

**HOUSING AUTHORITY OF THE CITY OF SAN DIEGO
MEETING MINUTES
TUESDAY, JUNE 16, 2020
CITY COUNCIL CHAMBERS – 12TH FLOOR**

The Meeting of the Housing Authority of the City of San Diego was called to order at 11:36 a.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 April 7, 2020, were approved on a motion by Councilmember Gómez, seconded by Councilmember Sherman, and passed by a vote of 9-0.

NON-AGENDA PUBLIC COMMENT:

There was no public comment.

DISCUSSION AGENDA:

ITEM 1: HAR20-021 San Diego Housing Commission Proposed Fiscal Year 2021 Budget

Continued from June 8, 2020, Housing Authority Meeting

Jeff Davis, Executive Vice President & Chief of Staff, San Diego Housing Commission, presented the request for approval.

Joy Sunyata spoke in favor.

Motion by Council President Gómez to approve the staff-recommended actions. Seconded by Councilmember Montgomery 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 San Diego Housing Commission's (Housing Commission) proposed \$525 million Fiscal Year (FY) 2021 Budget (Attachment 1);

- 2) Delegate authority to the Housing Commission to approve amendments to the FY 2021 Budget for the following amounts, consistent with prior delegation of authority from the Housing Authority:
 - a. Line item transfers not to exceed \$500,000 of budget authority that do not impact the overall size of the Housing Authority-approved FY 2021 Budget;
 - b. Additional funding for the FY 2021 Budget resulting from grant applications submitted with the approval of the Housing Authority (per Housing Authority Resolution HA-1569); and
 - c. Additions from other sources, not to exceed \$500,000 on an individual basis, to the FY 2021 Budget.

- 3) Delegate authority to the President & Chief Executive Officer of the Housing Commission to amend the FY 2021 Budget for amounts not to exceed \$250,000 consistent with policies, programs and activities approved by the Housing Commission and Housing Authority.

Council President Gómez adjourned the Housing Authority at 12:04 p.m. to reconvene as the City Council.

Council President Gómez reconvened the Housing Authority at 1:59 p.m.

**ITEM 5: HAR20-023 Homeless Housing, Assistance and Prevention Program (HHAP)
Memorandum of Understanding Between the San Diego Housing
Commission and the City of San Diego**

City Council Companion Item

Zachary Schlegel commented in favor.

Motion by Council President Pro Tem Bry to approve the staff-recommended actions. Seconded by Councilmember Campbell 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) Approve the execution of a Memorandum of Understanding (MOU) between the City and the San Diego Housing Commission (Housing Commission) regarding the administration of Homeless Housing, Assistance and Prevention (HHAP) Program block grant funding, in a form approved by General Counsel, and to transfer) a portion of the City's HHAP block grant funding to the Housing Commission for one-time uses that address homelessness in compliance with the terms of the HHAP block grant agreement between the City and the State of California's Business, Consumer Services and Housing Agency (Agency); and

- 2) Authorize the Housing Commission's President & CEO, or designee, to execute the final negotiated MOU, and any and all amendment(s) thereto, in a form approved by General Counsel, and to take all actions necessary to implement these approvals;

City Council:

- 3) Approve an MOU between the City and the Housing Commission regarding the administration of the HHAP block grant funding and to transfer a portion of the City's HHAP block grant funding to the Housing Commission for one-time uses that address homelessness in compliance with the terms of the HHAP block grant agreement between the City and the Agency; and
- 4) Authorize the Mayor, or designee, to execute an MOU, and any and all amendment(s) thereto, in a form approved by the City Attorney, on behalf of the City, and to take all actions necessary to implement these approvals.

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

Council President Gómez reconvened the Housing Authority at 2:26 p.m.

ITEM 8: HAR20-024 Approval of the Fiscal Year 2021 Operating Agreement for the City of San Diego Safe Parking Program and Execution of a Memorandum of Understanding Between the San Diego Housing Commission and the City of San Diego for the Oversight and Administration of the Safe Parking Program

City Council Companion Item

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

John Brady spoke in favor.

