



MINUTES

**SAN DIEGO HOUSING COMMISSION
MINUTES OF THE REGULAR MEETING
JUNE 21, 2024
SMART CORNER
4th FLOOR CONFERENCE ROOM
1122 BROADWAY
SAN DIEGO, CALIFORNIA 92101**

ATTENDANCE

Present:

Chair Eugene “Mitch” Mitchell
Vice Chair Ryan Clumpner
Commissioner Stephen P. Cushman
Commissioner Kellee Hubbard
Commissioner Antoine “Tony” Jackson
Commissioner Melinda K. Vásquez
President & CEO Lisa Jones
General Counsel Chuck Christensen

Not Present:

Commissioner Johanna Hester

10 CALL TO ORDER

Chair Mitchell called the Regular Meeting to order at 9:05 a.m.

20 NON-AGENDA PUBLIC COMMENT

Ellis Rose spoke about Cypress Apartments.

Tasha Williamson spoke about flood-displaced families.

Michael Rios spoke about preapproval letter for housing assistance for flood-displaced families.

30 COMMISSIONER COMMENTS

Vice Chair Clumper requested the monthly update regarding shelter bed availability. Interim Senior Vice President of Homelessness Housing Innovations Casey Snell said that in May, 320 requests for shelter, or 19 percent of the referrals received, were completed, and 1,327 requests for shelter were not met. Fiscal year to date, through May 31, 2024, 19 percent of all referrals to shelter have been accommodated, totaling 3,768 placements, and 81 percent were not accommodated, which is 15,713 requests for shelter. These are not unduplicated numbers. All family shelter referrals have been paused because of the flood recovery efforts in case families displaced from their homes by the January 22 floods need to be placed into family shelter accommodations, if they are available.



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Vice Chair Clumper also thanked Housing Commission staff for diligently working to find solutions for the resources the Housing Commission needs to continue administering programs that clients are counting on.

Commissioner Jackson asked if beds for flood-impacted families assisted through the County of San Diego’s Emergency Temporary Lodging Program, which was ending June 21, would become available for those experiencing homelessness. President and CEO Jones said the County procured hotel rooms to assist flood-impacted families. With the end of the funding for those hotel rooms, those rooms will go back to the hotels to rent out as they normally would.

Commissioner Cushman asked about the Housing Commission’s strategy to address the small percentage of shelter placements each month. President and CEO Lisa Jones said the Housing Commission understands that the City administration—the Mayor’s office and the City’s Homelessness Strategies and Solutions Department (HSSD)—is looking for additional shelter beds. Additionally, the Housing Commission will be releasing a Request for Statement of Qualifications (RFSQ) to look for opportunities for operators and/or site owners to come forward. President and CEO Jones added that the Housing Commission always looks for opportunities with the funding it has available. The Housing Commission does not have direct funds from the state or federal governments to help the Housing Commission stand up shelter crisis response beds. Funding for that purpose would consist of City General Funds, state Homeless Housing, Assistance and Prevention (HHAP) funds, or grant funds for which the City or the Housing Commission may apply. Federal Continuum of Care grant funds for which the Housing Commission can directly apply will not fund shelter. Conversations the Housing Commission has had with City operations, HSSD, and the Mayor’s office have been that the City is very interested in leading on crisis response, for which they have the resources, and they want the Housing Commission to lead on homelessness prevention, affordable housing preservation, and affordable housing development. The City and the Housing Commission are working together. The City will lead in the area of shelter crisis response, with the Housing Commission administering contracts for operations, as appropriate, and the Housing Commission will lead in prevention, housing stabilization, affordable housing development and affordable housing preservation. During the budget approval process, the City Council specifically asked the Housing Commission to also make efforts to look for shelter opportunities. The Housing Commission and the City will work together to find the best option to maximize the available funding. The Housing Commission makes recommendations, but the funding decisions are made by the City.

