



MINUTES

**SAN DIEGO HOUSING COMMISSION
MINUTES OF THE SPECIAL MEETING
MAY 5, 2022
VIDEO CONFERENCE PURSUANT TO
CALIFORNIA GOVERNMENT CODE SECTION 54953(e)**

ATTENDANCE

Present:

Chair Stefanie Benvenuto
Vice Chair Ryan Clumpner
Commissioner Johanna Hester
Commissioner Kellee Hubbard
Commissioner Eugene “Mitch” Mitchell
Interim President & CEO Jeff Davis
General Counsel Charles Christensen

Not present:

Commissioner Melinda K. Vásquez

10 CALL TO ORDER

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

20 NON-AGENDA PUBLIC COMMENT

Toni Greer submitted a written comment about Section 8 rental housing vouchers, which was read into the record.

Jason Booker submitted a written comment about rent increases, which was read into the record.

Francis Peralta commented on the San Diego Housing Commission.

30 COMMISSIONER COMMENTS

There were no Commissioner comments.

40 REPORT BY INTERIM PRESIDENT & CHIEF EXECUTIVE OFFICER

Tizon Development

On April 6, 2022, Interim CEO Davis joined San Diego City Councilmember Marni von Wilpert, developer Affirmed Housing and additional partners for the ceremonial groundbreaking of an affordable housing development in Rancho Bernardo. The Tizon development will convert a former hotel into 175 affordable studio apartments for seniors with low income. When completed, these rental apartments will remain affordable for 55 years for seniors age 62 and older with income up to 60 percent of San Diego’s Area Median Income (AMI), which is currently \$50,940 per year for a single-



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person household. The Housing Commission awarded 44 housing vouchers to help pay the rent for residents with income up to 40 percent of AMI, which is currently \$33,950 per year for a single-person household. The Housing Commission also supported this development with a \$4 million loan that consists of federal HOME funds and the City of San Diego Affordable Housing Fund, both of which the Housing Commission administers. The Housing Commission also authorized the issuance of \$24.9 million in tax-exempt Multifamily Housing Revenue notes for this development.

National Award for SDHC ADU Development Pilot Program

The Housing Commission's Accessory Dwelling Unit (ADU) Development Pilot Program earned the Award of Single-Family Excellence from the National Association of Local Housing Finance Agencies (NALHFA). Their awards program "strives to highlight achievements in local housing finance and encourage other agencies to look for new and innovative ways of meeting their affordable housing goals." The Housing Commission's development pilot program involved the construction of five ADUs—one each in the available yard space of five single-family homes the Housing Commission owns and rents as affordable housing in the City of San Diego. These new ADUs are leased to households with low income that receive Section 8 Housing Choice Voucher rental assistance from the Housing Commission. Through this program, a report was produced with lessons learned and key takeaways to help other property owners who are interested in building ADUs on their properties. The report is available at www.sdhc.org/adu. A separate report that SDHC issued in September 2017 identified ADUs as one of the five main sources of potential additional housing units for the City of San Diego through 2028.

SDHC ADU Finance Pilot Program Launch

On April 27, the Housing Commission announced the launch of a Housing Commission pilot program that will provide financing to help homeowners with low income who want to build an ADU on their property. Through the ADU Finance Pilot Program, eligible households with low income can receive a low-interest loan of up to \$200,000 per household. The program will also provide technical assistance for eligible homeowners at no cost to the homeowner. This technical assistance from a consultant will help with predesign, permits and construction. ADUs financed through this program will create additional affordable rental housing because rents are required to remain affordable for seven years for households with income up to 80 percent of AMI. In addition, the property owners who participate in the program may generate wealth for themselves through the increase in their property's value and the rental income from their ADU. The application for this program is available on the Housing Commission's website at www.sdhc.org/adu.

