



SAN DIEGO  
HOUSING  
COMMISSION

## MINUTES

**SAN DIEGO HOUSING COMMISSION  
MINUTES OF THE SPECIAL MEETING  
OCTOBER 16, 2020  
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 Johanna Hester  
Commissioner Kellee Hubbard  
Commissioner Eugene "Mitch" Mitchell  
President & CEO Richard C. Gentry  
General Counsel Charles Christensen

### **ITEMS**

#### **10      CALL TO ORDER**

Chair Benvenuto called the Special Meeting to order at 9:01 a.m.

#### **20      NON-AGENDA PUBLIC COMMENT**

There were no non-agenda public comments.

#### **30      COMMISSIONER COMMENTS**

There were no Commissioner comments.

#### **40      REPORT BY THE PRESIDENT & CHIEF EXECUTIVE OFFICER**

##### **Housing Authority Approval of Hotel Acquisitions**

On Tuesday October 13, 2020, the San Diego City Council, in its role as the Housing Authority of the City of San Diego, unanimously approved the San Diego Housing Commission (Housing Commission) Board of Commissioners' recommendation for the Housing Commission to acquire two hotels. The Residence Inn on Hotel Circle and Residence Inn in Kearny Mesa will create 332 permanent housing units with supportive services for San Diegans experiencing homelessness. These units will be able to accommodate as many as 400 individuals experiencing homelessness.



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**New Course Launches through Partnership with City College**

Also on Tuesday, October 13, 2020, a new course started at San Diego City College through a unique partnership with the Housing Commission. The “Homelessness Program for Engaged Educational Resources” (PEER) course is a pilot program to help develop the workforce needed for programs and services that help San Diegans experiencing homelessness. Students in this course will receive specialized education, training and job placement assistance.

**Procurement Department Receives National Recognition for Fourth Straight Year**

The Housing Commission’s Procurement Department has been recognized with the Achievement of Excellence in Procurement Award from the National Procurement Institute for the fourth consecutive year. This award honors organizations that demonstrate excellence by obtaining a high score based on set criteria that measure innovation, professionalism, productivity, e-procurement and leadership.

**50      APPROVAL OF THE MINUTES**

The minutes of the Special Housing Commission meeting of September 18, 2020, were approved on a motion by Commissioner Davis, seconded by Commissioner Mitchell, and passed by a vote of 7-0.

**ACTION AGENDA**

**100      HCR20-094      Application for State of California CalHome Program Funds (Citywide)**

Sujata Raman, Vice President, Single-Family Housing Finance, Real Estate Division, presented the request for approval.

Motion by Commissioner Hubbard to take the following staff-recommended actions. Seconded by Vice Chair Clumpner and passed by a vote of 7-0.

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) Approve the submission of an application to the California Department of Housing and Community Development (HCD) for up to \$5 million in CalHome Program funds;
- 2) Authorize the Housing Commission’s 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 as are necessary and/or appropriate to implement these approvals; and
- 3) Authorize such budget amendments as are necessary to allow for the utilization of any CalHome Program Funds, if any.



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**101 HCR20-095 Loan Recommendation and Preliminary Bond Authorization for Ulric Street Apartments II**

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

Mary Jane Jagodzinski, Senior Vice President of Housing and Real Estate Development for Community Housing Works, submitted a comment in favor, which was read into the record.

Motion by Commissioner Davis to take the following staff-recommended actions. Seconded by Commissioner Akers and passed by a vote of 7-0.

That the San Diego Housing Commission (Housing Commission) take the following actions 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 a Housing Commission residual receipts loan in an amount not to exceed \$4,075,000 to the borrower Linda Vista Housing Associates, L.P., a California limited partnership formed by Community Housing Works (CHW), to finance the proposed acquisition and new construction of Ulric Street Apartments II (Ulric II), to be located at 2601-2641 Ulric Street, San Diego, which will consist of 59 units of rental housing that will remain affordable for 55 years for low- and very low-income seniors, including six units for seniors experiencing homelessness, plus 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's General Counsel's approval.