40 REPORT BY PRESIDENT & CHIEF EXECUTIVE OFFICER

Affordable Housing Developments Approved

The Housing Commission Board’s actions since July 1, 2023, are supporting 1,385 affordable rental housing units. The Housing Commission is collaborating with developers by providing financing for 1,149 of these units. Among these units, 787 units are new construction, and 362 are rehabilitations of existing affordable housing units. The Housing Commission Board approved \$20.5 million in loans and authorized more than \$309 million in Multifamily Housing Revenue



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Bonds for these projects. The Housing Commission also has awarded 321 rental housing vouchers to these developments to help residents pay their rent. An additional 236 affordable units are at properties for which the state awarded Homekey funds to the Housing Commission in collaboration with the City and the County. The Housing Commission is providing housing vouchers for rental assistance at all the units at these Homekey properties as well. The Housing Commission is collaborating with Wakeland Housing and Development Corporation on the Abbott Street apartments project with Homekey funds. The Housing Commission has acquired the Pacific Village property. The proposed acquisition of the Presidio Palms property is pending the Housing Authority's final approval. Pacific Village and Presidio Palms are conversions of former hotel properties to create affordable housing with supportive services for people experiencing homelessness. Three additional developments to be presented today are the proposed new construction of affordable housing. If approved, the total affordable units will have approved this fiscal year will rise to 1,678. The City of San Diego continues to have a significant need for additional rental homes that families can afford. Housing Commission staff does great work to maximize the creation and preservation of affordable housing with the limited resources available. The Housing Commission Board consistently demonstrates the leadership and commitment needed to move the needle.

Affordable Housing Developments Approved

The Pacific Village property is a former hotel on Midway Drive that the Housing Commission acquired in January. Shortly after completing the purchase, the Housing Commission used the property to provide short-term emergency shelter for families in the City who were displaced from their homes by the January 22 floods. Work is now underway to convert this former hotel into affordable rental housing units with supportive services for people experiencing homelessness. This work started March 25. The rehabilitation of this property includes the installation of kitchenettes in all units, the addition of a fire sprinkler and alarm system, upgrades to building systems; security additions such as fencing and cameras; and accessibility upgrades. The completion of the rehabilitation is anticipated in time for residents to begin residing at Pacific Village in February of 2025.

Affordable Housing Fund Ordinance Amendment

On June 11, the San Diego City Council approved the Affordable Housing Fund Annual Plan and the Housing Commission's budget with some modifications. These included reallocating \$8 million from the Affordable Housing Fund to support the City homelessness shelters and services programs the Housing Commission administers on the City's behalf. In their motions to approve these items, the City Council made the reallocation of funds contingent on their approval of a subsequent ordinance. Such an ordinance is necessary to suspend or waive Municipal Code requirements related to the use of the Affordable Housing Fund. The City Council directed the Housing Commission to work with the City Attorney's Office and present a proposed ordinance to the City Council for first reading "at the earliest possible time." Housing Commission staff and General Counsel have begun working with the City Attorney's Office to prepare the proposed ordinance. To fulfill the City Council's direction and request for expediency, the Housing Commission will need



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to present the proposed ordinance directly to the City Council without first bringing it to the Housing Commission Board. It is anticipated this item will be presented to the City Council in late July.

Flood Recovery Assistance Program Update

The Housing Commission developed the Flood Recovery Program for Displaced Residents to assist families from the City of San Diego who were displaced from their homes in the January floods and were eligible for and participating in the County’s Emergency Temporary Lodging Program as of May 23. The County allocated \$4.2 million to the Housing Commission specifically to further assist these families. Then, in their budget approval on June 11, the City Council allocated \$3 million in City funds to support this effort as well. The Housing Commission’s Flood Recovery Program is a three-pronged approach to assist these families. One component of our initiative is Family Financial Assistance. As of June 19, 2024, 366 applications were received for Family Financial Assistance. Of those, we identified 194 unduplicated applications that are eligible for the program. The Housing Commission has determined that 84 applicants to date are preapproved for assistance. This means the family has received a letter informing them of their potential “preapproved” dollar amount of assistance. Final approval and issuance of payment occurs after the family has leased a permanent housing unit. Of the remaining unduplicated, eligible applicants, 49 are pending review by the Federal Emergency Management Agency—or FEMA—and 61 are under review or pending submission of documents for our program.