KPBS Virtual Forum on Homelessness

Executive Vice President of Strategic Initiatives Lisa Jones participated in a KPBS virtual panel discussion on homelessness on April 20 with Tamera Kohler, CEO of the Regional Task Force on Homelessness; Bob McElroy, President & CEO of Alpha Project; and Jessie Grey, a veteran who previously experienced homelessness. Ms. Jones talked about the City's continuum of housing interventions, including shelters the Housing Commission administers that address the varied needs of individuals experiencing homelessness. She also discussed the Housing Commission's interactive homelessness dashboards, which are on the Housing Commission's website. The virtual panel was streamed live, was played on the radio the same day, and is posted on the KPBS website.



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Board Reports Include Strategic Plan and Board-Requested Information

New information included in staff reports to the Board of Commissioners (Board) state how the item relates to the Housing Commission’s Strategic Plan, such as the Strategic Priorities that apply to each report. This information is provided under the heading “Housing Commission Strategic Plan.” In addition, at the last meeting, the Board asked for the dollar amounts that correspond to AMI percentages, as well as breakdown of affordable housing units by Council District. The reports on the May 5 agenda regarding affordable housing developments include the specific annual income amounts that apply to the AMI levels in those reports. Table 1 in each of those reports also includes the number of affordable housing units in the Council District where the development is located and how it relates to the total number of affordable units in the City. The affordable housing breakdown by Council District is also included in the housing production information that is provided to Commissioners before each meeting.

50 APPROVAL OF THE MINUTES

The minutes of the Special Housing Commission meeting of April 1, 2022, and April 25, 2022, were approved on a motion by Vice Chair Clumpner, seconded by Commissioner Mitchell, and passed by a vote of 4-0.

CONSENT AGENDA

Motion by Commissioner Hubbard to approve Item 100 on consent. Seconded by Commissioner Mitchell, and passed by a vote of 4-0.

100 HCR22-075 Designation and Identification of the San Diego Housing Commission’s Agency Representatives for Labor Negotiations

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

- 1) Pursuant to California Government Code sections 3505 and 54957.6(a) and other applicable state and local laws and regulations, the Housing Authority designates and identifies the following individuals as the Housing Commission’s labor representatives on the Management Team for negotiations with the Housing Commission’s recognized employee organization and authorizes these representatives to attend closed session meetings for the purpose of providing information to the Housing Authority related to meet and confer and receiving instruction from the Housing Authority, so that the Housing Commission’s labor representatives may participate in meet and confer on behalf of the Housing Commission, taking Housing Authority-approved bargaining positions:

Jeff Davis, Interim President and Chief Executive Officer, San Diego Housing Commission



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Suket Dayal, Executive Vice President of Business Administration, San Diego Housing Commission

Michael McKenna, Vice President of Human Resources, San Diego Housing Commission

Tina Holmes, Director of Human Resources, San Diego Housing Commission

Charles B. Christensen, General Counsel, San Diego Housing Commission

Joel Mason, General Counsel, San Diego Housing Commission

- 2) In accordance with California Government Code section 54954.5(f), the Housing Authority consents to the participation of an agent or designee for a specified designated representative if circumstances necessitate the absence of the specified designated representative; however, the name of the agent or designee must be announced at an open session meeting of the Housing Authority held prior to the closed session.
- 3) The Housing Authority authorizes the following Housing Commission labor representatives to execute tentative agreements and memoranda of understanding reached in meet and confer, and to present all tentative agreements and memoranda of understanding reached in meet and confer to the Housing Authority for final determination and approval by the Housing Authority as to policy and the Housing Authority General Counsel as to form or correctness:

Jeff Davis, Interim President and Chief Executive Officer, San Diego Housing Commission

Suket Dayal, Executive Vice President of Business Administration, San Diego Housing Commission

