



MINUTES

**SAN DIEGO HOUSING COMMISSION
MINUTES OF THE SPECIAL MEETING
JANUARY 14, 2021
VIDEO CONFERENCE PURSUANT TO
CALIFORNIA GOVERNOR GAVIN NEWSOM'S
EXECUTIVE ORDER N-29-20**

ATTENDANCE

Present:

Chair Stefanie Benvenuto
Vice Chair Ryan Clumpner
Commissioner Dion Akers
Commissioner Margaret Davis
Commissioner Kellee Hubbard
Commissioner Eugene "Mitch" Mitchell
President & CEO Richard C. Gentry
General Counsel Charles Christensen

Not present:

Commissioner Johanna Hester

ITEMS

10 CALL TO ORDER

Chair Benvenuto called the Special Meeting to order at 1:01 p.m.

20 NON-AGENDA PUBLIC COMMENT

There were no public comments.

30 COMMISSIONER COMMENTS

There were no Commissioner comments.

40 REPORT BY THE PRESIDENT & CHIEF EXECUTIVE OFFICER

VASH Program in Consolidated Appropriations Bill

Many of the changes the San Diego Housing Commission (Housing Commission) has recommended for the Veterans Affairs Supportive Housing (VASH) voucher program were included in the Consolidated Appropriations Bill of 2021, which Congress passed and the President signed into law near the end of December 2020. This legislation will help public housing authorities nationwide,



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including the Housing Commission, to maximize use of VASH vouchers to help veterans experiencing homelessness. Congress directed the U.S. Department of Housing and Urban Development (HUD) to consult with the U.S. Department of Veterans Affairs (VA) about implementing important changes, such as allowing public housing authorities to use unleased VASH vouchers for eligible veterans without a referral from the VA. President & CEO Gentry thanked U.S. Representatives Scott Peters and Mike Levin and their staffs; staff from the Senate and House Appropriations Committees; and Dr. Keith Harris, the VA's National Director of Clinical Operations for Veterans Affairs Homeless Programs, for their help and support of the changes to the VASH program.

MTW Collaborative Policy Paper

The Housing Commission led the creation of a Moving to Work (MTW) Policy Paper in consultation with other MTW agencies across the country. The paper recommends extending MTW flexibilities to virtually all public housing authorities in the nation. It also recommends continuing several regulatory waivers that HUD has implemented in response to the COVID-19 pandemic. President & CEO Gentry shared this paper on December 22 with staff for California's two U.S. Senators and San Diego's Congressional delegation. The following day, a copy of the paper also was sent to the members of Housing Commission Board and staff for the Mayor and City Councilmembers.

Hotel Acquisitions – Residents Move In

On November 25, 2020, the Housing Commission completed its purchase of two hotels—one on Hotel Circle and one in Kearny Mesa. These properties provide 332 permanent affordable rental housing units for individuals who experienced homelessness. New residents began moving into their new homes at these sites on December 11, 2020. More than 260 new residents have moved in, and additional residents will move into these units in the coming weeks. Many of the residents come from Operation Shelter to Home, which includes the temporary shelter at the San Diego Convention Center. The Housing Commission provided 332 federal rental housing vouchers to help the residents of these properties pay their rent. Residents have access to supportive services from Father Joe's Villages and People Assisting the Homeless, or PATH. Funds from the Housing Commission, the City of San Diego, the State's Homekey Program, and a loan from Chase Bank made the purchase of these hotels possible.

'Operation Shelter to Home' Extended

Mayor Todd Gloria announced on December 18, 2020, that "Operation Shelter to Home" will continue through the end of January. Funding for this extension came from state grants for homelessness programs and cost savings from operations in November and December. The Mayor will also be proposing further extending this initiative through the end of March. Since it launched on April 1, 2020, Operation Shelter to Home has helped more than 1,100 individuals and 43 families obtain permanent or longer-term housing. This is a collaborative initiative among the City of San Diego, County of San Diego, the Housing Commission, the Regional Task Force on the Homeless, the San Diego Convention Center, Alpha Project and Father Joe's Villages.

100 Additional Mainstream Vouchers

The Housing Commission received an award of 100 additional rental housing vouchers in late November from HUD's Mainstream Voucher program. The vouchers help pay rent for households with adults between the ages of 18 and 61 who have disabilities. These are families with low income



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or experiencing homelessness. The new vouchers are in addition to 108 Mainstream vouchers that HUD previously awarded to the Housing Commission in the last two years.

