



SAN DIEGO  
HOUSING  
COMMISSION

## REVISED AGENDA

SAN DIEGO HOUSING COMMISSION  
REGULAR MEETING AGENDA  
JULY 28, 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



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**50 APPROVAL OF THE MINUTES**

June 16, 2017, Regular Meeting  
June 16, 2017, Special 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 HCR17-059 Procurement of Enterprise Management System**

*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)(B).*

That the San Diego Housing Commission (Housing Commission):

1. Authorize the President & Chief Executive Officer (CEO), or designee, to execute a one-year Software License and Service Agreement (Purchase Agreement) with Yardi, under a General Services Agreement (GSA) Schedule 70 contract, to renew the Housing Commission’s existing Yardi Enterprise Management Software system and associated implementation services, as well as additional non-Yardi consultants/contractors/temps, in the amount of \$399,000 with four (4) additional one-year extension options, at a cost of \$2,247,000 over the next 5 years.
2. Authorize the President & CEO, or designee, to execute amendments/extensions in one-year increments, as approved as to form by General Counsel, which compensation for amendments/extensions shall be based on the prior year’s cost, plus an escalation percentage cap equal to the Consumer Price Index, and, if necessary, a 20% contingency for cost for an increase in additional licenses, services and/or Housing Commission units’ support, utilizing funds that have been approved through the Housing Commission and Housing Authority annual budget process.
3. Authorize the President & CEO, or designee, in a form approved by General Counsel, to execute all necessary documents to complete this action and implement these approvals and to further authorize the President & CEO, or designee, to take such actions as are necessary and appropriate to implement these approvals by the Housing Commission.



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**101 [HCR17-060](#) [Clean & Green Program](#)**

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

1. Approve the Housing Rehabilitation Clean & Green Program for established homeowners in the form of a 3 percent interest, deferred-payment loan up to \$25,000; and
2. Approve the First-Time Homebuyer Clean & Green Program in the form of a 3 percent interest, deferred-payment loan up to 8 percent of the purchase price or a maximum of \$25,000.

**102 [HCR17-063](#) [Rehabilitation, Accessibility Upgrades, and Site Improvements of Via Las Cumbres Affordable Housing](#)**

*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)(B).*

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

1. Authorize the President & Chief Executive Officer (President & CEO), or designee, to enter into a design-build contract, and all necessary contracts arising as a result of this procurement solicitation based on competitively bid solicitations and appropriate procurement methodologies, without further approvals by the Housing Commission Board or the Housing Authority of the City of San Diego, provided that the aggregate amount of the contracts do not exceed the budget listed in Recommendation 2, below;
2. Approve total development plan and ratification of the budget (Attachment 1) in an amount not to exceed \$8,376,500;
3. Authorize the President & CEO, or designee, to substitute the identified contract funding sources with other available funding sources, 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
4. Authorize the President & CEO, or designee, to execute all documents and instruments necessary and/or appropriate to implement these approvals, in a form approved by General Counsel, and take such actions as are necessary and/or appropriate to implement these approvals.



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**103**    [HCR17-057](#)    [Authorization to Obtain Loan Secured by Courtyard Apartments](#)  
*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) and (B) and San Diego Housing Commission Policy No. PO-RED-300.104.*

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

1. Authorize the Housing Commission to leverage the equity to borrow funds secured by Courtyard Apartments, (37 apartments and 3 commercial spaces) located at 4395 El Cajon Boulevard & 4262 – 4268 El Cajon Boulevard, in an amount not to exceed 80 percent of loan to appraised value, on commercially reasonable terms, with the debt coverage ratio not to be less than 1.15. The loan will be procured by advertised and direct requests for proposals from lenders. The size of the loan is estimated to be approximately \$5,000,000;
2. Authorize the Housing Commission to procure the loan through the advertised and direct requests for proposals from lenders;
3. Authorize the Housing Commission to use the loan funds to conduct construction and rehabilitation work on Housing Commission-owned rental properties;
4. Authorize the Housing Commission to convey the Courtyard Apartments property to an affiliate or to an entity that is otherwise wholly-owned by the Housing Commission to the extent reasonably necessary or advisable in order to obtain the financing secured by the Courtyard Apartments property; and
5. Authorize the President & CEO, the Executive Vice President & Chief of Staff, or their designees, to execute all necessary documents and perform such acts are reasonably necessary to implement these approvals upon the advice of General Counsel.

