Martha Welch and Izean Rim, spoke in favor.

Motion by Councilmember Ward to approve the staff-recommended actions as updated in Staff Recommendation 2: *To authorize the execution of an agreement in an amount not to exceed \$2,247,713.38 for an initial operating period of October 16, 2019, through June 30, 2020, and allocate \$208,886 to SDHC for one time supply purchases and administrative expenses consisting of the following funding sources: Homeless Emergency Aid Program funds of \$444,891 and Low Income Lease Revenue funds of \$2,336,625.38 for Fiscal Year 2020 operational and ramp up costs, and an annual operating budget amount for subsequent option years of \$3,050,500 to provide bridge housing and emergency shelter services to persons experiencing homelessness in the City of San Diego, consisting of the following funding sources Homeless Emergency Aid Program (HEAP) funds in the amount of \$444,891 and Low Income Lease Revenue funds in the amount \$2,336,625.38, for Fiscal Year (FY) 2020 operational and ramp-up cost, allocated by SDHC contingent upon the appropriation of said funds by the City of San Diego; and*

Staff Recommendation 4: Authorize the President & CEO of SDHC, or designee, to substitute funding sources and/or increase compensation by not more than 15.5% percent of the total agreement amount for the proposed agreement, if necessary, without further action by the SDHC Board of Commissioners (Board), and appropriate \$325,007 in Low Income Lease Revenue Funds for this purpose, that in the event it is determined necessary to exercise this authority due to unanticipated critical site/operations costs, funds will be available for such purpose.

Seconded by Councilmember Campbell and passed by a vote of 8-0.

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

- 1) Approve an operating agreement with Alpha Project for the Homeless (Alpha Project) for an initial term of October 16, 2019, through June 30, 2020, with two one-year options to renew, to operate the City of San Diego's Bridge Shelter located at 1710 Imperial Avenue, San Diego, CA 92101, on terms and conditions as set forth in the agreement (Agreement), as it may be amended upon advice of General Counsel of the San Diego Housing Commission (Housing Commission);
- 2) Authorize the execution of an agreement with Alpha Project in the amount of \$2,545,863.38 (which includes a ramp-up budget amount of \$150,000, and an initial operating budget amount of \$2,395,863.38) for an initial operating period of October 16, 2019, through June 30, 2020, and an annual operating budget amount for subsequent option years of \$3,508,074 to provide bridge housing and emergency shelter services to persons experiencing homelessness in the City of San Diego, consisting of the following funding sources for the initial operating term: Homeless Emergency Aid Program (HEAP) funds in the amount of \$444,981, and Low Income Lease

Revenue funds in the amount of \$2,336,625.38, for the Fiscal Year (FY) 2020 operational and ramp-up budget, allocated by the Housing Commission contingent upon the appropriation of said funds by the City of San Diego;

- 3) Authorize the President & Chief Executive Officer (President & CEO) of the Housing Commission, or designee, to execute all necessary documents and instruments that are necessary and/or appropriate to implement these approvals, in a form and format approved by General Counsel, and to take such actions necessary and/or appropriate to implement these approvals;
- 4) Authorize the President & CEO of the Housing Commission, or designee, 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; and
- 5) Approve an amendment to the current Memorandum of Understanding between the City of San Diego and the San Diego Housing Commission (Housing Commission) for the oversight and administration of the City's Bridge Shelters to include the new City of San Diego Bridge Shelter located at 1710 Imperial Avenue, San Diego, CA 92101.

Adjournment

Council President Gómez adjourned the Regular Meeting at 4:25 p.m.