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

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:

Housing Authority:

- 1) Authorize the Housing Commission's President & Chief Executive Officer, or designee, to execute an agreement with Jewish Family Service (JFS), using a sole-source justification procurement method, for an initial term of July 1, 2020, through June 30, 2021, with two one-year options to renew, to operate the City of San Diego's Safe Parking Program located at 8804 Balboa Avenue, San Diego, 92123 (Balboa); 9882

Aero Drive, San Diego, 92123 (Aero); and 2250 Mission Village Drive, San Diego, 92123 (Mission Valley), 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; upon the execution of a Homeless Housing, Assistance and Prevention (HHAP) Program MOU between the City and the Housing Commission, funding for the Fiscal Year (FY) 2021 shall consist of HHAP funds in the amount of \$956,921, contingent upon the appropriation of said funds by the City of San Diego;

- 2) Authorize the Housing Commission to enter into a Memorandum of Understanding (MOU) with the City of San Diego for an initial one-year term, with two one-year options to renew, for the oversight and administration of the Safe Parking Program;
- 3) Authorize the Housing Commission's 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 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 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.

City Council:

Authorize the City of San Diego to enter into a Memorandum of Understanding (MOU) with the Housing Commission for an initial one-year term, with two one-year options to renew, for the oversight and administration of the Safe Parking Program.

Council President Gómez adjourned the Housing Authority at 2:27 p.m. to reconvene as the City Council.

Council President Gómez reconvened the Housing Authority at 2:43 p.m.

ITEM 6: HAR20-018 Approval of Contract Renewal between San Diego Housing Commission (Housing Commission) and Mental Health Systems (MHS) to Operate the City of San Diego's Transitional Storage Center, Currently Known as the Storage Connect Center I, at 116 South 20th Street, San Diego, California 92113; Approval of the Execution of an Initial Contract and Approval of the Allocation and Expenditure of Funds for the City of San Diego's Transitional Storage Center, currently known as the Storage Connect Center II, at Lea Street Terminus, San Diego, California 92105, at its Current Capacity of 500 Storage Units at any one time; and Approval of Proposed Memorandum of Understanding between the Housing Commission

and the City of San Diego for the Provision of Transitional of Storage Centers

City Council Companion Item

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

Motion by Council President Pro Tem Bry 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) Upon the execution of a Homeless Housing, Assistance and Prevention (HHAP) Program Memorandum of Understanding (MOU) between the City and the Housing Commission, approve the execution of the second one-year renewal option and fourth amendment of the Agreement with Mental Health Systems (MHS), contingent on necessary City of San Diego approvals, if any, to operate the Transitional Storage Center, currently known as the Storage Connect Center I, located at 116 South 20th Street, San Diego, California 92113, for a term of July 1, 2020, through June 30, 2021, at current capacity of up to 500 storage units at any one time with an annual budget amount of \$1,249,942.00, on terms and conditions as set forth in the Agreement, which is attached hereto as Attachment 1, as it may be amended upon advice of General Counsel of the San Diego Housing Commission (Housing Commission);
- 2) Upon the execution of a HHAP MOU between the City and the Housing Commission, approve the execution of an initial one-year contract using a sole source justification, contingent on necessary City of San Diego approvals, if any, to operate the Transitional Storage Center, currently known as the Storage Connect Center II, located at Lea Street Terminus, San Diego, California 92105, for a term of July 1, 2020, through June 30, 2021, at current capacity of up to 500 storage units at any one time with an annual budget amount of \$720,664, on terms and conditions as set forth in the Agreement, which is attached hereto at Attachment 2, as it may be amended upon advice of General Counsel of the Housing Commission;
- 3) Authorize the Housing Commission's President & CEO, or designee, to take such actions as are reasonably necessary to implement the approvals referenced in this report;
- 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 of Commissioners (Board), but only if and to the extent that funds are determined to be available for such purposes; and

- 5) Authorize approval of the proposed Memorandum of Understanding between the Housing Commission and the City of San Diego specific to the provision of both the Transitional Storage Centers.

City Council:

Authorize approval of the proposed Memorandum of Understanding between the Housing Commission and the City of San Diego specific to the provision of both Transitional Storage Centers.

Council President Gómez adjourned the Housing Authority at 2:44 p.m. to reconvene as the City Council.

