



SAN DIEGO
HOUSING
COMMISSION

MINUTES

**SAN DIEGO HOUSING COMMISSION
MINUTES OF THE REGULAR MEETING
JULY 21, 2023
SMART CORNER
4TH FLOOR CONFERENCE ROOM
1122 BROADWAY
SAN DIEGO, CA 92101**

ATTENDANCE

Present:

Chair Eugene “Mitch” Mitchell
Vice Chair Ryan Clumpner
Commissioner Antoine “Tony” Jackson
Commissioner Melinda K. Vásquez
Interim President & CEO Jeff Davis
General Counsel Walter Spath

Not present:

Commissioner Johanna Hester
Commissioner Kellee Hubbard

10 CALL TO ORDER

Chair Mitchell called the Regular Meeting to order at 9:05 a.m.

20 NON-AGENDA PUBLIC COMMENT

Clovis Honore read a letter from Richard Lawrence regarding the San Diego Housing Commission (Housing Commission).

Joy Sunyata thanked Lisa Jones, Mercy Maestra and Housing Commission security and commented on California Assemblymember Chris Ward, AB 799 and housing goals.

Scott Marshall, Housing Commission Vice President of Communications and Government Relations, read written comments submitted by S. Campa regarding fair housing laws, as an accommodation because S. Campa indicated they had a disability and would not be able to attend the meeting in person.

30 COMMISSIONER COMMENTS

Vice Chair Clumper asked about the average number of shelter beds available at the start of each day for the past month; what time of day those available beds are full, on average; and what percentage of people seeking accommodations received it in the past month. Housing Commission Executive Vice President of Strategic Initiatives Lisa Jones responded that approximately 25 shelter beds were



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available at the start of each day; they are generally full before noon; and during June 2023, 31% of those referred to shelters were placed in shelters. Vice Chair Clumper stated that there is not enough shelter available for those actively seeking it.

Commissioner Vásquez requested information about housing vouchers being canceled due to landlords not completing necessary actions and whether there is a way to prevent a voucher from being canceled if it is through no fault of the voucher holder. Interim President & CEO Davis clarified that a lease could be canceled instead of a voucher, and staff would report back on available data.

Chair Mitchell presented a plaque to former Commissioner Stephanie Benvenuto in recognition and appreciation for her leadership and service on the Board of Commissioners for six years and commended her for her service.

40 REPORT BY THE INTERIM PRESIDENT & CHIEF EXECUTIVE OFFICER

Groundbreaking for Three Developments

On June 29, 2023, three affordable housing developments celebrated their groundbreaking. When completed, these developments will provide more than 300 affordable rental apartments in Clairemont. Vice Chair Clumper represented the Housing Commission at this event. Additional speakers included California State Treasurer Fiona Ma; San Diego Mayor Todd Gloria; City Councilmember Dr. Jennifer Campbell; County Board of Supervisors Chair Nora Vargas; the developer, Chelsea Investment Corporation; and additional partners. Messina Senior Apartments, Modica Family Apartments and Taormina Family Apartments are being built on the site of the former Sheriff's Crime Lab. The Housing Commission awarded development loans to support the Messina and Modica developments. The Housing Commission also awarded eight rental housing vouchers each to the Messina and Taormina developments. Financing for these developments also included recycled Multifamily Housing Revenue Bonds. These recycled bonds are possible because of the Housing Commission's innovative collaboration with the California Housing Finance Agency.

State Funds Budgeted for the Housing Commission

The state budget that Governor Gavin Newsom signed on June 27, 2023, included funding allocated to the Housing Commission specifically for two programs. This is the first time staff is aware of that the State budget has included funds allocated directly to the Housing Commission. The Housing Commission's policy team met with the offices of state lawmakers from San Diego to advocate for these funds, sent letters to state lawmakers, and the Housing Commission's legislative advocacy consultant in Sacramento, Lighthouse Public Affairs, worked with the Housing Commission to make these allocations a reality. The Housing Commission will receive \$2 million to support the pilot project to increase density at the Housing Commission-owned Casa Colina affordable housing property. State Senate President Pro Tem Toni Atkins advocated for this funding. The State budget also allocates \$750,000 to the Housing Commission for the Multidisciplinary Outreach Team in San Diego. This funding will enable the program to increase services to more individuals experiencing homelessness. State Assemblymember Brian Maienschein championed this funding.