Michael McKenna, Vice President Human of Resources, San Diego Housing Commission

Tina Holmes, Director of Human Resources, San Diego Housing Commission

Charles B. Christensen, General Counsel, San Diego Housing Commission

Joel Mason, General Counsel, San Diego Housing Commission

- 4) The Housing Authority designates the following individuals from the Office of the Independent Budget Analyst as representatives within the meaning of California Government Code section 54957.6(a) to attend closed session meetings of the Housing Authority and to serve in the capacity as observers at “meet and confer” sessions, but they are not designated as labor negotiators for the Housing Authority of the City of San Diego:



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Charles Modica, Independent Budget Analyst

Lisa Byrne, Fiscal and Policy Analyst, Office of the Independent Budget Analyst

Jillian Kissee, Fiscal and Policy Analyst, Office of the Independent Budget Analyst

- 5) The Housing Authority designates the following individuals from the Office of the General Counsel of the Housing Authority of the City of San Diego as representatives within the meaning of California Government Code section 54957.6(a) to attend closed session meetings of the Housing Authority; to perform legal work, as required by applicable law, and to serve in the capacity as observers at “meet and confer” sessions, but they are not designated as members of the Housing Commission’s labor representatives:

Mara W. Elliott, City Attorney, City Attorney’s Office and General Counsel, Housing Authority

Leslie Fitzgerald, Assistant City Attorney, City Attorney’s Office and Assistant General Counsel, Housing Authority

Jim McNeill, Assistant City Attorney, City Attorney’s Office and Assistant General Counsel, Housing Authority

Joan Dawson, Senior Deputy City Attorney, City Attorney’s Office and Senior Deputy General Counsel, Housing Authority

DISCUSSION AGENDA

101 HCR22-062 Administration of First-Time Homebuyer Program for Neighboring Cities in San Diego County

Sujata Raman, Vice President, Single-Family Housing Finance, Real Estate Division, presented the request for approval.

Motion by Commissioner Mitchell to take the following staff-recommended actions. Seconded by Commissioner Hubbard and passed by a vote of 4-0.

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

- 1) Authorize the Housing Commission’s Interim President and Chief Executive Officer (Interim President & CEO), or designee, to enter into agreements with the City of Chula Vista and the City of El Cajon for the administration of their respective First-Time Homebuyer Programs in a form and format approved by General Counsel, and to take such actions necessary and/or appropriate to implement these approvals, provided that a copy of the documents, signed as to



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form by General Counsel, are submitted to each Housing Commissioner in advance of approval for the designee to sign.

- 2) Authorize the Housing Commission's Interim President & CEO, or designee, to execute all 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, provided that a copy of the documents, signed as to form by General Counsel, are submitted to each Housing Commissioner in advance of approval for the designee to sign.

Commissioner Hester joined the meeting.

102 HCR22-061 Rapid Rehousing Programs Funded by the Homeless Housing, Assistance, and Prevention Program (HHAP)

Casey Snell, Director of Housing First Administration, Homeless Housing Innovations Division, and Jessica Adamo, Housing Programs Manager, Homeless Housing Innovations Division, presented the request for approval.

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

Motion by Vice Chair Clumpner to direct staff to assist Housing Commissioners in submitting a joint letter to the Housing Authority of the City of San Diego, the City of San Diego's Homelessness Strategies and Solutions Department (HSSD), and the State of California to request context from HSSD regarding its decision to direct funding to other programs, which is resulting in winding down rapid rehousing programs funded by Homeless Housing, Assistance and Prevention program funds; to request that the City of San Diego reconsider its decision regarding the funding for these rapid rehousing programs; and to request additional funding from the State of California. 5-0. Seconded by Commissioner Hubbard and passed by a vote of 5-0.