Council President Gómez reconvened the Housing Authority at 3:11 p.m.

ITEM 7: HAR20-019 Approval of the Fiscal Year 2021 Operating Agreements for the City of San Diego Bridge Shelters Located at 1501 Newton Avenue, San Diego, 92113; 202 C Street, San Diego, 92101; 2801 ½ Sports Arena Boulevard, San Diego, 92110; and 1710 Imperial Avenue, San Diego, 92101; and Approval of a Memorandum of Understanding Between the City of San Diego and the San Diego Housing Commission for the Oversight and Administration of the City’s Bridge Shelters

City Council Companion Item

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

Motion by Council President Pro Tem Bry to approve the staff-recommended actions. Seconded by Councilmember Campbell 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) Approve an operating agreement with Alpha Project for the Homeless (Alpha Project) for an initial term of July 1, 2020, through June 30, 2021, with two one-year options to renew, to operate the City of San Diego’s Bridge Shelter located at 1501 Newton Avenue, San Diego, 92113, or alternative locations as designated by the City of San Diego (City), on terms and conditions as set forth in the agreement (Alpha Newton Agreement), as it may be amended upon advice of the San Diego Housing Commission’s (Housing Commission) General Counsel; and authorize the execution of the Alpha Newton Agreement in the amount of \$6,403,714.32 for the operating period of July 1, 2020, through June 30, 2021, upon the execution of the proposed Homeless Housing, Assistance and Prevention (HHAP) Program MOU between the City and the Housing Commission, and the appropriation of said funds by the City;
- 2) Approve an operating agreement with Father Joe’s Villages (FJV) for an initial term of July 1, 2020, through June 30, 2021, with two one-year options to renew, to operate the

City of San Diego's Bridge Shelter located at 202 C Street, San Diego, 92101, or alternative locations as designated by the City, on terms and conditions as set forth in the agreement (FJV Agreement), as it may be amended upon advice of the Housing Commission's General Counsel; and authorize the execution of the FJV Agreement in the amount of \$4,747,087.40 for the operating period of July 1, 2020, through June 30, 2021, upon the execution of the proposed HHAP MOU between the City and the Housing Commission, and the appropriation of said funds by the City;

- 3) Approve a six-month operating agreement with Veterans Village of San Diego (VVSD), using a sole source procurement process, for a term of July 1, 2020, through December 31, 2020, or a shorter term with prorated budget, as determined by the Housing Commission to operate the City of San Diego's Bridge Shelter located at an interim site location(s) as designated by the City, on terms and conditions as set forth in the agreement (VVSD Agreement), as it may be amended upon advice of the Housing Commission's General Counsel; and authorize the execution of an agreement with VVSD in the amount of \$1,955,443.05 for six months for the operating period of July 1, 2020, through December 31, 2020, to provide bridge housing and emergency shelter services to persons experiencing homelessness in the City of San Diego, consisting of the following funding source for the initial operating term: City General Funds in the amount of \$1,955,443.05 for the FY 2021 operational budget, allocated by the Housing Commission, contingent upon the appropriation of said funds by the City of San Diego;
- 4) Approve exercising the first of two one-year options to renew and entering into an operating agreement with Alpha Project for the term of July 1, 2020, through June 30, 2021, to operate the City of San Diego's Bridge Shelter located at 1710 Imperial Avenue, San Diego, 92101, or alternative locations as designated by the City, on terms and conditions as set forth in the agreement (Alpha Imperial Agreement), as it may be amended upon advice of General Counsel of the San Diego Housing Commission (Housing Commission); and authorize the execution of the Alpha Imperial Agreement in the amount of \$2,811,328.25 for the operating period of July 1, 2020, through June 30, 2021, upon the execution of the proposed HHAP MOU between the City and the Housing Commission, and the appropriation of said funds by the City;
- 5) Authorize the Housing Commission's 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 and format approved by General Counsel, and to take such actions necessary and/or appropriate to implement these approvals;
- 6) 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 agreements, if necessary, without further action by the Housing Commission Board of Commissioners (Board), but only if and to the extent that funds are determined to be available for such purposes; and

- 7) Authorize the execution of the Memorandum of Understanding (MOU) between the City of San Diego and the Housing Commission for the oversight and administration of the City's Bridge Shelters.

