

**HOUSING AUTHORITY OF THE CITY OF SAN DIEGO
REGULAR MEETING MINUTES
TUESDAY, OCTOBER 10, 2017
CITY COUNCIL CHAMBERS – 12TH FLOOR**

The Regular Meeting of the Housing Authority of the City of San Diego was called to order at 2:51 p.m.

ATTENDANCE

Present:

Councilmember Barbara Bry, District 1
Councilmember Lorie Zapf, District 2
Councilmember Chris Ward, District 3
Council President Pro Tem Mark Kersey, District 5
Councilmember Scott Sherman, District 7
Councilmember David Alvarez, District 8

Not Present:

Council President Myrtle Cole, District 4
Councilmember Chris Cate, District 6
Councilmember Georgette Gómez, District 9

Non-Agenda Public Comment:

Martha Welch spoke about affordable housing.

Approval of Housing Authority Minutes:

The Housing Authority Minutes of the following meeting were approved by unanimous consent:

Tuesday, August 1, 2017, Regular Meeting

DISCUSSION AGENDA:

ITEM 1: HAR17-027 Final Bond Authorization for Luther Tower

Ted Miyahara, Vice President, Multifamily Housing Finance, San Diego Housing Commission, presented the request for approval.

Martha Welch spoke in opposition.

Motion by Councilmember Ward to approve the following staff-recommended actions. Seconded by Councilmember Sherman and passed by a vote of 6-0.

That the Housing Authority of the City of San Diego (Housing Authority) authorize the issuance of up to \$20,000,000 in Multifamily Housing Revenue Bonds which are allocated by the State, to facilitate Tower Housing Partners L.P's acquisition and rehabilitation of Luther Tower, a 200-unit affordable rental housing development, located at 1455 2nd Avenue, San Diego, California, in the Downtown Cortez Community, which will remain affordable for 55 years.

ITEM 2: HAR17-017 Final Bond Authorization for Coronado Terrace Apartments

CITY COUNCIL COMPANION ITEM

Tina Kessler, Housing Programs Manager, San Diego Housing Commission, and Ted Miyahara, Vice President, Multifamily Housing Finance, San Diego Housing Commission, presented the request for approval.

Council President Pro Tem Kersey adjourned the regular meeting at 3:02 p.m. to convene as the City Council and reconvened the Regular Meeting of the Housing Authority of the City of San Diego at 3:12 p.m.

Motion by Councilmember Alvarez to approve the following staff-recommended actions. Seconded by Councilmember Sherman and passed by a vote of 6-0.

That the Housing Authority of the City of San Diego (Housing Authority) authorize the issuance of up to \$95,870,000 in tax-exempt Multifamily Housing Revenue Bonds, to facilitate Eden Coronado 2 LP's acquisition and rehabilitation of Coronado Terrace Apartments, a 312-unit multifamily affordable rental housing development, located at 1151 25th Street, San Diego, in the Otay-Mesa Nestor neighborhood, which will remain affordable for 55 years.

ITEM 3: HAR17-020 Preliminary Bond Authorization for Hollywood Palms II Apartments

CITY COUNCIL COMPANION ITEM

Ted Miyahara, Vice President, Multifamily Housing Finance, San Diego Housing Commission, presented the request for approval.

Council President Pro Tem Kersey adjourned the regular meeting at 3:15 p.m. to convene as the City Council and reconvened the Regular Meeting of the Housing Authority of the City of San Diego at 3:20 p.m.

Motion by Councilmember Sherman to approve the following staff-recommended actions. Seconded by Councilmember Alvarez and passed by a vote of 6-0.

That the Housing Authority of the City of San Diego (Housing Authority) take the following actions, as described in this report, to authorize the issuance of multifamily housing revenue bonds in the increased principal amount of up to \$21,000,000 to fund the acquisition and rehabilitation of Hollywood Palms II Apartments located in the City Heights community, which will remain affordable for 55 years. This would add \$1,500,000 to the Housing Authority's authorization to issue up to \$19,500,000 on March 6, 2017, for such acquisition and rehabilitation.

1. Approve the following steps to issue Housing Authority tax-exempt Multifamily Housing Revenue Bonds for Hollywood Palms II Apartments, a 94-unit multifamily affordable housing rental development, located in the City Heights community, which will remain affordable for 55 years:
 - a) Approve a bond inducement resolution (Declaration of Official Intent) for up to \$21,000,000 in Multifamily Housing Revenue Bonds for the redevelopment of Hollywood Palms II Apartments by a limited partnership formed by Affirmed Housing Group (Affirmed);

- 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 \$21,000,000 for Hollywood Palms II Apartments (which would also supplement by \$1,500,000 the amount requested in the application previously submitted to CDLAC for \$19,500,000).
2. Authorize the San Diego Housing Commission (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.

ITEM 4: HAR17-024 San Diego Housing Commission Semi-Annual Grant Report January 1, 2017 through June 30, 2017

INFORMATIONAL ITEM ONLY - NO ACTION IS REQUIRED

Debra Fischle-Faulk, Vice President of Procurement & Compliance, San Diego Housing Commission, and Julia Sauer, Director, Special Programs & Compliance, San Diego Housing Commission, presented the report.

This report has been prepared in response to the Housing Authority of the City of San Diego's Resolution Number HA-1569, which grants the San Diego Housing Commission (Housing Commission) authority for a number of grant-related activities, and requires submission of a semi-annual report of all grant activity.

ITEM 5: HAR17-028 Status of Loan Portfolio – Fourth Quarter Fiscal Year 2017

Carrie Tapia, Housing Programs Manager, San Diego Housing Commission, and Ann Kern, Vice President of Housing Finance, San Diego Housing Commission, presented the report.

INFORMATIONAL ITEM ONLY - NO ACTION IS REQUIRED

Pursuant to San Diego Housing Commission (Housing Commission) Lending Authority Policy No. 600.101, the Housing Commission prepares quarterly reports that provide the following information:

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| 1) Loan Portfolio Summary | 5) Loans and Grants Written-Off |
| 2) Loans and Grants Funded | 6) Defaults |
| 3) Loans Paid in Full | 7) Disposition of Foreclosed Properties |
| 4) Loan Payments | |

Adjournment