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

- 1) Authorize the Housing Commission to enter into a one-year contract, using a Non-Competitive agreement under Procurement Policy 9.4, with People Assisting the Homeless (PATH) in the amount of \$346,667 to operate a rapid rehousing program for the term of July 1, 2022, to June 30, 2023, with one option to renew, funded by Homeless Housing, Assistance, and Prevention Program (HHAP), contingent on funding being made available for this purpose in the City of San Diego's Fiscal Year 2023 budgeting process and the continuance or extension of any related Memorandum of Understanding (MOU) with the City of San Diego.
- 2) Authorize the Housing Commission to enter into a one-year contract, using a Non-Competitive agreement under Procurement Policy 9.4, with Home Start Inc. (Home Start) in the amount of \$274,444 to operate a rapid rehousing program for the term of July 1, 2022, to June 30, 2023,



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with one option to renew, funded by HHAP, contingent on funding being made available for this purpose in the City of San Diego's Fiscal Year 2023 budgeting process and the continuance or extension of any related Memorandum of Understanding (MOU) with the City of San Diego.

- 3) Authorize the Housing Commission to enter into a one-year contract, using a Non-Competitive agreement under Procurement Policy 9.4, with The Salvation Army in the amount of \$288,889 to operate a Rapid Rehousing program for the term of July 1, 2022, to June 30, 2023, with one option to renew, funded by HHAP, contingent on funding being made available for this purpose in the City of San Diego's Fiscal Year 2023 budgeting process and the continuance or extension of any related Memorandum of Understanding (MOU) with the City of San Diego.
- 4) Authorize the Interim 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, provided that a copy of the documents, signed as to form by General Counsel, are submitted to each Housing Commissioner in advance of approval for the designee to sign.
- 5) Authorize the Interim President & CEO, or designee, to increase the amount of funding per operator agreement by no more than 20 percent of the approved budget and to substitute funding sources 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.

103 HCR22-059 Approval of the Sole Source Justification and Operating Agreement between the San Diego Housing Commission and People Assisting the Homeless (PATH) to Operate the City of San Diego Connections Housing Interim Shelter Program

Casey Snell, Director of Housing First Administration, Homeless Housing Innovations Division, and Jonathan Herrera, Special Programs Manager and Senior Policy Advisor, Homeless Housing Innovations Division, presented the request for approval.

Motion by Commissioner Mitchell 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) take the following actions:

- 1) Authorize the Housing Commission to enter into an agreement with People Assisting the Homeless (PATH) in the amount of \$1,044,993 for an initial term of July 1, 2022, through June 30, 2023, with four one-year options for renewal, contingent on funding being made available for that purpose and the continuance or extension of the Memorandum of Understanding



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(MOU) with the City of San Diego for oversight and administration of the City’s Homeless Shelters and Services Programs (current term ends June 30, 2024), to provide interim shelter and services for persons experiencing homelessness at the City of San Diego’s Connections Housing Interim Shelter Program at 1250 Sixth Ave., San Diego, CA 92101. The funding source for the initial operating term is expected to consist of City General Fund, Community Development Block Grant (CDBG) funds and Emergency Solution Grant (ESG) funds.

- 2) Authorize the Housing Commission’s Interim President & Chief Executive Officer (Interim President & CEO), or designee, to execute all 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, provided that a copy of the documents, signed as to form by General Counsel, are submitted to each Housing Commissioner in advance of approval for the designee to sign.
- 3) Authorize the Housing Commission’s Interim President & CEO, 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 Housing Commission Board or the Housing Authority, but only if and to the extent that funds are determined to be available for such purposes.

104 HCR22-060 Approval of the Contract between the San Diego Housing Commission And San Diego Community College District to Operate the Homelessness Program for Engaged Educational Resources

Lisa Jones, Executive Vice President of Strategic Initiatives, and Nancy Sa, Strategic Programs Manager, Homeless Housing Innovations Division, presented the request for approval.

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

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

- 1) Authorize the Housing Commission to enter into an agreement with the San Diego Community College District (SDCCD), using a non-competitive sole source process pursuant to Housing Commission Statement of Procurement Policy Section 9.4.2, in the amount of \$250,000 in City General Funds and \$187,553 in Housing Commission local funds, for a total of \$437,553 to operate the Homelessness Program for Engaged Educational Resources (Homelessness PEER) for an initial term of July 1, 2022, through June 30, 2023, with two one-year options for renewal, contingent on funding being made available for this purpose.
- 2) Authorize the Housing Commission’s Interim 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 and format approved by General Counsel, and to take such actions necessary and/or appropriate to implement these approvals, provided that a copy of the



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documents, signed as to form by General Counsel, are submitted to each Housing Commissioner in advance of approval for the designee to sign.

