



# MINUTES

**SAN DIEGO HOUSING COMMISSION  
MINUTES OF THE SPECIAL MEETING  
NOVEMBER 12, 2021  
VIDEO CONFERENCE PURSUANT TO  
CALIFORNIA GOVERNMENT CODE SECTION 54953(e)**

## **ATTENDANCE**

Present:

Chair Stefanie Benvenuto  
Vice Chair Ryan Clumpner  
Commissioner Kellee Hubbard  
Commissioner Eugene “Mitch” Mitchell  
President & CEO Richard C. Gentry  
General Counsel Charles Christensen

Absent:

Commissioner Johanna Hester

## **10 CALL TO ORDER**

Chair Benvenuto called the Special Meeting to order at 9:04 a.m.

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

Lafayette Brown submitted a written comment about affordable housing, which was read into the record.

## **30 COMMISSIONER COMMENTS**

There were no Commissioner comments.

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

### **Senior Vice President & Chief Financial Officer Tracey McDermott**

November 12, 2021, is Senior Vice President & Chief Financial Officer Tracey McDermott’s last day with the San Diego Housing Commission (Housing Commission). She is leaving the Housing Commission to pursue new opportunities. Over the years, she has filled key leadership roles at the Housing Commission. Under her leadership, the Housing Commission has continued to receive annual awards of excellence for the agency’s finances and outstanding annual audits. The Housing Commission thanks her for her service and wishes her the best going forward.



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**California Homekey Program – New Funding**

The Housing Commission is in the process of identifying projects for which it may submit applications to the State of California for new Homekey funds. The State issued a Notice of Funding Availability for the Homekey program in September. Homekey funds are to be used to create and maintain housing for people experiencing homelessness or at risk of homelessness. Eligible uses include: the acquisition of hotels, apartments or homes to be converted into permanent or interim housing; the conversion of nonresidential properties into residential units; or new construction. The deadline for the application bonus award and geographic pool is January 31, 2022. Funds awarded in this pool are on a strictly first come, first awarded basis. Applications submitted after that date will be part of the statewide competition. The Housing Commission is actively engaged with and coordinating with the Mayor’s office and County of San Diego departments. In addition, the Housing Commission is requesting approval from the Board of Commissioners to contract with a real estate broker, whose work would include—but not be limited to—identifying properties that may be potential Homekey projects. The Housing Commission also has been working through a procurement process to identify qualified developers for potential joint applications for Homekey funds. The Housing Commission’s objective is to select as many qualified projects and developers as possible to submit applications for these funds.

**50 APPROVAL OF THE MINUTES**

The minutes of the Special Housing Commission meeting of October 15, 2021, were approved on a motion by Commissioner Hubbard, seconded by Vice Chair Clumpner, and passed by a vote of 4-0.

**CONSENT AGENDA:**

Motion by Commissioner Mitchell to approve Items 101, 102, 104, 106 and 107 on consent. Seconded by Vice Chair Clumpner and passed by a vote of 4-0.

**101 HCR21-111 2022 San Diego Housing Commission Meeting Schedule**

That the San Diego Housing Commission (Housing Commission) Board of Commissioners approve the 2022 meeting schedule (Attachment 1) that includes 10 scheduled meetings.

**102 HCR21-107 Application for State of California CalHome Program Funds (Citywide)**

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



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- 3) Authorize such budget amendments as are necessary to allow for the utilization of any CalHome Program Funds, if any

**104     HCR21-089   Approval of the Contract between the San Diego Housing Commission and Father Joe’s Villages to Operate the City of San Diego’s Day Center for Adults Experiencing Homelessness**

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

- 1) Authorize the execution of an initial six-month contract, with two one-year options to renew, with Father Joe’s Villages in the annual amount of \$800,000—pro-rated for an initial six-month term in the amount of \$400,000 for January 1, 2022, to June 30, 2022—to operate the Day Center for Adults Experiencing Homelessness located at 299 17<sup>th</sup> Street, San Diego, 92101;
- 2) Authorize the President & Chief Executive Officer (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 necessary and/or appropriate to implement these approvals; and
- 3) Authorize the President & CEO, or designee, to substitute funding sources and/or increase compensation by not more than 20 percent of the total contract amount for the proposed contract, if necessary, without further action by the Housing Commission Board or the Housing Authority of the City of San Diego, but only if and to the extent that funds are determined to be available for such purposes.

**106     HCR21-097   Final Bond Authorization and Tax Equity and Fiscal Responsibility Act (TEFRA) Hearing and Resolution for ShoreLINE Apartments**

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:

**Housing Authority:**

- 1) Authorize the issuance of tax-exempt Multifamily Housing Revenue Bonds in an amount not to exceed \$31,483,880, and a taxable bond not to exceed \$27,000,000, to fund Grantville Trolley Family Housing L.P.’s construction of ShoreLINE Apartments (ShoreLINE), a new affordable rental housing development to be located at 4470 Alvarado Canyon Road, San Diego, in the Grantville neighborhood, which will consist of 124 affordable units for 55 years for individuals and families earning between 30 percent and 60 percent of the San Diego Area Median Income (AMI), plus two managers’ unrestricted units.
- 2) Authorize the Housing Commission 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 of the Housing Authority and of the Housing



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Commission 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 issuance of tax-exempt Multifamily Housing Revenue Bonds in an amount not to exceed \$31,483,880, to facilitate the new construction of ShoreLINE.