**104**    [HCR17-045](#)    [Final Bond Authorization for Casa Puleta Apartments](#)  
*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:

**HOUSING AUTHORITY ACTION:**

1. Authorize the issuance of up to \$5,400,000 in tax-exempt Multifamily Housing Revenue Bonds, which are allocated by the State, to facilitate Casa Puleta Apartments LP’s acquisition and rehabilitation of Casa Puleta Apartments, a 54-unit multifamily affordable



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rental housing development, located at 1445 South 45<sup>th</sup> Street, San Diego, in the Southeastern San Diego neighborhood, which will remain affordable for 55 years;

2. Grant an exemption relating to Section 3.2 of the Housing Commission's Multifamily Housing Revenue Bond Program Policy P.O. 300.301, to authorize the use of the California Tax-Credit Allocation Committee's methodology for calculating rents for the affordable units; and

**CITY COUNCIL ACTION:**

3. 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 \$5,400,000.

**105 [HCR17-046](#) [Final Bond Authorization for Luna at Pacific Highlands Ranch \(Pacific Highlands Ranch Village\)](#)**

*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) take the following action:

1. Authorize the issuance of up to \$24,000,000 in tax-exempt Multifamily Housing Revenue Bonds, which are allocated by the State, to facilitate Affirmed Housing Group's acquisition and development of Luna at Pacific Highlands Ranch, a 79-unit multifamily affordable rental housing development, located in the Pacific Highlands Ranch community, which will remain affordable for 55 years.

**106 [HCR17-058](#) [Preliminary Bond Authorization for Civita II Family Apartments](#)**

*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.

**HOUSING AUTHORITY ACTION:**

1. Approve the following steps to issue Housing Authority tax-exempt Multifamily Housing Revenue Bonds for Civita II Family Apartments, a 203-unit multifamily affordable rental housing development, located in the Mission Valley community, which will remain affordable for 55 years:



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- a) Issue a bond inducement resolution (Declaration of Official Intent) for up to \$62,000,000 in Multifamily Housing Revenue Bonds for the development of Civita II Family Apartments by Civita II 4% CIC, LP;
  - 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 \$62,000,000 for Civita II Family Apartments;
  - c) Approve the financing team of Quint and Thimmig LLP as Bond Counsel and Ross Financial as Financial Advisor;
2. Authorize the 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; and

**CITY COUNCIL ACTION:**

3. 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 \$62,000,000.

**107 [HCR17-062](#) [Bella Vista Apartments – Construction Financing Taxable Note](#)  
*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) take the following action:

1. Authorize the issuance of an up to \$12,700,000 Multifamily Housing Revenue taxable note to facilitate the construction financing by Bella Vista Affordable Communities, L.P., a California limited partnership, for Bella Vista Apartments, a 170-unit affordable rental housing development, located at 4742 Solola Avenue, San Diego, in the Encanto neighborhood, which will remain affordable for 55 years.

**CLOSED SESSION**

**It is anticipated that the San Diego Housing Commission will convene in closed session on Friday, July 28, 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.**



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- 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 - EXISTING LITIGATION pursuant to subdivision (c) of section 54954.5 of the Government Code and pursuant to subdivision (d)(1) of section 54956.9:**

**Four (4) matters:**

*San Diego Housing Commission vs. APR Construction, et al.*, Superior Court of California, County of San Diego, Case No. 37-2016-00012455-CU-BC-CTL;

*San Diego Housing Commission vs. APR Construction, et.al.*, Superior Court of California, County of San Diego, Case No. 37-2016-00011386-CU-BC-CTL;

*Erin Faustino, et al. vs. Central SDHC FHA LLC*, U.S. District Court, Southern District of California, Case No. 3:16cv02326-BAS-AGS; and

*Quashana Simmons vs. San Diego Housing Commission, et al.*, Superior Court of California, County of San Diego, Case No. 37-2016-00014888-CU-PO-CTL.
- V. **Announcement of Actions Taken in Closed Session.**
- VI. **Adjournment.**

#### INFORMATIONAL REPORTS

[HCR17-055 Status of Loan Portfolio – Third Quarter of Fiscal Year 2017](#)

[HCR17-061 Annual Insurance Report – Fiscal Year 2017 – 2018](#)

ADJOURNMENT