



SAN DIEGO
HOUSING
COMMISSION

AGENDA

SAN DIEGO HOUSING COMMISSION
REGULAR MEETING AGENDA
SEPTEMBER 8, 2017, 9:00 A.M.
SMART CORNER
4TH 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

July 28, 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 [HCR17-071](#) [Contract for the Fiscal Year 2018 Mental Health Systems \(MHS\) Serial Inebriate Program](#)

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

1. Authorize the execution of an agreement with Mental Health Systems (MHS) in the amount of \$268,250 in City General Funds to provide Transitional Housing and Services to Serial Inebriates;
2. Authorize the President & Chief Executive Officer (President & CEO), or designee, to execute all necessary 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 necessary and/or appropriate to implement these approvals; and
3. Authorize the President & CEO 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 Board of Commissioners (Board) of the Housing Commission, but only if and to the extent that funds are determined to be available for such purposes.



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101 **[HCR17-069](#)** **[Contract for Fiscal Year 2018 People Assisting the Homeless Downtown San Diego Connections Housing Interim Housing Program](#)**

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

1. Ratify the execution of an agreement with People Assisting the Homeless (PATH) in the amount of \$717,118 to provide interim housing services to homeless single adults, consisting of the following funding sources: \$276,000 of Community Development Block Grant (CDBG) funds allocated by the City of San Diego for the funding of social services in Fiscal Year 2018; \$123,618 of Emergency Solutions Grant (ESG) funds available for the funding of social services in Fiscal Year 2018; \$40,000 provided by the Housing Commission; and \$277,500 allocated by the City of San Diego from its General Fund (GF);
2. Ratify the execution by the Housing Commission President & Chief Executive Officer (President & CEO), or designee, of all 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; and
3. Authorize the President & CEO 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 of Commissioners (Board), but only if and to the extent that funds are determined to be available for such purposes.

102 **[HCR17-077](#)** **[Approval of Office Lease at 701 B Street, San Diego, CA, 92101](#)**

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).

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

1. Approve an office lease between the Housing Commission and the owner of the building located at 701 B Street, San Diego, CA, 92101, on terms and conditions referenced within this report, on terms and conditions as approved by General Counsel;
2. Authorize the Executive Vice President and Chief of Staff to execute such documents and to perform such acts as are necessary to enter into the recommended lease, upon the advice of General Counsel; and
3. To take such budgetary actions as are necessary to allow for the execution and performance of the lease.



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103 [HCR17-068](#) [Quality Inn & West Park Inn - Property Acquisition & Transfer](#)

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).

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

1. Authorize the Executive Vice President & Chief of Staff, or designee, to execute any and all documents necessary to allow the Housing Commission to acquire the properties located at 1830 & 1840 Fourth Avenue, San Diego, CA 92101, on terms and conditions described in this report, as approved by General Counsel of the Housing Commission.
2. Ratify the execution of a Purchase and Sale Agreement dated March 9, 2017, with the following sellers: (i) WPI LTD, a California limited partnership (WPI); (ii) ABB/WPI, LLC, a California limited liability company; (iii) WPI15 LLC, a California limited liability company; (iv) Flying Buffalo Investments, LLC, a Wyoming limited liability company; (v) Midland Equity, LLC, a California limited liability company; (vi) JSW82, LLC, a California limited liability company; (vii) Howard First Rollover IRA TD Ameritrade Clearing, Custodian; (viii) Igal Kwart, an individual; and (ix) Sanford A. Lakoff, Trustee of the Sanford A. Lakoff Living Trust, dated September 28, 2007, (collectively the "Sellers").
3. Authorize the Executive Vice President & Chief of Staff, or designee, upon satisfactory completion and evaluation of the property during the due diligence period, to take such actions and perform such acts as are necessary to acquire the respective 0.23-acre Quality Inn and 0.115-acre West Park Inn properties with improvements for a negotiated price not to exceed \$15,190,000. The Sellers shall provide clear fee simple title upon acquisition of the property.
4. Authorize the Executive Vice President & Chief of Staff, or designee, to execute and record an affordability covenant against the property for 65 years, with all of the units remaining affordable at or below 80 percent of the San Diego Area Median Income (AMI).
5. Ratify the funding of the refundable escrow deposit of \$200,000 in accordance with the terms outlined in the Purchase and Sale Agreement, which will be applicable to the purchase price and which deposit will become non-refundable upon the expiration of the due diligence period on October 15, 2017.
6. Authorize the Housing Commission to provide property management services, or procure a new property management company through a competitive Request for Proposal process.
7. Authorize the purchase of the properties and associated closing costs, utilizing up to \$7,700,000.00 of U.S. Department of Housing and Urban Development (HUD) Moving to Work (MTW) Funds and up to \$8,200,000 in Local Funds.