**107     HCR21-102   Final Bond Authorization and Tax Equity and Fiscal Responsibility Act Resolution for Tizon (formerly Radisson Hotel Affordable Housing)**

That the San Diego Housing Commission (Housing Commission) recommend that the Housing Authority of the City of San Diego (Housing Authority) and San Diego City Council (City Council) take the following actions as described in this report:

**Housing Authority**

- 1) Authorize the issuance of tax-exempt Multifamily Housing Revenue Notes in an amount not to exceed \$24,926,225 to facilitate the acquisition and renovation of Tizon Apartments (formerly known as Rancho Bernardo Radisson Hotel Conversion) at 11520 West Bernardo Court in the Rancho Bernardo Community, which will consist of 175 studio units affordable for 55 years for seniors age 62 and older earning between 40 percent and 60 percent of the San Diego Area Median Income (AMI) and three unrestricted managers' units.
- 2) Authorize the Housing Commission 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 of the Housing Authority and of the Housing Commission 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**

Adopt a Tax Equity and Fiscal Responsibility Act (TEFRA) resolution approving the issuance of tax-exempt Multifamily Housing Revenue Notes in an amount not to exceed \$24,926,225 to facilitate the development of Tizon Apartments.

**DISCUSSION AGENDA:**

**100     HCR21-109   Approval of the Contracts between the San Diego Housing Commission and Mental Health Systems to Operate the City of San Diego's Transitional Storage Centers, also known as Storage Connect Centers**

Lisa Jones, Executive Vice President of Strategic Initiatives, and Casey Snell, Director of Housing First Administration, presented the request for approval.



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Motion by Commissioner Hubbard to take the following staff-recommended actions. Seconded by Commissioner Mitchell and passed by a vote of 4-0.

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 execution of a six-month initial contract, with two one-year options to renew, with Mental Health Systems (MHS) to operate the City of San Diego's Transitional Storage Center known as Storage Connect Center I, located at 116 South 20<sup>th</sup> Street, San Diego, California 92113, for a term of January 1, 2022, through June 30, 2022, with a prorated annual budget of \$624,971, with two, one-year options to renew;
- 2) Approve the execution of a six-month initial contract, with two one-year options to renew, with MHS to operate the Transitional Storage Center known as Storage Connect Center II, located at 5453 Lea Street, San Diego, California 92105, for a term of January 1, 2022, through June 30, 2022, with a prorated annual budget of \$360,332, with two, one-year options to renew;
- 3) Authorize the Housing Commission's President & Chief Executive Officer (President & CEO), 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 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 amounts for the proposed agreements, if necessary, without further action by the Housing Commission Board or Housing Authority, but only if and to the extent that funds are determined to be available for such purposes.

**103     HCR21-106    Approve an Agreement with Marcus and Millichap to Provide On-Call Real Estate Broker Services to the San Diego Housing Commission**

Emily S. Jacobs, Executive Vice President of Real Estate, presented the request for approval.

Motion by Commissioner Mitchell to take the following staff-recommended actions, with direction to staff to return to the Board of Commissioners with an action that makes the practices set forth within the Marcus & Millichap proposed agreement a requirement for all future Housing Commission real estate acquisition transactions. Seconded by Vice Chair Clumpner and passed by a vote of 4-0.

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

- 1) Approve a partial-year contract, ending on June 30, 2022, with Marcus & Millichap for the term of approximately seven months, with four one-year options to renew, to provide real estate broker services to the Housing Commission, in accordance with the terms of the proposed contract, which is attached to this report as Attachment 2. The amount of



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commission to be paid to the broker by the Housing Commission for each individual purchase will be the subject of subsequent staff reports, which would be subject to review and/or approval by the Housing Authority of the City of San Diego (Housing Authority) in accordance with the requirements of San Diego Municipal Code 98.0301(e)(1)-(4). This action does not authorize the expenditure of any Housing Commission funds; and

- 2) Authorize the 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 approved by General Counsel, and to take such actions necessary and/or appropriate to implement these approvals.

**105     HCR21-103   Fiscal Year 2021 Annual Comprehensive Financial Report (Annual Report) and Single Audit Reports**

Tracey McDermott, Senior Vice President & Chief Financial Officer, and Marie Lalas Director of Audit & Reporting, presented the request for approval.

Motion by Commissioner Mitchell to take the following Audit Committee-recommended action. Seconded by Commissioner Hubbard and passed by a vote of 4-0.

That the San Diego Housing Commission (Housing Commission) accept and approve the Fiscal Year (FY) 2021 (July 1, 2020 – June 30, 2021) Annual Comprehensive Financial Report (Annual Report) and Single Audit Reports prepared by CohnReznick LLP, an independent audit firm.