City Council:

Authorize the execution of the Memorandum of Understanding (MOU) between the City of San Diego and the Housing Commission for the oversight and administration of the City's Bridge Shelters.

ITEM 2: HAR20-017 Fiscal Year 2021 Provision of Interim Shelter at the Paul Mirabile Center for Adults Experiencing Homelessness

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

Motion by Council President Pro Tem Bry 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) take the following actions:

- 1) Authorize the execution of an operating agreement with St. Vincent de Paul Village in the amount of \$1,989,585.00 for an initial term of July 1, 2020, through June 30, 2021, with four one-year options to renew, to provide interim shelter and services at the City of San Diego's (City) Interim Shelter Program at the Paul Mirabile Center at 16 15th Street in Downtown San Diego, for persons experiencing homelessness, consisting of the following City of San Diego funding sources for the initial operating term: Community Development Block Grant (CDBG) funds in the amount of \$250,848.00; Emergency Solutions Grant (ESG) funding in the amount of \$196,867.00; General Funds (GF) funding in the amount of \$1,489,750.00; and San Diego Housing Commission (Housing Commission) local funds in the amount of \$52,120.00 for the Fiscal Year (FY) 2021 operational budget, allocated by the Housing Commission, contingent upon the appropriation of said funds by the City; the operating agreement will be 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;
- 2) Authorize the Housing Commission's 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 and format approved by General Counsel, and to take such actions necessary and/or appropriate to implement these approvals; and
- 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 Board of Commissioners (Board), but only if and to the extent that funds are determined to be available for such purposes.

Council President Gómez adjourned the Housing Authority at 3:32 p.m. to reconvene the City Council.

Council President Gómez reconvened the Housing Authority at 3:35 p.m.

ITEM 3: HAR20-020 Preliminary Bond Authorization for Mississippi El Cajon Boulevard (ECB) Apartments

City Council companion item

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

Joy Sunyata spoke in favor.

Motion by Councilmember Ward to approve the staff-recommended actions. Seconded by Council President 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, as described in this report.

- 1) Approve the following preliminary steps to issue Housing Authority tax-exempt Multifamily Housing Revenue Bonds to facilitate the development of Mississippi ECB Apartments in the University Heights neighborhood, which will consist of 60 units affordable for 55 years for families earning between 50 percent and 80 percent of the San Diego Area Median Income (AMI) and one unrestricted manager's unit:
 - a. Issue a bond inducement resolution (Declaration of Official Intent) for up to \$12,500,000 in Multifamily Housing Revenue Bonds and \$4,000,000 of taxable bonds supporting the development of Mississippi ECB Apartments by a limited partnership formed by Trestle Development (Trestle Mississippi, LP);
 - 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 \$12,500,000 for Mississippi ECB Apartments; and
 - c. the financing team of Kutak Rock LLP as Bond Counsel and CSG Advisors as Financial Advisor;
- 2) Authorize the San Diego Housing Commission (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.

ITEM 4: HAR20-022 Final Bond Authorization for Courthouse Commons

City Council companion item

Joy Sunyata spoke in favor.

Motion by Councilmember Ward 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) authorize the issuance of up to \$24,000,000 in Housing Authority tax-exempt Multifamily Housing Revenue Notes to fund the development of Courthouse Commons, which will consist of 82 units, 41 of which will be affordable rental housing units located at 202 West Broadway, San Diego, CA 92101, that will remain affordable for 55 years.

Council President Gómez adjourned the Housing Authority at 3:40 p.m. to reconvene the City Council.

Council President Gómez reconvened the Housing Authority at 3:42 p.m.

ITEM 9: HAR20-011 San Diego Housing Commission Semi-Annual Grant Report July 1, 2019 through December 31, 2019

This report has been prepared in response to the Housing Authority of the City of San Diego's Resolution Number HA-1569 granting the San Diego Housing Commission (Housing Commission) authority for a number of grant-related activities, and requiring submission of a semi-annual report of all grant activity.

Adjournment

Council President Gómez adjourned the meeting at 3:57 p.m.