The Ulric II developer shall submit and/or supplement a relocation plan that complies with all applicable laws and regulations, which must be accompanied by a legal opinion, subject to the General Counsel's satisfaction, stating that the proposed plan complies with any and all applicable laws and regulations.

- 2) Authorize the Housing Commission's President and Chief Executive Officer (President & CEO), or his designee:
  - a. To execute any and 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;
  - 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 \$4,075,000 maximum Housing Commission loan amount may not increase; and



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- c. 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.

### **Housing Authority**

- 3) Approve the following steps to issue Housing Authority tax-exempt Multifamily Housing Revenue Bonds for Ulric II:
  - a. Issue a bond inducement resolution (Declaration of Official Intent) for up to \$23,852,443 in Multifamily Housing Revenue Bonds for the acquisition and new construction of Ulric II by Linda Vista Housing Associates, 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 Multifamily Housing Bonds in an amount up to \$23,852,443 for Ulric II. 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 Advisors as Bond Financial Advisor.
- 4) Authorize the Housing Commission President & CEO, or his 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.

### **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 \$23,852,443 to fund the development of Ulric Street Apartments II.

## **102 HCR20-096 Preliminary Bond Authorization for Fourth Corner Apartments**

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

Motion by Vice Chair Clumpner to take the following staff-recommended actions. Seconded by Commissioner Hubbard and passed by a vote of 7-0.

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 construction of a new affordable housing

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development at 4021, 4035, 4037 and 4061 Fairmount Ave. (Fourth Corner Apartments) in the City Heights neighborhood, which will consist of 74 units affordable for 55 years for low- and extremely low-income families and one unrestricted manager's unit:

- a. Issue a bond inducement resolution (Declaration of Official Intent) for up to \$27,000,000 in tax-exempt Multifamily Housing Revenue Bonds and up to \$5,800,000 in taxable bonds supporting the development of Fourth Corner Apartments by a limited partnership formed by Wakeland Housing and Development 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 \$27,000,000 for Fourth Corner Apartments; and
  - c. Approve the financing team of Squire Patton & Boggs as Bond Counsel and Ross Financial as Financial Advisor; and
- 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 Multifamily Housing Revenue Bonds in an amount up to \$27,000,000 to facilitate the development of Fourth Corner Apartments.

**103 HCR20-097 Preliminary Bond Authorization for Wakeland Price UB Apartments**

Colin Miller, Vice President, Multifamily Housing Finance, San Diego Housing Commission, 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 7-0.

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 construction of a new 60-unit affordable housing development at 4390 University Avenue and 4038 44<sup>th</sup> Street (Wakeland Price UB Apartments) in the City Heights neighborhood, which will consist of 59 units affordable for 55 years for low- and extremely low-income families and one unrestricted manager's unit:
  - a. Issue a bond inducement resolution (Declaration of Official Intent) for up to \$21,400,000 in tax-exempt Multifamily Housing Revenue Bonds and up to \$4,000,000 in taxable bonds,



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- supporting the development of Wakeland Price UB Apartments by a limited partnership formed by Wakeland Housing and Development 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 \$21,400,000 for Wakeland Price UB Apartments; and
  - c. Approve the financing team of Squire Patton & Boggs 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.

### **City Council:**

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 \$21,400,000 to facilitate the development of Wakeland Price UB Apartments.

### **104    HCR20-092    Approval of the Fiscal Year 2021 Operating Agreement for the City of San Diego Coordinated Street Outreach Program and Approval of a Memorandum of Understanding between the City of San Diego (City) and the San Diego Housing Commission for the Oversight and Administration of the City's Coordinated Street Outreach Program**

Lisa Jones, Senior Vice President, Homeless Housing Innovations Division, and Jonathan Herrera, Senior Project and Policy Advisor, Homeless Housing Innovations Division, San Diego Housing Commission, presented the request for approval.