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Leave No Veteran Homeless Initiative

The Housing Commission participated in the development of the County-led “Leave No Veteran Homeless” initiative, which launched on July 6, 2023. This initiative aims to achieve what is known as “functional zero” in veteran homelessness in 15 months. “Functional zero” essentially means that the number of veterans experiencing homelessness each month is less than the number of unhoused veterans who obtain housing each month. One of the major project tracks and objectives for this initiative is known as the Housing Line of Effort. Housing Commission staff members have helped develop the action items and are co-leading this line of effort. These include staff for our HOUSING FIRST – SAN DIEGO plan and the Community Action Plan on Homelessness, with support from our Rental Assistance Division. The initiative’s website—NoVeteranHomeless.org—provides more information about the initiative, how landlords can rent to a veteran experiencing homelessness, and access to other resources for veterans. In addition to the Housing Commission, agencies involved with this regional initiative include the County of San Diego; the City of San Diego; the Regional Task Force on Homelessness; the U.S. Department of Veterans Affairs; 211 San Diego; the City of Oceanside; and homelessness service providers.

San Diego Renter Survey

The Housing Commission’s survey of residential renters throughout the City of San Diego concluded earlier this week. Approximately 4,000 people completed the online survey. To raise awareness about the survey, the Housing Commission shared a flyer and suggested social media posts in English and Spanish with City Council offices, community organizations, and additional stakeholders to ask them to encourage San Diego renters to participate by completing the survey. The Housing Commission provided links to the survey in English, Spanish and Vietnamese on the website home page and emailed information about the survey to 67,000 people on the Housing Commission’s rental assistance waiting list. The survey responses are an important part of the Housing Commission’s study to identify the trends and the landscape related to evictions in the City of San Diego. The Housing Commission is consulting with HR&A on this project. HR&A is a public policy firm with more than 40 years of experience in real estate and economic development. The study is anticipated to conclude in October.

Finance Award

The Housing Commission once again received the highest recognition from the Government Finance Officers Association of the United States and Canada. This is the 15th consecutive year the Housing Commission has earned the Certificate of Achievement for Excellence in Financial Reporting. This honor recognizes the Housing Commission’s Fiscal Year 2022 Annual Comprehensive Financial Report. An impartial panel determined that the report met the program’s standards, including a spirit of full disclosure to clearly communicate the Housing Commission’s financial story.

50 APPROVAL OF THE MINUTES

Motion by Vice Chair Clumpner to approve the June 15, 2023, Regular Meeting Minutes and the June 15, 2023, Special Meeting Minutes. Seconded by Commissioner Vásquez and passed by a vote of 4-0.



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CONSENT AGENDA

Motion by Commissioner Vásquez to approve Items 100 and 101 listed below on consent. Seconded by Commissioner Jackson and passed by a vote of 4-0

100 HCR23-083 Amendment to the Bylaws of Housing Development Partners of San Diego (HDP) and HDP Mason Housing Corporation

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

- 1) Approve an amendment to Section 5.02(b)(3) of the bylaws of Housing Development Partners of San Diego (HDP), a Housing Commission nonprofit affiliate, to require that one of the “at large” seats on HDP’s Board of Directors be filled by a member of the Housing Authority of the City of San Diego, who will be appointed by the San Diego City Council President and Confirmed by the San Diego City Council.
- 2) Approve an amendment to Section 5.02(b)(3) of the bylaws of HDP Mason Housing Corporation (HDP Mason), a Housing Commission nonprofit affiliate, to require that one of the “at large” seats on HDP Mason’s Board of Directors be filled by a member of the Housing Authority of the City of San Diego, who will be appointed by the San Diego City Council President and Confirmed by the San Diego City Council.
- 3) Authorize the Housing Commission’s President and 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 take such actions as are necessary and/or appropriate to implement these approvals, provided that a copy of the documents, signed as to form by General Counsel, is submitted to each Housing Commissioner.