Another component of the Flood Recovery Program is housing unit search assistance. The Housing Commission had begun providing this type of assistance for displaced families before the County allocated funding to create our flood recovery program, and 152 families have been referred to us for housing search assistance. Of these families, 93 are engaging in this process to receive ongoing support from our unit search team. Housing Commission staff who are experienced in housing searches for other programs are working to identify available housing units—or housing leads—for these families. This effort includes a housing search class and referrals to available homes for rent based on the family size and needs. Landlords are encouraged to list their available units at affordablehousing.com.

The third component of the flood recovery program is Housing Restoration Assistance. The Housing Commission is contracting with the Harvey Family Foundation, which serves southeastern communities of San Diego, to assist with restoring homes damaged by the floods to make them habitable again.

In addition to the Flood Recovery Program, the Housing Commission organized a housing resource fair that was held on June 5, 2024, at the Jackie Robinson Family YMCA to connect displaced families with a variety of resources.

President and CEO Jones thanked the County, the City and all the organizations who have collaborated with the Housing Commission and continue to work to support the families impacted by the January floods.



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50 APPROVAL OF THE MINUTES

The amended minutes of the Regular Meeting of the Housing Commission Board of Commissioners on May 10, 2024, were approved on a motion by Commissioner Hubbard, seconded by Commissioner Jackson, and passed by a vote of 5-0, Commissioner Vásquez abstained.

CONSENT AGENDA

Motion by Commissioner Cushman to approve Items 100, 101 and 102 on consent. Seconded by Commissioner Jackson and passed by a vote of 6-0.

100 HCR24-058 Approval of the Award of Job Order Contracting Contracts

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

- 1) Authorize the President and Chief Executive Officer (President and CEO), or designee, to enter into cooperative purchasing agreements with the contractors referenced within this report based upon procurements previously competitively bid and awarded by Sourcewell.
- 2) Approve the award of 16 separate Job Order Contracting (JOC) contracts that include an initial one-year term with four additional one-year contract renewal options to the following companies:
 - a) Grondin Construction Inc (General Construction) – SDHC JOC Contract # JOC-25-01
 - b) All Source Coatings Inc (General Construction) – SDHC JOC Contract # JOC-25-02
 - c) Pacific Building Group (General Construction) – SDHC JOC Contract # JOC-25-03
 - d) LDCo., Inc (General Construction) – SDHC JOC Contract # JOC-25-04
 - e) ABM Electrical and Lighting Solutions (Electrical) – SDHC JOC Contract # JOC-25-05
 - f) Express Energy Services Inc (Electrical) – SDHC JOC Contract # JOC-25-06
 - g) Harry H. Joh Construction Inc (Electrical) – SDHC JOC Contract # JOC-25-07
 - h) ABM Building Solutions, LLC (Mechanical/HVAC) – SDHC JOC Contract # JOC-25-08
 - i) Harry H. Joh Construction Inc (Mechanical/HVAC) – SDHC JOC Contract # JOC-25-09
 - j) Horizons Construction Company Int'l Inc (Paving) – SDHC JOC Contract # JOC-25-10
 - k) Rite-Way Roof Corporation (Roofing/Waterproofing) – SDHC JOC Contract # JOC-25-11
 - l) All Source Tile Inc (Flooring) – SDHC JOC Contract # JOC-25-12
 - m) All Source Coatings Inc (Painting) – SDHC JOC Contract # JOC-25-13
 - n) Grondin Construction Inc (Painting) – SDHC JOC Contract # JOC-25-14
 - o) Horizons Construction Company Int'l Inc (Plumbing) – SDHC JOC Contract # JOC-25-15
 - p) Alco Building Solutions (Solar) – SDHC JOC Contract # JOC-25-16
- 3) Authorize the President and 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



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to the benefit of the Housing Commission and its mission.

