



SAN DIEGO  
HOUSING  
COMMISSION

## MINUTES

**SAN DIEGO HOUSING COMMISSION  
MINUTES OF THE REGULAR MEETING  
OCTOBER 7, 2016  
SMART CORNER  
4<sup>th</sup> FLOOR CONFERENCE ROOM  
1122 BROADWAY  
SAN DIEGO, CALIFORNIA 92101**

### **ATTENDANCE**

**Present:**

Chair Gary Gramling  
Vice Chair Roberta Spoon  
Commissioner Margaret Davis  
Commissioner Kellee Hubbard  
Commissioner Frank Urtasun  
President & CEO Richard C. Gentry  
General Counsel Charles Christensen

**Absent:**

Commissioner Ben Moraga  
Commissioner Dorothy Surdi

### **10     CALL TO ORDER**

Chair Gramling called the Regular Meeting to order at 9:04 A.M.

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

Charles Schmid of Chelsea Investment Corporation and Nathan Schmid of Southern California Housing Collaborative presented Chair Gramling with the Building Industry Association's Icon Award for Independence Point, an SDHC partnership affordable rental housing development. Independence Point was the first development in Southern California to provide affordable housing specifically to families with members who have developmental disabilities.

Gay Ann Williams spoke about Section 8 Housing Choice Voucher rental assistance and her rental housing.

### **30     COMMISSIONER COMMENTS**

There were no Commissioner comments.



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

##### **Grand Reopening of Hotel Churchill**

President & CEO Gentry, Chair Gramling, Vice Chair Spoon, Commissioner Urtasun, Commissioner Davis, and Commissioner Hubbard participated in the grand reopening of Hotel Churchill on September 19, 2016. They were joined by San Diego Mayor Kevin Faulconer; U.S. Representatives Scott Peters and Juan Vargas; San Diego County Supervisor Greg Cox; San Diego City Councilmembers Todd Gloria and Lorie Zapf; HUD LA Director Marcie Chavez; and Civic San Diego CEO Reese Jarrett. The San Diego Housing Commission (SDHC), working with its nonprofit affiliate, Housing Development Partners, renovated the historic Hotel Churchill to create 72 affordable rental housing studios for homeless individuals, which will remain affordable for 65 years. The affordable rental housing studios include 56 units for Veterans; 8 units for transitional age youth who are homeless or at risk of homelessness; and 8 units for adults exiting the corrections system. Hotel Churchill residents will also receive on-site supportive services.

##### **Mayberry Townhomes**

On October 4, SDHC President & CEO Gentry joined San Diego City Council President Pro Tem Marti Emerald at the grand reopening of Mayberry Townhomes in Southcrest. The renovated townhomes provide 69 affordable rental housing units for low-income working families, and will remain affordable for 55 years.

##### **Testimony before U.S. Senate Subcommittee**

On September 1, 2016, SDHC President & CEO Gentry testified at a hearing of the U.S. Senate Subcommittee on Transportation, Housing and Urban Development, and Related Agencies. He testified that providing affordable housing opportunities should look much like the San Diego model, with the innovative approaches implemented at SDHC.

##### **San Diego Union Tribune Profile**

*The San Diego Union-Tribune* published a profile on October 1, 2016, about SDHC President & CEO Gentry's work on behalf of SDHC. The article highlighted the work that SDHC has done for homeless and low-income San Diegans. It also featured Mr. Gentry's role as the new chairman of the Regional Continuum of Care Council, which is merging with the San Diego Regional Task Force on the Homeless.

##### **Correction to Factually Incorrect Newspaper Article**

On October 1, 2016, *The San Diego Union-Tribune* published a correction to the article it published on September 15, 2016, that claimed that SDHC "failed to collect millions of dollars from builders." That article was factually incorrect.



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**Chair Gramling to be Recognized**

The National Association of Housing and Redevelopment Officials (NAHRO) will be recognizing Chair Gramling with the Elizabeth B. Wells Memorial Award at the NAHRO National Conference in New Orleans, Louisiana, October 14-16, 2016.

**CONSENT AGENDA:**

Motion by Commissioner Urtasun to approve the items listed below on consent. Seconded by Commissioner Spoon and passed by a vote of 5-0.

**100    HCR16-089    2017 San Diego Housing Commission Meeting Schedule**

That the San Diego Housing Commission (Housing Commission) Board approve the 2017 meeting schedule (Attachment 1) that includes 10 scheduled meetings to be held at the Housing Commission's office building.

**101    HCR16-082    Award of Smart Corner 3rd Floor Carpet Replacement Contract**

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

- 1)    Approve the award of contract to ProSpectra Contract Flooring in the amount of \$132,500.00 for the replacement of carpet on the 3rd floor of the Housing Commission office spaces located at 1122 Broadway (Smart Corner), and expend up to a 10 percent contingency (\$13,250), if necessary, for items not anticipated in the original scope of work;
- 2)    Authorize the President & 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 such actions be to the benefit of the Housing Commission and its mission; and
- 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 take such actions as are necessary and/or appropriate to implement these approvals.



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**102     HCR16-085     Emergency Heating, Ventilation and Air Conditioning Repairs at Smart Corner**

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

- 1) Ratify the award of a sole-source contract to Johnson & Blanc in the amount of \$135,728 for the emergency repair of the Smart Corner Heating Ventilation and Air Conditioning (HVAC) system;
- 2) Approve the amendment to the Fiscal Year 2017 (July 1, 2016 – June 30, 2017) Smart Corner budget to increase HVAC Repairs in the amount of \$140,000; and
- 3) Authorize the President & Chief Executive Office (President & CEO), or designee, to execute all contract 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.

