

SAN DIEGO HOUSING COMMISSION

RESOLUTION NO. 1874

ADOPTED ON November 15, 2019

A RESOLUTION AUTHORIZING THE SAN DIEGO HOUSING COMMISSION (HOUSING COMMISSION) TO REHABILITATE 39 HOUSING COMMISSION-OWNED SINGLE-FAMILY HOMES AND SELL FIVE OF THESE HOMES, AFTER REHABILITATION, TO THE HOUSING COMMISSION'S NONPROFIT AFFILIATE, HOUSING DEVELOPMENT PARTNERS, FOR THE CONSTRUCTION OF ACCESSORY DWELLING UNITS ON THESE FIVE PROPERTIES, AND RELATED ACTIONS

WHEREAS, the Fiscal Year (FY) 2020 San Diego Housing Commission (Housing Commission) budget approved by the Housing Authority of the City of San Diego included \$500,000 for the construction of three Accessory Dwelling Units (ADUs) on three single-family home properties that the Housing Commission owns and rents as affordable housing; and

WHEREAS, in addition to the construction of three ADUs, the Housing Commission on November 15, 2019, requested Housing Commission Board of Commissioners (Board) approval to construct two additional ADUs on two additional single-family home properties, as well as rehabilitate the Housing Commission's entire single-family housing portfolio of 39 homes; and

WHEREAS, the five homes selected for the construction of ADUs will have been rehabilitated prior to the proposed sale of these homes to the Housing Commission's nonprofit affiliate, Housing Development Partners (HDP), and residents will not be required to relocate for the subsequent construction of the ADUs; and

WHEREAS, the sale of the five homes to HDP will be based on independent appraisals of the homes, and a seller carryback note to the Housing Commission from HDP will reflect the value of the homes per these independent appraisals. The sale of the five homes to HDP will be

in accordance with the Housing Commission's real estate disposition policy; and

WHEREAS, in conjunction with the City of San Diego's recent amendments to the Municipal Code regarding ADU's, HDP's work on the ADUs will serve as a pilot program for the Housing Commission to better understand and identify the architectural, construction, cost and other development-related issues that may arise on future developments of this type of housing product; and

WHEREAS, the proposed funding sources and uses and additional details of these proposed activities are more particularly described in Housing Commission Board Report No. HCR19-117; NOW, THEREFORE,

BE IT RESOLVED, by the Housing Commission Board of Commissioners, as follows:

1. The Housing Commission is authorized to expend \$7,500,000 in federal Moving to Work (MTW) funds toward the rehabilitation of 39 Housing Commission-owned single-family homes, which the Housing Commission rents as affordable housing for low-income families;
2. The Housing Commission is authorize to sell five Housing Commission-owned single-family homes, upon completion of the rehabilitation of these homes, to the Housing Commission's nonprofit affiliate, Housing Development Partners (HDP), for an amount to be determined by an independent, third-party appraisal, with a seller carryback note from HDP that corresponds to the purchase price of the five single-family homes. The seller carryback note will be secured by a first deed of trust, and the grant deed will contain a reverter providing that the property will revert to the Housing Commission upon the default by HDP on the repayment of the seller carryback note or on any of the affordability requirements;

3. A Housing Commission grant of up to \$1,200,000 to HDP is approved to construct an Accessory Dwelling Unit (ADU) on the sites of each of the single-family homes that will be sold to HDP, for a total of five ADUs; and
4. The Housing Commission's Executive Vice President & Chief of Staff, or designee, is authorized to execute all documents and instruments that are necessary and/or appropriate to implement these approvals, in a form approved by General Counsel, and take such actions as are necessary and/or appropriate to implement these approvals.

Approved as to Form:

Christensen & Spath

By: 

Charles B. Christensen, General Counsel
San Diego Housing Commission

Passed and adopted by the San Diego Housing Commission on November 15, 2019, and finalized on November 22, 2019, pursuant to the provisions of San Diego Municipal Code Section 98.0301(e)(1), by the following vote:

	Yeas	Nays	Excused	Not Present
Stefanie Benvenuto	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Ryan Clumpner	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Margaret Davis	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Johanna Hester	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Kellee Hubbard	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Frank Urtasun	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>

AUTHENTICATED BY:

Stefanie Benvenuto

Chair of the San Diego Housing Commission

Richard C. Gentry

President & Chief Executive Officer of the
San Diego Housing Commission

I HEREBY CERTIFY that the above and foregoing is a full, true and correct copy of RESOLUTION NO. 1874 passed and adopted by the San Diego Housing Commission on November 15, 2019, and finalized on November 22, 2019.

By:



Scott Marshall

Secretary of the San Diego Housing Commission