101 HCR23-086 Ratification of the Amendment to Security Services Agreement HC-22-01 for Valley Vista Apartments

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

- 1) Ratify and approve the Third Amendment to increase the annual maximum contract amount with Invicta Security CA Corporation (Invicta) in the second, third, fourth and fifth contract years (August 1, 2022 – July 31, 2026) from \$193,718.40 per year to the approved budget amount of \$548,457.60 per year with a 20% contingency of \$109,691.52 for a total of \$658,149.12 per year for security services provided at the Housing Commission-owned Valley Vista Apartments at 1865 Hotel Circle South, San Diego, CA 92108.

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- 2) Authorize the President and Chief Executive Officer (President & CEO), or designee, to substitute the funding sources with other available funding sources provided that the total program /project budget amount after substitution does not exceed the approved total budget, should the operational need arise or should actions be to the benefit of the Housing Commission and its mission.
- 3) Authorize the 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 as are necessary and/or appropriate to implement these approvals, provided that a copy of the documents, signed as to form by General Counsel, is submitted to each Housing Commissioner

DISCUSSION AGENDA

102 HCR23-081 Parker Kier Ground Lease Renewal

Emmanuel Arellano, Vice President, Asset Management, Real Estate Division, presented the request for approval.

Joy Sunyata spoke in favor.

Motion by Commissioner Vásquez to take the staff-recommended actions. Seconded by Commissioner Jackson and passed by a vote of 4-0.

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

- 1) Authorize the Executive Vice President of Real Estate, or designee, to enter into a 15-year ground lease agreement, with the Housing Commission as Lessor and HDP Parker Kier LLC as Lessee for the property known as Parker Kier at 2172 Front Street, San Diego, CA 92101 (Property). The ground lease rent will be maintained at the current level of 4.5% of Total Gross Revenue.
- 2) Authorize the Executive Vice President of Real Estate, 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 as are necessary and/or appropriate to implement these approvals, provided that a copy of the documents, signed as to form by General Counsel, is submitted to each Housing Commissioner.

103 HCR23-059 Loan Modification, Preliminary Bond Authorization, and Tax Equity and Fiscal Responsibility Act (TEFRA) Hearing for Bandar Salaam Apartments

Colin Miller, Senior Vice President, Housing Finance and Property Management, Real Estate Division, and Jennifer Kreutter, Vice President, Multifamily Housing Finance, Real Estate Division, presented



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the request for approval.

Joy Sunyata spoke in favor.

Motion by Vice Chair Clumper to take the staff-recommended actions. Seconded by Commissioner Jackson and passed by a vote of 4-0.

That the San Diego Housing Commission (Housing Commission) Board of Commissioners (Board) take the following actions, as described in this report.

- 1) Approve the transfer and extension of an existing Housing Commission loan, currently estimated at \$2,248,782 from the owner Winona Gardens Housing Associates, L.P., to Winona Avenue Housing Associates, LP, a California limited partnership.
- 2) Authorize the Housing Commission's President and Chief Executive Officer (President & CEO), or designee, to:
 - a. Execute all necessary documents and instruments to effectuate these transactions 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, provided that a copy of the documents, signed as to form by General Counsel, is submitted to each Housing Commissioner;
 - b. Adjust financing terms/conditions, as necessary, for consistency with requirements of other funding sources or to accommodate market changes that may occur for the existing Housing Commission loan; and
 - c. 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.
- 3) Approve the following steps to issue up to \$13,000,000 in Housing Authority of the City of San Diego (Housing Authority) tax-exempt Multifamily Housing Revenue Bonds to facilitate Winona Avenue Housing Associates, LP's acquisition and rehabilitation of the Bandar Salaam Apartments at 3810 Winona Avenue, San Diego, CA 92105, in the City Heights neighborhood, which consists of 67 units affordable for 55 years for individuals and families earning 45 percent to 50 percent of San Diego's Area Median Income (AMI) and one unrestricted manager's unit:
 - a. Issue a bond inducement resolution (Declaration of Official Intent) for up to \$13,000,000 in tax-exempt Multifamily Housing Revenue Bonds supporting the preservation of the Bandar Salaam Apartments by a to-be-formed California limited partnership;
 - 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