- 4) Authorize the President and 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, provided that a copy of the documents, signed as to form by General Counsel, is submitted to each Housing Commissioner.

101 HCR24-048 2024-2025 Procurement of General Liability Insurance Coverage

That the San Diego Housing Commission (Housing Commission) Board of Commissioners (Board) approve the procurement and binding of general liability insurance coverage from Housing Authority Risk Retention Group, Inc., (HARRG) in an amount not to exceed \$316,551 plus a 5 percent contingency reserve with effective dates of July 1, 2024, to July 1, 2025.

102 HCR24-050 Action to Amend San Diego Housing Commission Statement of Procurement Policy (PO-PUR-373.01)

That the San Diego Housing Commission (Housing Commission) Board of Commissioners (Board) recommend that the Housing Authority of the City of San Diego (Housing Authority) take the following actions:

- 1) Adopt the amendments to the Housing Commission’s Statement of Procurement Policy, PO-PUR-373.01, as described in this report and shown in Attachment 1.
- 2) Authorize the Housing Commission’s President and Chief Executive Officer (President and CEO), or designee, to execute the approved amended Statement of Procurement Policy, PO-PUR-373.01, in a form and format approved by General Counsel, and to take such actions necessary and appropriate to implement these approvals. Housing Commission staff will notify the Housing Authority and the City Attorney’s Office about any subsequent amendments or modifications to the documents, and other required documents, including amendments to any documents.

ACTION AGENDA:

103 HCR24-061 Amendment to the Agreement with the Harvey Family Foundation for the Landlord Housing Restoration Assistance Program

Azucena Valladolid, Executive Vice President, Rental Assistance and Workforce Development, presented the request for approval.



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Motion by Vice Chair Clumpner to take the following staff recommended actions. Seconded by Commissioner Jackson and passed by a vote of 6-0.

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

- 1) Authorize an amendment to the Housing Commission's contract with the Harvey Family Foundation to increase the maximum allowable compensation in the amount of \$412,500 for a maximum total compensation amount of \$660,000 for the term of June 12, 2024, through July 30, 2025, to administer the Landlord Housing Restoration Assistance Program and provide assistance services, as described in this report, to property owners in the City of San Diego impacted by the January 22, 2024, floods to complete repairs to restore their properties to make them habitable and available for rent to City of San Diego families displaced from their homes by the January 22, 2024, floods.
- 2) Authorize the President and Chief Executive Officer (President and CEO), or designee, to substitute the funding sources with other available funding sources so long as the total program/project budget amount after substitution does not exceed the approved total budget, and to increase compensation by not more than 50 percent of the total agreement amount, if necessary, should the operational need arise based on the state of emergency and subject to funding availability, without further action by the Housing Commission Board.
- 3) Authorize the President and Chief Executive Officer, or designee, to execute all documents and instruments 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, provided that a copy of the documents, signed as to form by General Counsel, is submitted to each Housing Commissioner.

104 HCR24-053 Loan Recommendation for Rose Creek Village

Jennifer Kreutter, Vice President Multifamily Housing Finance, Real Estate Division, presented the request for approval.

Motion by Commissioner Cushman to take the following staff recommended actions. Seconded by Commissioner Hubbard and passed by a vote of 6-0.