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8. Authorize the Executive Vice President & Chief of Staff, or designee, to substitute approved funding sources for Quality Inn and West Park Inn with locally generated revenue (lease or rental) and/or any other available funds as deemed appropriate, contingent upon budget availability, and further authorize the Executive Vice President & Chief of Staff, or designee, to take such actions as are necessary, convenient and/or appropriate to implement these approvals by the Housing Commission and the Housing Authority of the City of San Diego, if the Housing Authority requests to review these actions, upon the advice of General Counsel.
9. Authorize the Housing Commission to enter into a long term (65 year) Ground Lease Agreement between to-be-formed entity(ies) of which Housing Development Partners (HDP), the Housing Commission's nonprofit affiliate, is the managing member, or designee(s) (Lessee), and the Housing Commission (Lessor) for the transfer of property located at 1830 & 1840 Fourth Avenue, San Diego, CA 92101, on terms and conditions described in this report, as approved by General Counsel of the Housing Commission, provided that the leasehold value to the Housing Commission is fair and reasonable and is a fair market place lease. Approval of this action will permit, but not require, a concurrent closing of acquisition of the fee interest by the Housing Commission and creation of the 65-year ground lease in favor of HDP, or affiliate, at the same time as the Housing Commission acquires the fee interest in the properties from the Sellers.
10. Authorize the Executive Vice President & Chief of Staff, 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.
11. Approve all budgets associated with this potential acquisition. This includes the transfer and/or reallocation of funds between any and all funding use line items within the total approved development/project budget provided the total project/development budget amount after any and all transfers/reallocations does not exceed the previously approved budget total, in any instances when the operational need(s) arise and/or when such actions are to the benefit of the Housing Commission and its mission.



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104 [HCR17-073](#) [Workshop & Discussion: Addressing the Housing Affordability Crisis: San Diego Housing Production Objectives 2018-2028](#)

NO ACTION IS REQUIRED ON THE PART OF THE HOUSING COMMISSION

At the September 8, 2017, meeting, a workshop will be presented on the report, “Addressing the Housing Affordability Crisis: San Diego Housing Production Objectives 2018-2028.”

This report was developed to facilitate the creation of housing production goals for the City of San Diego, as recommended in the San Diego Housing Commission’s (Housing Commission) report, “Addressing the Housing Affordability Crisis: An Action Plan for San Diego,” which initially was released on November 25, 2015.

105 [HCR17-065](#) [SDHC Strategic Plan 2016- 2020 Workshop](#)

NO ACTION IS REQUIRED ON THE PART OF THE HOUSING COMMISSION

The San Diego Housing Commission (Housing Commission) developed an agency-wide, four-year Strategic Plan, which was approved by the Housing Commission Board (Board) on September 9, 2016.

ADJOURNMENT

INFORMATIONAL REPORTS

[HCR17-056](#) [San Diego Housing Commission Semi-Annual Grants Report January 1, 2017 – June 30, 2017](#)

[HCR17-072](#) [Investment Report – Fourth Quarter Fiscal Year 2017](#)