



SAN DIEGO
HOUSING
COMMISSION

MINUTES

**SAN DIEGO HOUSING COMMISSION
MINUTES OF THE REGULAR MEETING
MAY 5, 2017
SMART CORNER
4th FLOOR CONFERENCE ROOM
1122 BROADWAY
SAN DIEGO, CALIFORNIA 92101**

ATTENDANCE

Present:

Chair Frank Urtasun

Vice Chair Dorothy Surdi

Commissioner Stefanie Benvenuto

Commissioner Margaret Davis

Commissioner Kellee Hubbard

Commissioner Ben Moraga

Commissioner Tim Walsh

President & CEO Richard C. Gentry

General Counsel Charles Christensen

10 CALL TO ORDER

Chair Urtasun called the Regular Meeting to order at 9:00 a.m.

20 NON-AGENDA PUBLIC COMMENT

Martha Welch spoke about affordable housing.

30 COMMISSIONER COMMENTS

Recognition of Commissioners

Chair Urtasun welcomed two new Commissioners to the Board: Tim Walsh, Chief of Staff for a member of the U.S. House of Representatives, and Stefanie Benvenuto, the Public Policy Manager for the San Diego Regional Chamber of Commerce.

Chair Urtasun also presented former Commissioners Gary Gramling and Roberta "Bobbie" Spoon with awards in appreciation for their leadership and years of service to the San Diego Housing Commission (Housing Commission).



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Groundbreaking Ceremony for the COMM22 Community

On April 26, 2017, Chair Urtasun and President & CEO Gentry joined San Diego City Councilmember David Alvarez and San Diego Habitat for Humanity to commemorate the groundbreaking of the COMM22 Community in Logan Heights. The COMM22 Community will provide 11 affordable for-sale townhomes for low-income families, which will receive first-time homebuyer loans from the Housing Commission. These loans are funded by HOME Investment Partnerships Program funds awarded by the U.S. Department of Housing and Urban Development to the City of San Diego and administered by the Housing Commission.

40 REPORT BY PRESIDENT & CHIEF EXECUTIVE OFFICER

Panel Discussion with HUD Secretary Dr. Ben Carson

On April 20, 2017, President & CEO Gentry introduced and joined U.S. Department of Housing and Urban Development Secretary Dr. Ben Carson for a panel discussion at the annual Moving to Work (MTW) Conference in Washington, D.C. Secretary Carson emphasized the importance of encouraging innovative programs, such as MTW. He also spoke about developing the workforce, and providing educational opportunities for Federal rental assistance recipients. The panel also included Andrew Lofton, Executive Director of the Seattle Housing Authority; A. Fulton Meachem, Jr., the President & CEO of the Charlotte Housing Authority; and Gregory P. Russ, Executive Director & CEO of the Minneapolis Public Housing Authority.

Housing Our Heroes – 1,000 Veterans Assisted

As of May 4, 2017, the Housing Our Heroes program has assisted 1,000 homeless Veterans: 680 who secured permanent housing and 320 who are searching for housing with rental assistance through the program.

Annual Homeless Census “We All Count”

The number of homeless individuals in San Diego County increased 5 percent last year, to 9,116, according to the results of “We All Count,” the Point-in-Time Count annual census of homeless individuals, which was conducted on January 27, 2017. The Regional Task Force on the Homeless announced the results on April 20, 2017. Innovative programs, such as HOUSING FIRST – SAN DIEGO, the Housing Commission’s Homelessness Action Plan, are needed to address homelessness in San Diego.

Guardian Scholars Program Honored at SDSU

On May 2, 2017, the Guardian Scholars Program, which is one of the Housing Commission’s HOUSING FIRST – SAN DIEGO initiatives, was honored with an award at San Diego State University (SDSU). A 2017 Student Affairs Staff Award was presented to the SDSU staff who worked on the Guardian Scholars Program. SDSU also presented the Housing Commission with a plaque for “Outstanding Student Affairs Collaboration” in recognition of the Housing Commission’s partnership with them, which was initiated by Commissioner Moraga. The Guardian Scholars Program provides rental assistance to up to 100 SDSU students who have been homeless or at risk of homelessness.



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San Diego Housing Commission's 'AA' Credit Rating

Standard & Poor's Global Ratings has affirmed SDHC's "AA" credit rating. The credit rating firm cited SDHC's "very strong overall strategy and management," as well as a "very strong financial profile." The "AA" is S&P Global Ratings' second-highest rating, indicating SDHC's "very strong capacity to meet financial commitments."

50 APPROVAL OF THE MINUTES

The minutes of the Regular Housing Commission meeting of April 7, 2017, were approved on a motion by Vice Chair Surdi, seconded by Commissioner Moraga, and passed by a vote of 7-0.

ACTION AGENDA:

100 HCR17-035 Proposed Fiscal Year 2018 Budget

Jeff Davis, Executive Vice President & Chief of Staff, and Tracey McDermott, Vice President & Chief Financial Officer, presented the request for approval.

Motion by Commissioner Moraga to take the following staff recommended actions. Seconded by Vice Chair Surdi, and passed by a vote of 7-0.