Ms. Jones stated for the record that the funding source identified in the staff report has been updated to be the City of San Diego's Homeless Strategies Department and that the description of the start-up cost in the presentation to the Board of Commissioners differs from what is indicated in the staff report because Housing Commission staff have adjusted and consolidated similar expenses.

Zach Schlagel, Senior Director of Public Policy for PATH San Diego, submitted a comment in favor, which was read into the record.

Motion by Commissioner Davis to take the following staff-recommended actions. Seconded by Commissioner Hubbard and passed by a vote of 7-0.

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:



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### **Housing Authority:**

- 1) Authorize the execution of an agreement with People Assisting The Homeless (PATH) to operate the City of San Diego's (City) Coordinated Street Outreach Program for a one-year term in the amount of \$1,425,000, with (1) one-year option to renew at the Housing Commission's sole discretion, in which the initial contract term will be pro-rated for an eight-month period, from November 1, 2020, to June 30, 2021, in the amount of \$1,027,643 (which includes \$70,585 in start-up costs), funded through an allocation from the City's General Fund – Fleet Replace Fund to the Housing Commission, upon the execution of the proposed Coordinated Street Outreach Memorandum of Understanding between the City and the Housing Commission;
- 2) Authorize the Housing Commission's President & Chief Executive Officer (President & CEO), or designee, to execute all documents and instruments 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;
- 3) Authorize the Housing Commission's President & CEO, or designee, 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's Board of Commissioners (Board), but only if and to the extent that funds are determined to be available for such purposes; and
- 4) Authorize the execution of a Memorandum of Understanding between the City of San Diego and the Housing Commission for the oversight and administration of the City's Coordinated Street Outreach Program.

### **City Council Action:**

Authorize the execution of a Memorandum of Understanding between the City of San Diego and the Housing Commission for the oversight and administration of the City's Coordinated Street Outreach Program.

### **105 HCR20-086 Execution of the Memorandum of Understanding Between the City of San Diego and the San Diego Housing Commission for the Operation and Administration of the Homelessness Response Center and Approval of the Agreement with People Assisting the Homeless to Provide Services at the Homelessness Response Center**

Lisa Jones, Senior Vice President, Homeless Housing Innovations Division, and Deanna Villanueva, Vice President of Housing First Programs, Homeless Housing Innovations Division, San Diego Housing Commission, presented the request for approval.

Ms. Villanueva stated for the record that the contract start date reflected in the staff report has been updated and is anticipated to be on or after November 1, 2020. She also read into the record changes to the staff recommendations for City Council action:

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- 1) *Authorize the City of San Diego to enter into a Memorandum of Understanding (MOU) with the Housing Commission for an initial eight-and-a-half-month term, anticipated to commence on October 16, 2020, and continuing through June 30, 2021, with two one-year options to renew, for the operation and administration of the Homelessness Response Center; and*
- 2) *Authorize the Chief Financial Officer to expend the following funds for Fiscal Year (FY) 2021 for the operation and administration of the Homelessness Response Center: \$1,000,000 from Community Development Block Grant funds, (Unobligated CDBG Program), \$250,000 from the Low Moderate Income Housing Asset Fund and \$300,000 from the General Fund in a total annual amount of \$1,550,000, prorated for the initial contract term, to the Housing Commission for the ongoing operations of the Homelessness Response Center, contingent upon the Chief Financial Officer certifying that the funds are available. The eight-and-a-half-month term will include a half month startup budget of \$64,583.33 and an eight-month operations budget of \$1,033,333.33; and*
- 3) *Authorize the Mayor, or designee, on behalf of the City, to amend the Fiscal Year 2021 Annual Action Plan, as applicable, to ensure that the approved \$1,000,000 Fiscal Year 2021 Community Development Block Grant allocation to the Housing Commission for the Homelessness Response Center, and all public comments about such amendment received by the City during the public comment period, are included in the final amendment, and further authorize the Mayor, or designee, to submit the final amendment to HUD for approval.*

