

**HOUSING AUTHORITY OF THE CITY OF SAN DIEGO
MEETING MINUTES
TUESDAY, OCTOBER 27, 2020
CITY COUNCIL CHAMBERS – 12TH FLOOR**

The Meeting of the Housing Authority of the City of San Diego was called to order at 12:54 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

APPROVAL OF HOUSING AUTHORITY MINUTES:

The minutes of the Regular Housing Authority meeting of October 13, 2020, were approved on a motion by Council President Gómez seconded by Council President Pro Tem Bry, and passed by a vote of 8-0.

NON-AGENDA PUBLIC COMMENT:

Martha Welch commented on homelessness.

DISCUSSION AGENDA:

ITEM 1: HAR20-036 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

City Council companion item

Lisa Jones, Executive Vice President of Strategic Initiatives, and Jonathan Herrera, Interim Programs Manager & Senior Policy Advisor, Homeless Housing Innovations, presented the request for approval.

Marshall Anderson, Chris Olsen and Zachary Schlagel spoke in favor.
Amanda Johnson and Martha Welch spoke in opposition.

Motion by Council President Gómez to approve the staff-recommended actions. Seconded by Councilmember Ward and passed by a vote of 9-0.

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 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 one one-year option to renew at the San Diego Housing Commission's (Housing Commission) 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 Homeless Strategies Department General 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:

- 1) 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.
- 2) Authorize the Chief Financial Officer to expend funds as outlined in the Memorandum of Understanding for the purpose of executing this agreement, including an amount not to exceed \$1,077,643 in Fiscal Year 2021 from the General Fund Homelessness Strategies Department.

Council President Gómez adjourned the Housing Authority meeting at 1:39 p.m. to reconvene as City Council.

Council President Gómez reconvened the Housing Authority at 2:11 p.m.

ITEM 2: HAR20-031 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

City Council companion item

Lisa Jones, Executive Vice President of, Strategic Initiatives, and Deanna Villanueva, Vice President Housing First Programs, presented the request for approval.

Marshall Anderson, Cecelia Jamis and John Brady spoke in favor
Martha Welch spoke in opposition.

Motion by Councilmember Ward to approve the staff-recommended actions. Seconded by Council President Pro Tem Bry 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 the San Diego City Council (City Council) take the following actions:

Housing Authority:

- 1) Authorize the San Diego Housing Commission (Housing Commission) to enter into a Memorandum of Understanding (MOU) with the City of San Diego (City) for an initial eight-and-a-half-month term, anticipated to commence on November 1, 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 Asset 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 anticipated to commence on 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:

- 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 November 1, 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 appropriate and 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, 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 FY 2021 Annual Action Plan, as applicable, to ensure that the approved \$1,000,000 FY 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

Council President Gómez adjourned the Housing Authority meeting at 2:26 p.m. to reconvene as City Council.

Council President Gómez reconvened the Housing Authority at 2:31 p.m.

ITEM 3: HAR20-039 Preliminary Bond Authorization for Ulric Street Apartments II

City Council companion item

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

Martha Welch and Carlos spoke in opposition

Motion by Councilmember Sherman to approve the staff-recommended actions. Seconded by Council President Pro Tem Bry and passed by a vote of 9-0

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

- 1) Approve the following steps to issue Housing Authority tax-exempt Multifamily Housing Revenue Bonds to facilitate the acquisition and new construction of the Ulric Street Apartments II (Ulric II), a 60-unit affordable rental housing development, to be located at 2601-2641 Ulric Street, San Diego, which will consist of 59 units 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:
 - 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., a California limited partnership formed by Community Housing Works (CHW);
 - 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.

- 2) Authorize the San Diego Housing Commission's (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.

ITEM 4: HAR20-038 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.

Martha Welch spoke in opposition

Motion by Council President Pro Tem Bry 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:

- 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 San Diego Housing Commission's (Housing Commission) 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.

Adjournment

Council President Gómez adjourned the meeting at 2:45 p.m.