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

- 1) Approve a proposed residual receipts loan in an amount not to exceed \$2,000,000 to Rose Creek Village LP, a California limited partnership, to facilitate the acquisition and new construction of Rose Creek Village, a transit-oriented development at 2662 Garnet Avenue in the Pacific Beach neighborhood of San Diego, which will consist of 59 rental housing



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units that will remain affordable for 55 years for persons with income from 30 percent to 60 percent of San Diego's Area Median Income (AMI), of which 18 units will be permanent supportive housing with Veterans Affairs Supportive Housing (VASH) vouchers for veterans experiencing homelessness. There will also be one unrestricted manager's unit.

The Housing Commission's proposed loan will be contingent upon the developer receiving all necessary third-party funding commitments as described in this report. Such third-party funding commitments will be subject to the Housing Commission General Counsel's approval.

- 2) Authorize the President and Chief Executive Officer (President and CEO), or designee:
 - a. To execute any and all documents necessary to effectuate the transaction and implement the project in a form approved by the General Counsel, and to take such actions as are necessary, convenient, and/or appropriate to implement the approvals upon advice of the General Counsel, provided that a copy of the documents, signed as to form by General Counsel, is submitted to each Housing Commissioner.
 - b. To adjust financing terms/conditions, as necessary, for consistency with requirements of other funding sources or to accommodate market changes that may occur, provided that the proposed \$2,000,000 maximum loan amount may not increase.
 - c. To substitute approved funding sources with any other available funds as deemed appropriate, contingent upon budget availability, and further authorize the President and CEO, or designee, to take such actions as are necessary, convenient, and/or appropriate to implement this approval and delegation of authority by the Housing Commission upon advice of the General Counsel.

105 HCR24-054 Loan Recommendation for Market Street Apartments

Jennifer Kreutter, Vice President Multifamily Housing Finance, Real Estate Division, presented the request for approval.

Motion by Commissioner Cushman to take the following staff recommended actions. Seconded by Commissioner Jackson and passed by a vote of 6-0.

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

- 1) Approve a proposed residual receipts loan in an amount not to exceed \$4,000,000 to a to-be-formed limited partnership to facilitate the acquisition and new construction of Market Street Apartments at 4588 Market Street in the Chollas Valley neighborhood of San Diego, which will consist of 137 rental housing units that will remain affordable for 55 years for seniors (aged 55 and older) with income of 30 percent to 60 percent of San Diego's Area Median Income (AMI) and one unrestricted manager's unit.



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The Housing Commission’s proposed loan will be contingent upon the developer receiving all necessary third-party funding commitments as described in this report. Such third-party funding commitments will be subject to the Housing Commission’s General Counsel’s approval.

- 2) Authorize the Housing Commission’s President and Chief Executive Officer (President and CEO), or designee, to:
 - a) Execute all necessary documents and instruments to effectuate the transaction and implement the project, in a form approved by the General Counsel, and to take such actions as are necessary, convenient, and/or appropriate to implement the approvals upon advice of the General Counsel, provided that a copy of the documents, signed as to form by General Counsel, is submitted to each Housing Commissioner.
 - b) Adjust financing terms/conditions, as necessary, for consistency with requirements of other funding sources or to accommodate market changes that may occur, provided that the proposed \$4,000,000 maximum Housing Commission loan amount may not increase.
 - c) Substitute approved funding sources with any other available funds as deemed appropriate, contingent upon budget availability, and further authorize the President and CEO, or designee, to take such actions as are necessary, convenient and/or appropriate to implement these approvals and delegation of authority by the Housing Commission upon advice of the General Counsel.

106 HCR24-055 Loan Recommendation, Preliminary Bond Authorization, and Tax Equity and Fiscal Responsibility Act (TEFRA) Hearing for Hillcrest Hall

Michelle Muniz, Director of Underwriting, Multifamily Housing Finance, Real Estate Division, presented the request for approval.

Motion by Commissioner Cushman to take the following staff recommended actions. Seconded by Commissioner Hubbard and passed by a vote of 6-0.