**103     HCR16-083     Lease Approval for Adamo Dry Cleaners at Hotel Sandford**

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

- 1) Approve a lease with Mrs. Shin Lee, dba Adamo Dry Cleaners, for a period of 62 months, which includes four months of abated rent, with a retroactive Commencement Date of August 1, 2016, and with one five-year extension option to occupy commercial space at Hotel Sandford, located at 1305 5th Avenue, San Diego, CA 92101; and
- 2) Authorize the President & Chief Executive Office (President & CEO), or designee, to execute all lease 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.

**104     HCR16-086     Lease Approval for Latinos y Latinas en Accion, a 501(c)(3) nonprofit, at Courtyard Apartments**

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

- 1) Approve a lease for Latinos y Latinas en Accion (Latinos y Latinas) for a period of three (3) years, with one (1) three (3) year extension option, at Courtyard Apartments (Courtyard), located at 4395 El Cajon Boulevard, San Diego, CA 92105; and



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- 2) Authorize the President & Chief Executive Office (President & CEO), or designee, to execute all lease 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.

**106     HCR16-093     Actions Establishing President & Chief Executive Officer Compensation for Period of September 19, 2016, through September 18, 2017, as recommended by the Ad Hoc CEO Performance Evaluation Committee of the San Diego Housing Commission**

**50     APPROVAL OF THE MINUTES**

The minutes of the Regular Housing Commission meeting of September 9, 2016, and the Special Housing Commission Meeting of September 9, 2016, were approved on a motion by Commissioner Urtasun, seconded by Commissioner Hubbard, and passed by a vote of 5-0.

**ACTION AGENDA:**

**105     HCR16-091     Preliminary Bond Authorization for Casa Puleta Apartments**

Ted Miyahara, Director of Housing Finance, Real Estate Division and Cameron Shariati, Real Estate Manager, Real Estate Division presented the request for approval.

Motion by Vice Chair Spoon to take the following staff recommended actions. Seconded by Commissioner Davis, and passed by a vote of 5-0.

That the San Diego Housing Commission (Housing Commission) recommend the Housing Authority of the City of San Diego (Housing Authority) take the following actions, as described in this report.

- 1) Approve the following steps to issue Housing Authority tax-exempt Multifamily Housing Revenue Bonds for Casa Puleta Apartments, a 54-unit multifamily affordable housing rental development, located in the Southeastern San Diego community, which will remain affordable for 55 years:
  - 1) Issue a bond inducement resolution (Declaration of Official Intent) for up to \$6,250,000 in Multifamily Housing Revenue Bonds for the redevelopment of Casa Puleta Apartments by a limited partnership formed by Willow Partners, LLC (Willow Partners);
  - 2) 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 \$6,250,000 for Casa Puleta Apartments;



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- 3) Approve the financing team of Quint & Thimmig as Bond Counsel and Public Financial Management (PFM) as Financial Advisor; and
- 4) Request that the San Diego City Council (City Council) hold a Tax Equity and Fiscal Responsibility Act (TEFRA) public hearing and adopt a resolution approving the issuance of Multifamily Housing Revenue Bonds in an amount up to \$6,250,000; and
- 2) Grant an exemption relating to Section 3.2 of the Housing Commission's Multifamily Housing Revenue Bond Program Policy P.O. 300.301, to authorize the use of the California Tax-Credit Allocation Committee's methodology for calculating rents for the affordable units; and
- 3) Authorize the 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.

**107    HCR16-087    Workshop & Discussion: SDHC's Growing Economic and Community Impact on San Diego**

**NO ACTION IS REQUIRED ON THE PART OF THE HOUSING COMMISSION**

Jeff Davis, Executive Vice President & Chief of Staff, and Lynn Reaser, Ph.D., Chief Economist, Fermanian Business & Economic Institute, Point Loma Nazarene University, presented the workshop on San Diego Housing Commission's economic impact on the City of San Diego and County of San Diego over the past eight Fiscal Years, from Fiscal Year 2008 (July 1, 2007 – June 30, 2008) through Fiscal Year 2015 (July 1, 2014 – June 30, 2015).

**CLOSED SESSION**

**The San Diego Housing Commission did not convene in closed session to consider the following agenda:**

**A. CONFERENCE WITH LEGAL COUNSEL - EXISTING LITIGATION pursuant to subdivision (c) of section 54954.5 of the Government Code and pursuant to subdivision (d)(1) of section 54956.9:**

**One (1) matter:**



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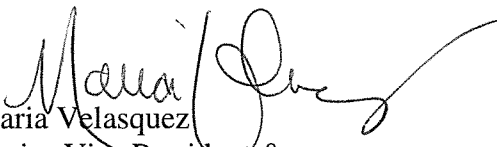
***Marcus Bollinger, et al. vs. Smart Corner Owners Association, Smart Corner Owners Association vs. San Diego Housing Commission, et al. Superior Court of California, County of San Diego, Case No. 37-2015-00025175-CL-BC-CTL.***

The court granted the Housing Commission's motion to strike the complaint and its demurrer, which resulted in the dismissal of the case. The Housing Commission will now be seeking its attorney's fees in connection with this matter, after entry of the Judgment of Dismissal.

**ADJOURNMENT:**

Chair Gramling adjourned the Regular Meeting at 10:10 a.m.

Respectfully submitted,

  
Maria Velasquez  
Senior Vice President &  
Chief Communications Officer  
San Diego Housing Commission

Approved by,

  
Richard C. Gentry  
President & Chief Executive Officer  
San Diego Housing Commission