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 \$433 million Fiscal Year (FY) 2018 Budget (Attachment 1);
- 2) Delegate authority to the Housing Commission to approve amendments to the FY 2018 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 2018 Budget;
 - b. Additional funding for the FY 2018 Budget resulting from applications submitted with the approval of the Housing Authority (per Housing Authority Resolution 1569); and
 - c. Additions from other sources, not to exceed \$500,000 on an individual basis, to the FY 2018 Budget; and
- 3) Delegate authority to the President & Chief Executive Officer of the Housing Commission to amend the FY 2018 Budget for amounts not to exceed \$250,000 consistent with policies, programs and activities approved by the Housing Commission and Housing Authority.



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101 HCR17-038 Expanded Use of Low Income Lease Revenue Funds for HOUSING FIRST – SAN DIEGO, the San Diego Housing Commission’s Homelessness Action Plan

Melissa Peterman, Vice President, Homeless Housing Innovations, and Erica Snyder, Director of Homeless Housing Innovations, presented the request for approval.

Motion by Commissioner Moraga to take the following staff recommended actions. Seconded by Vice Chair Surdi, and passed by a vote of 7-0.

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 and amend Resolutions R-310284 and HA-1681 to authorize the expanded use of Low Income Lease Revenue Funds, including but not limited to those within Funds 200398 and 10540, for each of the purposes referenced within this report:

City Council:

Amend Resolution R-310284 to authorize the expanded use of funds from the sale of the Hotel Metro and the ground lease of San Diego Square Senior Apartments for the purposes referenced in this report, including, without limitation, any funds within Low Income Lease Revenue Fund 200398 and 10540 and specifically granting such authority pursuant to the provisions of City Council Resolutions R-224179 and R-218880, to the extent such actions are necessary.

Housing Authority:

- 1) Amend Resolution HA-1681 to authorize the expanded use of funds from the sale of the Hotel Metro and the ground lease of San Diego Square Senior Apartments for the purposes referenced within this report, including, without limitation any funds within Low Income Lease Revenue Fund 200398 and 10540 and specifically granting such authority pursuant to the provisions of City Council Resolutions R-224179 and R-218880, to the extent such actions are necessary;
- 2) Authorize the President & Chief Executive Officer (President & CEO), or designee, to expend funds approved by this action to participating landlords as part of the collaborative landlord-outreach component of HOUSING FIRST – SAN DIEGO, the Housing Commission’s Homelessness Action Plan; and
- 3) Authorize the President & CEO, or designee, to execute all necessary documents and instruments necessary and/or appropriate to implement these approvals, in a form approved by General Counsel, and to take such actions necessary and/or appropriate to implement these approvals.



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102 HCR17-036 Village North Senior Garden Apartments – Property Disposition

Debbie Ruane, Executive Vice President & Chief Strategy Officer, and Ted Miyahara, Vice President, Housing Finance, Programs & Compliance, Real Estate Division, presented the request for approval.

Mr. Miyahara read into the record that the report to the Housing Commission Board should reflect that the financial advisor determined that the proposed debt execution is the best fit for the project and does not pose any unnecessary financial burden to Housing Development Partners or the Housing Commission.

Motion by Vice Chair Surdi to take the following staff recommended actions. Seconded by Commissioner Hubbard, and passed by a vote of 7-0.

That the San Diego Housing Commission (Housing Commission) Board approve the following actions:

- 1) Authorize the Housing Commission to enter into a long-term (65-year) Ground Lease Agreement between HDP Village North, LP, or designee (Lessee), and the Housing Commission (Lessor) for the transfer of property located at 7720 Belden Street, San Diego, CA 92111, on terms and conditions described in this report, as approved by General Counsel of the Housing Commission;
- 2) Authorize the Executive Vice President & Chief of Staff (COS), 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 upon the advice of General Counsel;
- 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 forth within this report; and
- 4) Approve the transfer of the Village North Senior Garden Apartments projected property reserve balance of \$2,000,000 (based on a September 2017 closing date) to HDP Village North, LP or designee, to be used for the renovation of the property.



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103 HCR17-039 Final Bond Authorization for Park & Market

Debbie Ruane, Executive Vice President & Chief Strategy Officer, and Ted Miyahara, Vice President, Housing Finance, Programs & Compliance, Real Estate Division, presented the request for approval.

Philip Williams, Development Director for Holland Partner Group, spoke in favor.

Motion by Commissioner Hubbard to take the following staff recommended actions. Seconded by Commissioner Benvenuto, and passed by a vote of 7-0.

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

- 1) Recommend that the Housing Authority of the City of San Diego (Housing Authority) authorize the issuance of up to \$216,500,000 in tax-exempt Multifamily Housing Revenue Bonds, which are allocated by the State, to facilitate the development of Park & Market, a 426-unit mixed-use development, located in the East Village Neighborhood of Downtown San Diego, which will include 85 units that will remain affordable for 55 years;, and
- 2) Request that the San Diego City Council (City Council) hold a Tax Equity and Fiscal Responsibility Act (TEFRA) public hearing and adopt a resolution approving the issuance of Multifamily Housing Revenue Bonds in an amount up to \$216,500,000.

ADJOURNMENT:

Chair Urtasun adjourned the Regular Meeting at 10:09 a.m.

Respectfully submitted,

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

Approved by,

Richard C. Gentry
President & Chief Executive Officer
San Diego Housing Commission