



SAN DIEGO  
HOUSING  
COMMISSION

# AGENDA

SAN DIEGO HOUSING COMMISSION  
REGULAR MEETING AGENDA  
OCTOBER 6, 2017, 9:00 A.M.  
SMART CORNER  
4<sup>TH</sup> FLOOR CONFERENCE ROOM  
1122 BROADWAY  
SAN DIEGO, CALIFORNIA 92101

Chair Frank Urtasun  
Vice Chair Dorothy Surdi  
Commissioner Stefanie Benvenuto  
Commissioner Margaret Davis  
Commissioner Kellee Hubbard  
Commissioner Ben Moraga  
Commissioner Tim Walsh

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## ITEMS

### 10 CALL TO ORDER

### 20 NON-AGENDA PUBLIC COMMENT

At this time, individuals may address the San Diego Housing Commission (Housing Commission) on any subject in its area of responsibility that is not presently pending before the Housing Commission. Communications are limited to three minutes. Pursuant to the Brown Act, the Housing Commission can take no action. Please fill out a Speaker Request Form and submit it to the secretary prior to the meeting.

### 30 COMMISSIONER COMMENTS

### 40 REPORT BY THE PRESIDENT & CHIEF EXECUTIVE OFFICER



Regular Housing Commission Meeting of October 6, 2017

**50 APPROVAL OF THE MINUTES**

September 8, 2017, Regular Meeting

**ADOPTION AGENDA – CONSENT**

Members of the public may cause an item to be pulled from the Consent Agenda by submitting a Speaker Request Form prior to the meeting. The item will then be discussed separately, and public testimony will be taken.

*All of the actions of the Housing Commission Board listed in the agenda are final seven days after Housing Commission Board action unless the Housing Authority of the City of San Diego asks to review the decision of the Housing Commission Board within the seven day period.*

**100 HCR17-078 Final Bond Authorization for Luther Tower**

*Requires Housing Authority approval*

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 \$20,000,000 in Multifamily Housing Revenue Bonds, 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.

**101 HCR17-043 Disposition of Town & Country Village Apartments and Final Bond Authorization and related TEFRA Actions**

*The seven day advance notice of San Diego Housing Commission's Hearing of this matter is being provided to the Housing Authority Members pursuant to the provisions of San Diego Municipal Code Section 98.0301(e)(4)(A) concerning Staff Recommendation No. 1-3 only.*

*Requires Housing Authority and City Council approval*

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

1. Approve the sale of Town & Country Village Apartments to HDP Town & Country LP, a California limited partnership, for a purchase price of \$24,040,000 and authorize a Housing Commission Seller Carryback Promissory Note of up to \$13,250,000 to HDP Town & Country LP, a California limited partnership, to facilitate the acquisition and rehabilitation of the Town & Country Village Apartments, a 145-unit multifamily rental



Regular Housing Commission Meeting of October 6, 2017

housing development, located at 4066 Messina Drive, San Diego, in the Mountain View Community Plan Area, which will remain affordable for 55 years.

The Housing Commission's Seller Carryback Promissory Note amount may be decreased and will be contingent upon the number of market-rate households that voluntarily elect to permanently relocate from the development. The Seller Carryback Promissory Note amount will be adjusted and finalized prior to final bond authorization by the Housing Authority of the City of San Diego (Housing Authority). The final Seller Carryback Promissory Note amount will be reflected in Housing Authority Report HAR17-019. In no event shall the Seller Carryback Promissory Note exceed \$13,250,000;

2. Authorize the Executive Vice President and Chief of Staff (COS), or designee, to amend the existing Housing Commission Declaration of Covenants, Conditions and Restrictions for the purpose of extending the affordability term of the existing affordable units and inclusion of market-rate units converting to affordable at or below 60 percent of the San Diego Area Median Income (AMI) for a 55-year term;
3. Authorize the Executive Vice President & COS, or designee, of the Housing Commission, to execute any and all documents and to perform any and all acts reasonably necessary to implement the financing plan for the rehabilitation of the project within the parameters set for within this report;

**Housing Authority Action:**

4. Recommend that the Housing Authority authorize the issuance of up to \$30,000,000 in tax-exempt Multifamily Housing Revenue Bonds to facilitate HDP Town & County LP's acquisition and rehabilitation of Town & Country Village Apartments; and

**San Diego City Council Action:**

5. Recommend that the San Diego City Council hold a Tax Equity and Fiscal Responsibility Act (TEFRA) hearing, and adopt a resolution approving the issuance of Multifamily Housing Revenue Bonds in an amount up to \$30,000,000.

**102 [HCR17-042](#) [Final Bond Authorization for Coronado Terrace](#)**

***Requires Housing Authority and City Council approval***

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:



Regular Housing Commission Meeting of October 6, 2017

**Housing Authority Action:**

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 25<sup>th</sup> Street, San Diego, in the Otay-Mesa Nestor neighborhood, which will remain affordable for 55 years.

**City Council Action:**

Hold a Tax Equity and Fiscal Responsibility Act (TEFRA) hearing, and adopt a resolution approving the issuance of Multifamily Housing Revenue Bonds in an amount up to \$95,870,000.

**103    [HCR17-044](#)    [Preliminary Bond Authorization for Hollywood Palms II](#)**

*Requires Housing Authority and City Council approval*

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, 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.

**Housing Authority Action:**

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.



Regular Housing Commission Meeting of October 6, 2017

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.

**City Council Action:**

3. Hold a Tax Equity and Fiscal Responsibility Act public hearing and adopt a resolution approving the issuance of Multifamily Housing Revenue Bonds in an amount up to \$21,000,000.

**104 [HCR17-076](#) [Workshop and Discussion: Affordable Housing Program Updates](#)**

**NO ACTION IS REQUIRED ON THE PART OF THE HOUSING COMMISSION**

A workshop will be presented to update the San Diego Housing Commission Board of Commissioners on affordable housing programs, including but not limited to: housing affordability recommendations, housing production objectives, First-Time Homebuyer Program, loan portfolio, and City of San Diego Affordable Housing Fund.

**CLOSED SESSION**

**It is anticipated that the San Diego Housing Commission will convene in closed session on Friday, October 6, 2017, at 9:00 a.m. with 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 LEGAL COUNSEL - ANTICIPATED LITIGATION pursuant to subdivision (c) of section 54954.5 of the Government Code and pursuant to subdivision (b)(1) of section 54956.9:**

**One (1) potential matter:**



SAN DIEGO  
HOUSING  
COMMISSION

Regular Housing Commission Meeting of October 6, 2017

**General Counsel Description of Matter: Potential initiation of litigation against Villa Nueva LP.**

**B. Public Employee Performance Evaluation pursuant to subdivision (e) of 54954.5 Government Code and Section 54957:**

**Title: President & Chief Executive Officer**

**General Counsel Description: Annual Performance Evaluation for President & CEO of the San Diego Housing Commission**

V. **Announcement of Actions Taken in Closed Session.**

VI. **Adjournment.**

## **ADJOURNMENT**

## **INFORMATIONAL REPORTS**

**[HCR17-064 City of San Diego Affordable Housing Fund Fiscal Year 2017 Annual Report](#)**

**[HCR17-074 County of San Diego First-Time Homebuyer Program Administration Informational Report](#)**

**[HCR17-075 Status of Loan Portfolio – Fourth Quarter Fiscal Year 2017](#)**