- 3) Authorize the President & CEO, 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 Housing Commission Board, but only if and to the extent that funds are determined to be available for such purposes.

105 HCR22-068 Approval of the Contract between the San Diego Housing Commission and Alpha Project for the Homeless to operate the City of San Diego Sprung Structure Shelter located at 3851 Rosecrans St. San Diego, 92110

Lisa Jones, Executive Vice President of Strategic Initiatives, and Casey Snell, Director of Housing First Administration, Homeless Housing Innovations Division, presented the request for approval.

Motion by Commissioner Mitchell to take the following staff-recommended actions. Seconded by Vice Chair Clumpner and passed by a vote of 4-0. (Commissioner Hester did not vote.)

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

- 1) Authorize the Housing Commission to enter into an agreement with Alpha Project for the Homeless (Alpha Project) in the amount of \$4,844,331 for an initial 13-month term from June 1, 2022, through June 30, 2023, with two one-year options for renewal, contingent on the City of San Diego making funds available for that purpose in its annual fiscal year budgeting process and the continuance or extension of the Memorandum of Understanding (MOU) with City of San Diego for oversight and administration of the Bridge Shelter programs, to provide shelter and services for persons experiencing homelessness at the City of San Diego's Sprung Structure Shelter at 3851 Rosecrans St., San Diego, 92110. The funding sources for the initial operating term are expected to consist of City of San Diego General Fund and Homeless Housing, Assistance, and Prevention Program (HHAP) funds.
- 2) Authorize the Housing Commission's Interim 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 and format approved by General Counsel, and to take such actions necessary and/or appropriate to implement these approvals, provided that a copy of the documents, signed as to form by General Counsel, are submitted to each Housing Commissioner in advance of approval for the designee to sign.
- 3) Authorize the Housing Commission's Interim President & CEO, 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 Housing Commission Board or the Housing Authority, but only if and to the extent that funds are determined to be available for such purposes.



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106 HCR22-069 Final Multifamily Revenue Note Authorization and Tax, Equity and Fiscal Responsibility Act (TEFRA) Resolution for Merge 56 Affordable Apartments

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

Motion by Commissioner Mitchell 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) and the San Diego City Council (City Council) take the following actions:

Housing Authority

- 1) Authorize the issuance of a tax-exempt Housing Authority Multifamily Housing Revenue Note not to exceed \$16,000,000 and a taxable note not to exceed \$2,000,000 to fund Merge 56 Affordable, LP.'s construction of Merge 56 Affordable Apartments (Merge 56 Affordable), a new affordable rental housing development at 8201 Merge Avenue, San Diego, in the Torrey Highlands subarea community plan neighborhood, which will consist of 47 units that will remain affordable for 55 years for individuals and families earning 30 percent to 60 percent of San Diego's Area Median Income (AMI), including one restricted manager's unit.
- 2) Authorize the Housing Commission's Interim 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 the General Counsel of the Housing Authority and of the Housing Commission and the Note Counsel, and to take such actions as are necessary, convenient, and/or appropriate to implement these approvals upon advice of both General Counsel and/or the Note Counsel. Housing Commission staff will notify the Housing Authority and the City Attorney's Office about any subsequent amendments or modifications to the transaction, and other required documents, including amendments to any documents.

City Council

Adopt a Tax Equity and Fiscal Responsibility Act (TEFRA) resolution approving the issuance of tax-exempt a Multifamily Housing Revenue Note in an amount not to exceed \$16,000,000 to facilitate the development of Merge 56 Affordable Apartments.

