

**HOUSING AUTHORITY
OF THE CITY OF SAN DIEGO
SPECIAL MEETING MINUTES
TUESDAY, JANUARY 14, 2020
CITY COUNCIL CHAMBERS – 12TH FLOOR**

The Meeting of the Housing Authority of the City of San Diego was called to order at 4:13 p.m.

ATTENDANCE

Present:

Council President Georgette Gómez, District 9
Council President Pro Tem Barbara Bry, District 1
Councilmember Jennifer Campbell, District 2
Councilmember Chris Ward, District 3
Councilmember Monica Montgomery, District 4
Councilmember Mark Kersey, District 5
Councilmember Chris Cate, District 6
Councilmember Scott Sherman, District 7
Councilmember Vivian Moreno, District 8

DISCUSSION AGENDA:

ITEM 1: HAR19-047 Approval of a First Amendment to Memorandum of Understanding Between the City of San Diego and the San Diego Housing Commission for the Housing Navigation Center to extend the term of that agreement, Approval to Extend the Initial Operating Agreement with Family Health Centers of San Diego to Operate the City of San Diego's Housing Navigation Center from February 1, 2020 to June 30, 2020; and to Exercise the First Six Months of the First Option Year for the Term of July 1, 2020 - December 31, 2020 to Accommodate Procuring and Conducting an Evaluation of the Project by a Third-Party Consultant

Lisa Jones, Senior Vice President, Homeless Housing Innovations, and Casey Snell, Director of Housing First Administration, Homeless Housing Innovations, San Diego Housing Commission, presented the request for approval.

Motion by Councilmember Campbell to approve the staff-recommended actions. Seconded by Councilmember Montgomery and passed by a vote of 8-1, with Council President Gómez voting no.

That the Housing Authority of the City of San Diego (Housing Authority) and San Diego City Council (City Council) take the following actions:

Housing Authority:

- 1) Authorize the extension of the initial contract term for the agreement with Family Health Centers of San Diego to operate the City of San Diego's Housing Navigation Center at 1401 Imperial Avenue, San Diego, California 92113, to June 30, 2020, to align the contract term with the San Diego Housing Commission's (Housing Commission) and City of San Diego's Fiscal Year, in

accordance with approvals granted by the Housing Authority on November 13, 2018, via Housing Authority Resolution Number HA-1793;

- 2) Authorize the execution of the first option to extend the term of the agreement with Family Health Centers of San Diego to operate the City of San Diego's Housing Navigation Center for a six-month term, from July 1st, 2020 through December 31st, 2020, in accordance with approvals granted by the Housing Authority on November 13, 2018 via Housing Authority Resolution Number HA-1793, ***contingent on*** the City making funds available for such purpose during the City of San Diego Fiscal year 2021 budgeting process and approval.
- 3) Authorize the President & Chief Executive Officer (President & CEO) of the Housing Commission, or designee, to execute all 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;
- 4) Authorize the President & CEO to execute an extension of the initial term of the MOU between the Housing Commission and the City for oversight and administration of the Housing Navigation Center to June 30, 2020; and
- 5) Authorize the President & CEO to substitute funding sources and/or increase funding amounts for services provided under the operating agreement for the operation of the Housing Navigation Center by not more than 10 percent of the original amount allocated for such activities, if necessary, without further action of the Housing Authority, but only if and to the extent that such funds are determined to be available for such purposes.

City Council:

Approve an amendment to the MOU between the City and the Housing Commission for oversight and Administration of the Housing Navigation Center to extend the initial term of the MOU to June 30, 2020.

Council President Gómez adjourned the Special Meeting at 4:57 p.m. to convene as the City Council. Council President Gómez reconvened the Special Meeting of the Housing Authority at 4:59 p.m.

ITEM 2: HAR20-010 Preliminary Bond Authorization and Loan Recommendation for Hilltop and Euclid Family Housing

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

Motion by Councilmember Montgomery to approve the staff-recommended actions. Seconded by Councilmember Campbell and passed by a vote of 8-0, with Councilmember Sherman not present.

That the Housing Authority of the City of San Diego (Housing Authority) take the following actions as described in this report:

- 1) Approve a San Diego Housing Commission (Housing Commission) residual receipts loan of up to \$8,550,000 to the borrower Hilltop Family Housing L.P., a California limited partnership formed by Affirmed Housing (Affirmed), to finance the proposed acquisition and new

construction of Hilltop & Euclid Family Housing, (Hilltop Family Housing) a 113-unit affordable rental housing development, to be located at 922-944 Euclid Avenue San Diego, CA 92114, which will remain affordable for 55 years.

- 2) 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.
- 3) That the Housing Authority approve an application to the California Debt Limit Allocation Committee (CDLAC) for an allocation of authority to issue tax-exempt Multifamily Housing Revenue Bonds in an amount up to \$29,000,000. Issuance of the bonds will require Housing Authority approval at a later date. And approve a bond financing team of Jones Hall as Bond Counsel, and CSG as Bond Financial Advisor.
- 4) Approve the following initial steps to issue Housing Authority tax-exempt Multifamily Housing Revenue Bonds which are allocated by the State of California, for acquisition and new construction of Hilltop Family Housing, including issuance of a bond inducement resolution (Declarations of Official Intent) for up to \$29,000,000 in tax-exempt Multifamily Housing Revenue Bonds with 4 percent tax credits.
 - a. 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 \$8,550,000 maximum loan amount may not increase.
 - b. To substitute approved funding sources with any other available funds as deemed appropriate, contingent upon budget availability, and further authorize the President & 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.
- 5) That the Housing Authority authorize the Housing Commission's President and Chief Executive Officer (President & CEO), or his designee 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.

Adjournment

Council President Gómez adjourned the Special Meeting at 5 p.m.