NAHRO Award of Excellence for New Palace Hotel

The Housing Commission’s rehabilitation of New Palace Hotel received a prestigious Award of Excellence from the National Association of Housing & Redevelopment Officials, (NAHRO). This was one of only 21 programs or projects nationwide to receive a NAHRO Award of Excellence in 2020. The award was presented on November 17, 2020, during NAHRO’s virtual annual conference, held online. NAHRO Awards of Excellence recognize “outstanding innovation and achievement in housing and community development programs throughout the country.”

50 APPROVAL OF THE MINUTES

The minutes of the Special Housing Commission meeting of November 13, 2020, were approved on a motion by Commissioner Davis, seconded by Vice Chair Clumpner, and passed by a vote of 6-0.

CONSENT AGENDA

Motion by Commissioner Mitchell to approve Item 100 on consent. Seconded by Commissioner Hubbard, and passed by a vote of 6-0.

100 HCR21-015 Lease Agreement for the City of San Diego Family Justice Center at the Smart Corner Building

Seven-day advance notice of San Diego Housing Commission hearing of the following matter was provided to the Housing Authority Members pursuant to the provisions of San Diego Municipal Code Section 98.0301(e)(4)(a)(b)

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

- 1) Approve a three-year lease between the Housing Commission as the Landlord and the City of San Diego Family Justice Center as the Tenant, for the period of January 1, 2021, through December 31, 2023, for the continued occupancy of the second floor office space at the Smart Corner building at 1122 Broadway, Suite 200, San Diego, CA 92101, with one two-year renewal option for a total lease term of five years; and
- 2) Approve a Tenant Improvement Allowance of up to \$17,000 for the City of San Diego Family Justice Center for identified tenant improvements; and
- 3) Authorize the Housing Commission’s President & CEO, 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.



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ACTION AGENDA

101 HCR21-003 Preliminary Bond Authorization for 3Roots

Colin Miller, Vice President, Multifamily Housing Finance, Real Estate Division, presented the request for approval.

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

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, as described in this report.

Housing Authority:

- 1) Approve the following preliminary steps to issue Housing Authority tax-exempt and taxable Multifamily Housing Revenue Bonds to facilitate the development of 3Roots, a new affordable housing development at 9900 Camino Santa Fe in the Mira Mesa neighborhood, which will consist of 178 units affordable for 55 years for individuals and families earning 30 percent to 60 percent of the San Diego Area Median Income (AMI) and two unrestricted manager's unit:
 - a. Issue a bond inducement resolution (Declaration of Official Intent) for up to \$58,000,000 in tax-exempt Multifamily Housing Revenue Bonds and up to \$4,800,000 in taxable Multifamily Housing Revenue Bonds supporting the development of 3Roots by a limited partnership formed by Chelsea Investment Corporation;
 - 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 \$58,000,000 for 3Roots; and
 - c. Approve the financing team of Orrick as Bond Counsel and Ross Financial as Financial Advisor;
- 2) Authorize the Housing Commission's 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 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:

Hold a Tax Equity and Fiscal Responsibility Act (TEFRA) public hearing and adopt a resolution approving the issuance of tax-exempt Multifamily Housing Revenue Bonds in an amount up to \$58,000,000 to facilitate the development of 3Roots.



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102 HCR21-016 Preliminary Bond Authorization for Bandar Salaam Apartments
Seven-day advance notice of San Diego Housing Commission hearing of the following matter was provided to the Housing Authority Members pursuant to the provisions of San Diego Municipal Code Section 98.0301(e)(4)(a)(b) for Staff Recommendation No. 1 for Housing Commission action.

Kwofi Reed, Housing Programs Manager, Multifamily Housing Finance, Real Estate Division, presented the request for approval.

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

That the San Diego Housing Commission (Housing Commission) take the following action and 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 Commission

- 1) Approve the partial pay down of the existing Housing Commission loan and extend the term to 2076.

