



SAN DIEGO
HOUSING
COMMISSION

MINUTES

SAN DIEGO HOUSING COMMISSION
MINUTES OF THE REGULAR MEETING
JANUARY 10, 2020
SMART CORNER
4th FLOOR CONFERENCE ROOM
1122 BROADWAY
SAN DIEGO, CALIFORNIA 92101

ATTENDANCE

Present:

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

Absent:

Commissioner Frank Urtasun

10 CALL TO ORDER

Chair Benvenuto called the Regular Meeting to order at 9:04 a.m.

20 NON-AGENDA PUBLIC COMMENT

Martha Welch spoke about housing.

30 COMMISSIONER COMMENTS

There were no Commissioner comments.

40 REPORT BY PRESIDENT & CHIEF EXECUTIVE OFFICER

City Bridge Shelter Incident Update

President & CEO Gentry provided an update regarding an incident that occurred on December 28, 2020, in front of the City of San Diego's Bridge Shelter at 17th and Imperial Avenue, operated by Alpha Project. Ernest Lee Buchanan, a security guard for Alpha Project, was shot and killed outside the shelter. Mr. Buchanan was returning to work from his meal break when this occurred. San Diego Police announced that they have arrested two individuals in connection with this shooting. Police said this incident does not appear to be connected to the Bridge Shelter. City crisis intervention staff went to the scene after the shooting and have been provided, as needed.



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Benson Place Groundbreaking

On January 7, 2020, a San Diego Housing Commission (Housing Commission) partnership development known as Benson Place celebrated its groundbreaking. This development will transform a former motel into 82 new permanent supportive housing units to address homelessness. CEO Gentry joined San Diego City Councilmember Vivian Moreno and Deacon Jim Vargas of Father Joe's Villages for this event. Benson Place is part of the Housing Commission's homelessness action plan, HOUSING FIRST – SAN DIEGO. The apartments at Benson Place are among the more than 8,400 affordable housing opportunities HOUSING FIRST – SAN DIEGO has created in the last five years for San Diegans experiencing homelessness or at risk of homelessness. The Housing Commission awarded a \$4.8 million loan and 82 federal rental housing vouchers to this development.

U.S. Department of Housing and Urban Development (HUD) Regional Administrator Visits San Diego EnVision Center

HUD Regional Administrator Christopher Patterson visited San Diego on December 18, 2019, to receive an update about the San Diego EnVision Center. The San Diego EnVision Center is collaboration among HUD, the City of San Diego, the Housing Commission, and the San Diego Workforce Partnership. HUD Secretary Ben Carson announced the San Diego EnVision Center on June 7, 2018, and a "soft" opening was held in November 2018. Mr. Patterson presented the Housing Commission with a letter recognizing the San Diego EnVision Center's work.

Inclusionary Housing Ordinance Updates Approved

The San Diego City Council approved updates to the City of San Diego's Inclusionary Housing Ordinance on December 9, 2019. City Council President Georgette Gómez led the effort to update the ordinance. The Housing Commission, as the administrator of the Inclusionary Housing Fund, worked with the Council President's office to secure stakeholder input and analyze potential impacts of the proposed updates. The revised ordinance now requires new residential and mixed-use developments to include 10 percent of on-site rental housing units as affordable to households with income up to 60 percent of the Area Median Income. Alternative methods of complying with the ordinance include paying a fee of \$25 per square foot into the Inclusionary Housing Fund. The new requirements will be phased in over five years, beginning on July 1, 2020.

Bluewater & Stella Grand Opening

On December 2, 2019, two Housing Commission partnership developments that are adjacent to each other celebrated their grand openings. Vice Chair Clumpner spoke on behalf of the Housing Commission at the grand opening ceremony for the Bluewater and Stella developments. Together, these developments provide 158 affordable rental apartments in San Diego's Grantville neighborhood. Of these apartments, 87 units are permanent supportive housing units for individuals and veterans who have experienced homelessness. Housing Commission development funds and federal rental housing vouchers for the Stella development were awarded through HOUSING FIRST – SAN DIEGO. Additional speakers at the grand opening included California State Senate President pro Tempore Toni Atkins, California State Treasurer Fiona Ma, San Diego Mayor Kevin Faulconer, San Diego City Councilmember Scott Sherman, and Jim Silverwood, president of Affirmed Housing, which developed these properties.



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50 APPROVAL OF THE MINUTES

The minutes of the Regular Housing Commission meeting of November 15, 2019, and Special Housing Commission meeting of November 15, 2019, were approved on a motion by Commissioner Davis, seconded by Commissioner Hubbard, and passed by a vote of 5-0.

CONSENT AGENDA:

Motion by Commissioner Hester to approve items 100 and 101 on consent. Seconded by Commissioner Davis and passed by a vote of 5-0.