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

- 1) Approve a Housing Commission residual receipts loan in an amount not to exceed \$5,000,000 to Hillcrest Hall LP, a California limited partnership, and take the initial steps to issue up to \$40,000,000 in Housing Authority of the City of San Diego tax-exempt Multifamily Housing Revenue Bonds and up to \$7,000,000 of taxable bonds to facilitate the acquisition and new construction of Hillcrest Hall at 1601-1607 University Avenue and 3843 Herbert Street in the Uptown Community Plan, which will consist of 97 rental housing units that will remain affordable for 55 years for families earning 30 percent to 60 percent of San Diego’s Area Median Income (AMI) and one unrestricted manager’s unit.



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The Housing Commission's proposed loan will be contingent upon the developer receiving all necessary third-party funding commitments as described in this report. Such third-party funding commitments will be subject to the Housing Commission's General Counsel's approval.

- 2) Authorize the Housing Commission's President and Chief Executive Officer (President & CEO), or designee, to:
 - a. Execute all necessary documents and instruments to effectuate the transaction and implement the project, in a form approved by the General Counsel, and to take such actions as are necessary, convenient, and/or appropriate to implement the approvals upon advice of the General Counsel, provided that a copy of the documents, signed as to form by General Counsel, is submitted to each Housing Commissioner.
 - b. Adjust financing terms/conditions, as necessary, for consistency with requirements of other funding sources or to accommodate market changes that may occur, provided that the proposed \$5,000,000 maximum Housing Commission loan amount may not increase.
 - c. Substitute approved funding sources with any other available funds as deemed appropriate, contingent upon budget availability, and further authorize the President and CEO, or designee, to take such actions as are necessary, convenient, and/or appropriate to implement this approval and delegation of authority by the Housing Commission upon advice of the General Counsel.
- 3) Approve the following steps to issue up to \$40,000,000 of Housing Authority of the City of San Diego tax-exempt Multifamily Housing Revenue Bonds and \$7,000,000 of taxable bonds for Hillcrest Hall:
 - a. Issue a bond inducement resolution (Declaration of Official Intent) for up to \$40,000,000 in tax-exempt Multifamily Housing Revenue Bonds for the acquisition and new construction of Hillcrest Hall by Hillcrest Hall L.P.
 - 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 \$40,000,000 for Hillcrest Hall.
 - c. Approve the bond financing team of Jones Hall as Bond Counsel and CSG Advisors as Bond Financial Advisor.
- 4) Authorize the Housing Commission President and 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 the General Counsel and the Bond Counsel, and to take such actions as are necessary, convenient, and/or appropriate to implement these approvals upon advice of the General Counsel and/or the Bond Counsel.



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- 5) Hold a Tax Equity and Fiscal Responsibility Act (TEFRA) public hearing regarding the Housing Authority's issuance of tax-exempt Multifamily Housing Revenue Bonds in an amount up to \$40,000,000 to facilitate the acquisition and new construction of Hillcrest Hall.

107 HCR24-051 Workshop: Kearny Vista Apartments

Public testimony by Ellis Rose, Angelica Zamora, Floyd Hodge, Beverly St. Germaine, Daniel, Gloria, Morris Jackson, Serafima.

Beto Juarez, Senior Vice President, Property Management and Asset Management, Real Estate Division, and Emmanuel Arellano, Vice President, Asset Management, Real Estate Division, presented an informational workshop regarding Kearny Vista apartments at 5414 Kearny Mesa Road, San Diego, 92111. The San Diego Housing Commission acquired this former extended-stay hotel property in November 2020 to create permanent affordable rental housing with supportive services, often referred to as permanent supportive housing, for some of the most vulnerable people experiencing homelessness in the City of San Diego. No action was taken on this item.

ADJOURNMENT:

Chair Mitchell adjourned the Regular Meeting at 11:15 a.m.

Respectfully submitted,

Scott Marshall

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

Approved by,

Jeff Davis

Jeff Davis
Deputy Chief Executive Officer
San Diego Housing Commission