107 HCR22-071 Final Bond Authorization and Tax, Equity and Fiscal Responsibility Act (TEFRA) Hearing and Resolution for Levant Senior Cottages

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



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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) and the San Diego City Council (City Council) take the following actions:

Housing Authority

- 1) Authorize the issuance of tax-exempt Housing Authority Multifamily Housing Revenue Bonds in an amount not to exceed \$22,877,000 and taxable bonds in an amount not to exceed \$22,000,000 to fund Levant Senior Cottages LP's construction of Levant Senior Cottages (Levant Senior), a new affordable rental housing development at 6950 Levant Street in the Linda Vista neighborhood, which will consist of 126 units that will remain affordable for 55 years for seniors with low income, including 70 units for residents selected from the Housing Commission's Project-Based Housing Vouchers (PBV) waiting list, with income between 25 percent and 50 percent of the San Diego Area Median Income (AMI), and one unrestricted manager unit.
- 2) Authorize the Housing Commission's Interim 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 the General Counsel of the Housing Authority and of the Housing Commission and the Bond Counsel, and to take such actions as are necessary, convenient, and/or appropriate to implement these approvals upon advice of the General Counsel and/or the Bond Counsel. Housing Commission staff will notify the Housing Authority and the City Attorney's Office about any subsequent amendments or modifications to the transaction, and other required documents, including amendments to any documents.

City Council

- 1) Hold a Tax Equity and Fiscal Responsibility Act (TEFRA) public hearing approving the Housing Authority's issuance of tax-exempt Multifamily Housing Revenue Bonds in an amount not to exceed \$22,877,000 to fund Levant Senior Cottages LP's construction of Levant Senior Cottages (Levant Senior), a new affordable rental housing development at 6950 Levant Street in the Linda Vista neighborhood, which will consist of 126 units that will remain affordable for 55 years for seniors with low income, including 70 units for residents selected from the Housing Commission's Project-Based Housing Vouchers (PBV) waiting list, with income between 25 percent and 50 percent of the San Diego Area Median Income (AMI), and one unrestricted manager unit.
- 2) Adopt a TEFRA resolution approving the issuance of tax-exempt Multifamily Housing Revenue Bonds in an amount not to exceed \$22,877,000 to facilitate the development of Levant Senior.



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108 HCR22-072 Las Serenas Apartments Loan Refinance

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

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

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

- 1) Approve the proposed restructuring of the existing Housing Commission residual receipts loan, with a partial repayment from Community Housing Works (CHW) for the Las Serenas Apartments, in an amount not to exceed \$8,241,463 to Delta Village Housing Associates, L.P., a California limited partnership, to facilitate the refinance and renovations of Las Serenas Apartments, an affordable housing development at 4352 Delta Street, San Diego 92113, in the Southeastern San Diego Planning Group/Area, which consists of 13 units that will remain affordable for 55 years for households with income up to 50 percent of San Diego's Area Median Income (AMI) and 94 units that will remain affordable for 55 years for households with income up to 60 percent of AMI.
- 2) Authorize the Interim President and Chief Executive Officer (Interim President & CEO), or designee:
 - a. 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, provided that a copy of the documents, signed as to form by General Counsel, is submitted to each Housing Commissioner in advance of approval for the designee to sign;
 - 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 \$8,241,463 maximum 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 Interim 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.



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109 HCR22-074 Approval of a Revised Contingent Settlement of a Lawsuit between the San Diego Housing Commission and the Housing Authority of the City of San Diego (the Plaintiffs) and JSP Rancho Del Rio, L.P.; Orange County Superior Court Case No: 30-2017-00946945-CU-BC-CJC

Chuck Christensen, General Counsel, San Diego Housing Commission, presented the request for approval.