100 HCR20-012 Award of a Construction Contract for Parking Lot Repairs and Improvements at Selected Sites

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

- 1) Approve the award of a construction contract to Accurate Asphalt & Concrete, Inc. in an amount not to exceed \$469,500 for parking lot repairs and improvements at 19 affordable housing properties owned and/or managed by the Housing Commission, and expend up to a 10 percent contingency (\$46,950), if necessary, for items not anticipated in the original scope of work;
- 2) Authorize the President & CEO, or designee, to substitute the identified contract funding sources with other available funding sources so as long as the total activity budget amount after substitution does not exceed the total approved budget, should the operational need arise or should 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 to take such actions as are necessary and/or appropriate to implement these approvals.

101 HCR20-013 Award of a Contract for Exterior Lighting Replacement at Selected Sites

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

- 1) Approve the award of a construction contract to Huntington Beach Electric, Inc. in an amount not to exceed \$286,990 for exterior lighting replacement light at 27 affordable housing properties owned and/or managed by the Housing Commission, and expend up to a 10 percent contingency (\$28,699), if necessary, for items not anticipated in the original scope of work;



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- 2) Authorize the President & CEO, or designee, to substitute the identified contract funding sources with other available funding sources so as long as the total activity budget amount after substitution does not exceed the total approved budget, should the operational need arise or should 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 to take such actions as are necessary and/or appropriate to implement these approvals.

ACTION AGENDA:

102 HCR20-017 Preliminary Bond Authorization and Loan Recommendation for Hilltop & Euclid Family Housing

Colin Miller, Vice President, Multifamily Housing Finance, Real Estate Division, presented the request for approval.

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

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

Housing Commission:

- 1) Approve a San Diego Housing Commission (Housing Commission) residual receipts loan of up to \$8,550,000 to the borrower Hilltop Family Housing L.P., a California limited partnership formed by Affirmed Housing (Affirmed), to finance the proposed acquisition and new construction of Hilltop & Euclid Family Housing, (Hilltop Family Housing) a 113-unit affordable rental housing development, to be located at 922-944 Euclid Avenue San Diego, CA 92114, which will remain affordable for 55 years.
- 2) The Housing Commission's proposed loan will be contingent upon the developer receiving all necessary third-party funding commitments as described in this report. Such third-party funding commitments will be subject to the Housing Commission General Counsel's approval.

Housing Authority:

That the Housing Authority of the City of San Diego (Housing Authority) take the following actions as described in this report:



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- 3) Approve an application to the California Debt Limit Allocation Committee (CDLAC) for an allocation of authority to issue tax-exempt Multifamily Housing Revenue Bonds in an amount up to \$29,000,000. Issuance of the bonds will require Housing Authority approval at a later date. And approve a bond financing team of Jones Hall as Bond Counsel, and CSG as Bond Financial Advisor.
- 4) Approve the following initial steps to issue Housing Authority tax-exempt Multifamily Housing Revenue Bonds which are allocated by the State of California, for acquisition and new construction of Hilltop Family Housing, including issuance of a bond inducement resolution (Declarations of Official Intent) for up to \$29,000,000 in tax-exempt Multifamily Housing Revenue Bonds with 4 percent tax credits.
 - a. 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 \$8,550,000 maximum loan amount may not increase.
 - b. 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 the General Counsel.
- 5) That the Housing Authority authorize the Housing Commission's President and Chief Executive Officer (President & CEO), or his designee to execute any and all documents necessary to effectuate the transaction and implement the project in a form approved by the General Counsel, and to take such actions as are necessary, convenient, and/or appropriate to implement the approvals upon advice of the General Counsel.

San Diego City Council

Hold a Tax Equity and Fiscal Responsibility Act (TEFRA) public hearing, and adopt a resolution approving the Housing Authority's issuance of tax-exempt Multifamily Housing Revenue Bonds up to \$29,000,000.

103 HCR20-010 Final Bond Authorization for Mission Terrace Apartments

Colin Miller, Vice President, Multifamily Housing Finance, Real Estate Division and J.P. Correia, Senior Real Estate Project Manager, Real Estate Division, presented the request for approval.

Motion by Commissioner Hubbard to take the following staff recommended actions. Seconded by Commissioner Hester 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) authorize the issuance of up to \$12,000,000 in



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Multifamily Housing Revenue Bonds to facilitate Mission Terrace Housing Partners L.P.'s acquisition with rehabilitation of the Mission Terrace Apartments, a 76 unit affordable rental housing development, located at 10210 San Diego Mission Road, San Diego, that will remain affordable for 55 years.

104 HCR20-006 Workshop: Fiscal Year 2021 Moving to Work Annual Plan

NO ACTION WAS REQUIRED ON THE PART OF THE HOUSING COMMISSION

Suket Dayal, Senior Vice President of Strategic Operations and Policy, and Mariangela Patruno Moving to Work Program Administrator, presented a workshop to the San Diego Housing Commission Board of Commissioners on the Fiscal Year 2021 Moving to Work (MTW) Annual Plan.

ADJOURNMENT:

Chair Benvenuto adjourned the Regular Meeting at 9:48 a.m.

Respectfully submitted,

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

Approved by,

Richard C. Gentry
President & CEO
San Diego Housing Commission