**108     HCR21-110   Approval of a Memorandum of Understanding between the San Diego Housing Commission (Housing Commission) and the City of San Diego for the Administration and Oversight of the City of San Diego Eviction Prevention Program (Program) and Approval of a Contract between the Housing Commission and Legal Aid Society of San Diego to Operate the Program**

Debra Fischle-Faulk, Senior Vice President of Compliance & Equity Assurance; Molly Chase, Vice President of Policy; and George Williams III, Director of Compliance & Equity Assurance, presented the request for approval.

Motion by Commissioner Mitchell to take the following staff-recommended actions. The Board of Commissioners directed Housing Commission staff to prepare a resolution under the provisions of San Diego Municipal Code Section 98.0301(e)(2)(A) to forward the proposed agreement with Legal Aid Society to the Housing Authority of the City of San Diego for action to ensure that the Memorandum of Understanding (MOU) is heard at the same time as the Legal Aid Society agreement, so that if change is made to the MOU at the City Council or Housing Authority hearings, that the proposed Legal Aid Society agreement can be modified, at the same time, so the Legal Aid contract is consistent with the MOU, as modified. Seconded by Commissioner Hubbard and passed by a vote of 4-0.



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That the San Diego Housing Commission (Housing Commission) recommend 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 San Diego Housing Commission (Housing Commission) to execute a Memorandum of Understanding (MOU) between the Housing Commission and the City of San Diego for the Housing Commission to oversee and administer the City of San Diego Eviction Protection Program (Program) with Coronavirus Aid, Relief, and Economic Security (CARES) Act Community Development Block Grant (CDBG-CV) funds allocated to the City of San Diego to address the COVID-19 pandemic;
- 2) Approve an operating agreement with Legal Aid Society of San Diego (LASSD) for an initial seven-month term in an amount not to exceed \$1,842,105 for the period of December 1, 2021, through June 30, 2022, with a one-year option for renewal in an amount not to exceed \$3,157,895 for the period of July 1, 2022, through June 30, 2023, for a total contract amount not to exceed \$5,000,000 for 19 months for the operation of the Program;
- 3) Authorize the Housing Commission's President & CEO, or designee to modify the Eviction Prevention Program, if necessary, without further action by the Housing Commission's Board of Commissioners (Board) or the Housing Authority, but only if and to the extent that such changes comply with the terms of the executed MOU and are necessary to fulfill CDBG-CV funding requirements.
- 4) Authorize the Housing Commission's President & CEO, or designee, to substitute approved funding sources with any 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; and
- 5) 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.

**City Council:**

Authorize the City of San Diego (City) to execute a Memorandum of Understanding between the Housing Commission and the City for the Housing Commission to oversee and administer the Program with CDBG-CV funds allocated to the City to address the COVID-19 pandemic.



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**109     HCR21-112   Approval of an Amendment to the Memorandum of Understanding between the City of San Diego and the San Diego Housing Commission for Oversight and Administration of the City of San Diego’s COVID-19 Housing Stability Assistance Program; Authorization for the San Diego Housing Commission to Accept and Expend Additional Federal American Rescue Plan Act Funds Allocated by the State of California to Support the Program; and Approval of Related Actions**

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

Motion by Commissioner Mitchell to take the following staff-recommended actions. Seconded by Commissioner Hubbard and passed by a vote of 4-0.

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

- 1) Authorize the Housing Commission to execute an amendment to the Memorandum of Understanding (MOU) between the Housing Commission and the City of San Diego for the Housing Commission to continue to oversee and administer the City of San Diego’s COVID-19 Housing Stability Assistance Program with new funding to provide emergency rental assistance and/or utility assistance to households with low income in the City of San Diego that experience financial hardship;
- 2) Authorize the Housing Commission to amend its Fiscal Year 2022 budget in the amount of \$27,000,000 in federal American Rescue Plan Act (ARPA) funds allocated by the State of California to the City of San Diego to be administered by the Housing Commission to provide rental assistance and/or utility assistance to households with low income in the City of San Diego that experience financial hardship and to cover administrative expenses in accordance with federal and state funding requirements;
- 3) Authorize the Housing Commission’s President & CEO, or designee, to modify the COVID-19 Housing Stability and Assistance Program, if necessary, but only if and to the extent that such changes comply with the terms of the executed amended MOU and are necessary to fulfill federal and state funding requirements;
- 4) Authorize the Housing Commission’s President & CEO, or designee, 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; and
- 5) 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,





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in a form and format approved by General Counsel, and to take such actions necessary and/or appropriate to implement these approvals.

**110    HCR21-113    Workshop & Discussion: City of San Diego Land Use Programs**

The informational workshop was postponed to a future meeting of the Board of Commissioners.

**CLOSED SESSION**

The Closed Session Agenda was postponed a future meeting of the Board of Commissioners.

**ADJOURNMENT**

Chair Benvenuto adjourned the Special Meeting at 10:27 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