General Counsel Charles B. Christensen stated for the record that the Brown Act requires, generally, that a public agency, at least 72 hours before a regular meeting of a legislative body or local agency, shall post an agenda containing a brief general description of each item of business to be transacted or discussed at the meeting, including items to be discussed in Closed Session. A brief general description of an item generally need not exceed 20 words. There has been a slight variation to the recommendation for action that the City Council is being asked to take. It is insubstantial, and the notice given pursuant to the Brown Act concerning the City Council's actions was 120 words. It could have been as short as the first two sentences of the notice. The Housing Commission goes beyond what is required by providing substantial detail that is not required by law, and the change in the wording of the actions that the Housing Commission is recommending that the City Council take is in compliance with the Brown Act.

Heather Pollock-Averick and Jonathan Taylor submitted identical comments in favor. Heather Pollock-Averick's comment was read into the record.

Anthony White of Family Health Centers of San Diego submitted a comment in opposition, which was read into the record.

Motion by Commissioner Davis to take the following staff-recommended actions. Seconded by Commissioner Hubbard and passed by a vote of 7-0.

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:



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### **Housing Authority:**

- 1) Authorize the Housing Commission to enter into an Memorandum of Understanding (MOU) with the City of San Diego (City) for an initial eight-and-a-half-month term, commencing October 16, 2020, and continuing through June 30, 2021, with two one-year options to renew, for the operation and administration of the Homelessness Response Center; funding for Fiscal Year (FY) 2021 shall consist of Community Development Block Grant, Low Moderate Income Housing Fund and General Fund funds in a total annual amount of \$1,550,000, prorated for the initial contract term, the eight-and-a-half-month term will include a half month startup budget of \$64,583.33 and an eight-month operations budget of \$1,033,333.33;
- 2) Authorize the Housing Commission's President & Chief Executive Officer (President & CEO), or designee, to execute an agreement with People Assisting the Homeless (PATH) , using a sole-source justification procurement method, in an annual amount of \$733,751.15, prorated, for an initial term commencing November 1, 2020, through June 30, 2021, with two one-year options to renew, to provide services at the Homelessness Response Center, located at 1401 Imperial Avenue, San Diego, California 92101, on terms and conditions as set forth in the agreement (Agreement), as it may be amended upon advice of the Housing Commission's General Counsel;
- 3) Authorize the Housing Commission's 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; and
- 4) Authorize the Housing Commission's President & CEO, or designee, to substitute funding sources and/or increase the program budget by not more than 20 percent of the total agreement amount for the proposed agreement, if necessary, without further action by the Housing Commission's Board of Commissioners (Board), but only if and to the extent that funds are determined to be available for such purposes.

### **City Council:**

Authorize the City of San Diego to enter into a Memorandum of Understanding (MOU) with the Housing Commission for an initial eight-and-a-half-month term, commencing October 16, 2020, and continuing through June 30, 2021, with two one-year options to renew, for the operation and administration of the Homelessness Response Center; funding for Fiscal Year (FY) 2021 shall consist of Community Development Block Grant, Low Moderate Income Housing Fund and General Fund funds in a total annual amount of \$1,550,000, prorated for the initial contract term, the eight-and-a-half-month term will include a half month startup budget of \$64,583.33 and an eight-month operations budget of \$1,033,333.33.



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### **CLOSED SESSION**

**The San Diego Housing Commission convened in closed session on Friday, October 16, 2020, at 10:48 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.
- 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. Public Employee Performance Evaluation pursuant to subdivision (e) of 54954.5 Government Code and Section 54957:  
  
Title: President & Chief Executive Officer  
  
General Counsel Description: Annual Performance Evaluation for President & CEO of the San Diego Housing Commission
- V. Announcement of Actions Taken in Closed Session.  
  
The Housing Commission voted unanimously in their evaluation of the President & CEO.
- VI. Adjournment.

### **ADJOURNMENT**

Chair Benvenuto adjourned the Special Meeting at 11:23 a.m.

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