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- private activity bonds in an amount up to \$13,000,000 for the Bandar Salaam Apartments;
and
- c. Approve the financing team of Quint and Thimmig as the Bond Counsel and CSG Advisors as the Financial Advisor
- 4) Authorize the Housing Commission's President and 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.
 - 5) 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 up to \$13,000,000 to facilitate the development of the Bandar Salaam Apartments.

104 HCR23-082 Preliminary Bond Authorization and Tax Equity and Fiscal Responsibility Act (TEFRA) Hearing for Sea Breeze Gardens Apartments

Colin Miller, Senior Vice President, Housing Finance and Property Management, Real Estate Division, and Jennifer Kreutter, Vice President, Multifamily Housing Finance, Real Estate Division, presented the request for approval.

Joy Sunyata spoke in favor.

Motion by Commissioner Vásquez to take the staff-recommended actions. Seconded by Commissioner Jackson and passed by a vote of 4-0.

That the San Diego Housing Commission (Housing Commission) Board of Commissioners (Board) take the following actions, as described in this report:

- 1) Approve the following steps to issue up to \$75,000,000 in Housing Authority of the City of San Diego (Housing Authority) tax-exempt Multifamily Housing Revenue Bonds and \$4,000,000 in taxable bonds to facilitate Sea Breeze Gardens Preservation LP's rehabilitation of the Sea Breeze Gardens Apartments at 4808-4888 Logan Avenue in the Chollas Valley Neighborhoods Community Plan Group, which consists of 267 units affordable for 55 years for families earning 30 percent to 60 percent of San Diego's Area Median Income (AMI) and one unrestricted manager's unit:
 - a. Issue a bond inducement resolution (Declaration of Official Intent) for up to \$75,000,000 in tax-exempt Multifamily Housing Revenue Bonds supporting the rehabilitation of Sea Breeze Gardens Apartments by Sea Breeze Gardens Preservation 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-



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- exempt private activity bonds in an amount up to \$75,000,000 for Sea Breeze Gardens Apartments;
- c. Approve the financing team of Squire Patton Boggs as the Bond Counsel and Public Financial Management (PFM) as the 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.
- 3) 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 up to \$75,000,000 to facilitate the rehabilitation of Sea Breeze Gardens Apartments.

Chair Mitchell adjourned the Regular Meeting at 10:30 a.m. to convene the Special Meeting. Chair Mitchell reconvened the Regular Meeting at 10:59 am.

105 HCR23-087 Workshop & Discussion: Employee Engagement Survey

Suket Dayal, Executive Vice President of Business Administration and Chief Financial Officer, and Katie Vigil, Senior Human Resources Analyst, Human Resources Department, presented the informational workshop about the results of the San Diego Housing Commission's Employee Engagement Survey conducted by Flex Surveys from March 27, 2023, through April 10, 2023.

ADJOURNMENT

Chair Mitchell adjourned the Regular Meeting at 11:09 a.m.

Respectfully submitted,

Scott Marshall

Scott Marshall
Vice President
Communications and Government Relations
San Diego Housing Commission

Approved by,

Jeff Davis

Jeff Davis
Interim President & Chief Executive Officer
San Diego Housing Commission