Housing Authority

- 1) Approve the following preliminary steps to issue Housing Authority tax-exempt Multifamily Housing Revenue Bonds to facilitate the rehabilitation of the Bandar Salaam Apartments, a 68-unit affordable rental housing development, located at 3810 Winona Avenue, San Diego, CA 92105, which will consist of 67 units that will remain affordable for 55 years for low- and very low-income families and one unrestricted manager's unit.:
 - a. Issue a bond inducement resolution (Declaration of Official Intent) for up to \$13,500,000 in tax-exempt Multifamily Housing Revenue Bonds for the rehabilitation of Bandar Salaam Apartments by Winona Avenue Housing Associates, L.P., (a limited partnership formed by the developer, Community Housing Works).
 - 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 Multifamily Housing Bonds in an amount up to \$13,500,000 for Bandar Salaam Apartments. Issuance of the bonds will require Housing Authority approval at a later date; and
 - c. Approve a bond financing team of Quint and Thimmig as Bond Counsel, and CSG as Bond Financial Advisor.
- 2) Authorize the Housing Commission's 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 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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City Council

Hold a Tax Equity and Fiscal Responsibility Act (TEFRA) public hearing, and adopt a resolution approving the Housing Authority's issuance of tax-exempt Multifamily Housing Revenue Bonds in an amount up to \$13,500,000 to fund the rehabilitation of Bandar Salaam Apartments.

103 HCR21-018 Preliminary Bond Authorization for ShoreLINE Apartments

Colin Miller, Vice President, Multifamily Housing Finance, Real Estate Division, presented the request for approval.

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

That the San Diego Housing Commission (Housing Commission) recommend 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:

- 1) Approve the following preliminary steps to issue Housing Authority tax-exempt Multifamily Housing Revenue Bonds to facilitate the development of ShoreLINE Apartments at 4470 Alvarado Canyon Road in the Grantville, neighborhood, which will consist of 153 units affordable for 55 years for individuals and families earning between 30 percent and 80 percent of the San Diego Area Median Income (AMI) and two unrestricted manager's unit:
 - a. Issue a bond inducement resolution (Declaration of Official Intent) for up to \$36,500,000 in tax-exempt Multifamily Housing Revenue Bonds and \$20,100,000 in taxable bonds supporting the development of ShoreLINE Apartments by a limited partnership formed by Affirmed Housing Group;
 - 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 \$36,500,000 for ShoreLINE Apartments; and
 - c. Approve the financing team of Orrick as Bond Counsel and Ross Financial as Financial Advisor;

- 2) Authorize the Housing Commission's 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:

Hold a Tax Equity and Fiscal Responsibility Act (TEFRA) public hearing and adopt a resolution approving the issuance of tax-exempt Multifamily Housing Revenue Bonds in an amount up to \$36,500,000 to facilitate the development of ShoreLINE Apartments.



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104 HCR21-020 Authorization of an Amendment to the San Diego Housing Commission’s Fiscal Year 2021 Budget to Utilize Moving to Work Funds to Fund Operator Agreements for the City of San Diego’s Bridge Shelter Programs

Lisa Jones, Executive Vice President, Strategic Initiatives, presented the request for approval.

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

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) Authorize the Housing Commission to amend its Fiscal Year 2021 budget in the amount of \$2,000,000 from federal Moving to Work (MTW) funds to fund operator agreements with Alpha Project for the Homeless (Alpha Project) and Father Joe’s Villages (FJV) for the operation of the City of San Diego’s three Bridge Shelter programs. These MTW funds will partially replace previously allocated Homeless Housing, Assistance and Prevention (HHAP) Program funds, pursuant to authority to substitute funding sources as granted to the Housing Commission’s President & Chief Executive Officer (President & CEO), or designee, on June 16, 2020 (Housing Authority Resolution No. HA-1859); and
- 2) Authorize the Housing Commission’s 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 and format approved by General Counsel, and to take such actions necessary and/or appropriate to implement these approvals.

105 HCR21-007 Workshop & Discussion: Fiscal Year 2022 Moving to Work Annual Plan

Suket Dayal, Executive Vice President of Business Administration, and Mariangela Patruno, Moving to Work Program Administrator, presented an informational workshop on the Fiscal Year 2022 Moving to Work (MTW) Annual Plan.

106 HCR21-001 Workshop & Discussion: First-Time Homebuyer Programs

Emily S. Jacobs, Senior Vice President, Housing Finance & Property Management, and Sujata Raman, Vice President, Single-Family Housing Finance, presented an informational workshop on First-Time Homebuyer Programs the San Diego Housing Commission administers for the City of San Diego and the County of San Diego.

ADJOURNMENT

Chair Benvenuto adjourned the Special Meeting at 2:51 p.m.



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Respectfully submitted,

Scott Marshall

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

Approved by,

Richard C. Gentry

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