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

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

- 1) Approve a revised contingent settlement as set forth in the attached Settlement Agreement dated May 12, 2022, and proceed to collaborate with the City of San Diego's Real Estate Assets Department and the office of the City Attorney to process a potential sale of the property from the City of San Diego to JSP Rancho Del Rio, L.P. (the Sublessee), on terms determined by the City of San Diego.
- 2) Authorize the Interim President & CEO, or designee, to execute the settlement agreement, in substantial conformance with the Settlement Agreement attached to this report, in a final form as approved by the General Counsel of the San Diego Housing Commission and the General Counsel of the Housing Authority of the City of San Diego, provided that a copy of the document, signed as to form by General Counsel, is submitted to each Housing Commissioner in advance of approval for the designee to sign, if there are any substantial changes to the draft settlement agreement attached to this report.
- 3) Authorize the Interim President & CEO, or designee, to perform such acts as are necessary to implement these approvals.

110 HCR22-021 San Diego Housing Commission Proposed Fiscal Year 2023 Budget

Suket Dayal, Executive Vice President of Business Administration and Interim Chief Financial Officer, and Christelle Van Der Windt, Director of Finance, Financial Services Department, presented the request for approval.

Motion by Commissioner Mitchell 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) take the following actions:

- 1) Approve the Housing Commission's proposed \$595 million Fiscal Year (FY) 2023



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budget (Attachment 1).

- 2) Delegate authority to the Housing Commission to approve amendments to the FY 2023 budget for the following amounts, consistent with prior delegation of authority from the Housing Authority:
 - a. Line item transfers not to exceed \$500,000 of budget authority that do not impact the overall size of the Housing Authority-approved FY 2023 budget;
 - b. Additional funding for the FY 2023 budget resulting from applications submitted with the approval of the Housing Authority (per Housing Authority Resolution HA-1569); and
 - c. Additions from other sources, not to exceed \$500,000 on an individual basis, to the FY 2023 budget.

- 3) Delegate authority to the Housing Commission's Interim President & Chief Executive Officer (Interim President & CEO) to amend the FY 2023 budget for amounts not to exceed \$250,000 consistent with policies, programs and activities approved by the Housing Commission and Housing Authority.

111 HCR22-077 Workshop & Discussion: Homelessness Service Providers

Jeff Davis, Interim President and Chief Executive Officer, and Lisa Jones, Executive Vice President of Strategic Initiatives, presented an informational workshop regarding challenges the homelessness services sector is experiencing locally related to identifying, recruiting and retaining staff and initiatives the San Diego Housing Commission has been undertaking to support the sector in mitigating those challenges.

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.
- 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:



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Agency Representatives: Jeff Davis, Suket Dayal, Michael McKenna, Tina Holmes, 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.

Discussion was had between the Housing Commission and negotiators, with general direction given.

B. CONFERENCE WITH REAL PROPERTY NEGOTIATIONS (§ 54956.8)

Property: Ramada Hotel (Sports Arena), 3747 Midway Drive, San Diego, CA 92110; APN 441-250-22-00

Agency Negotiation: Jeff Davis, Emily Jacobs, Buddy Bohrer, Charles B. Christensen; Walter Spath III

Negotiating Parties: K&A Motels

Under Negotiation: Instructions to Real Estate Negotiators will concern price and terms of payment.

By a vote of 4-0, direction was given to real estate negotiators concerning proceeding with a potential acquisition of the real estate in question.

C. CONFERENCE WITH LEGAL COUNSEL – Anticipated Litigation

Initiation of litigation pursuant to § 54956.9(c):
(One Matter)

Statement by Counsel:

General Counsel will advise the Board in closed session of the potential need to initiate litigation and will seek direction from the Board.

By a vote of 4-0, direction was given to counsel concerning the initiation of potential litigation.

V. Announcement of Actions Taken in Closed Session.



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ADJOURNMENT

Chair Benvenuto adjourned the Special Meeting at 2:06 p.m.

Respectfully submitted,

Scott Marshall

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

Approved by,

Jeff Davis

Jeff Davis
Interim President & Chief Executive Officer
San Diego Housing Commission