



SAN DIEGO
HOUSING
COMMISSION

MINUTES

SAN DIEGO HOUSING COMMISSION
MINUTES OF THE REGULAR MEETING
JANUARY 15, 2016
SMART CORNER
4th 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 Ben Moraga
Commissioner Dorothy Surdi
President & CEO Richard C. Gentry
General Counsel Charles Christensen

Absent:

Commissioner Frank Urtasun

10 CALL TO ORDER

Chair Gramling called the Regular Meeting to order at 9:04 a.m.

20 NON-AGENDA PUBLIC COMMENT

There were no non-agenda public comments.

30 COMMISSIONER COMMENTS

There were no Commissioner comments.

40 REPORT BY PRESIDENT & CHIEF EXECUTIVE OFFICER

1,000 Homeless Veterans Collaborative Initiative

On January 14, 2016, San Diego Mayor Kevin Faulconer announced the collaborative landlord outreach component – Housing Our Heroes campaign – of The 1,000 Homeless Veterans Initiative of the San Diego Housing Commission's (SDHC) HOUSING FIRST-SAN DIEGO, landmark three-year Homelessness Action Plan (2014-17).



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Housing First Anniversary

On December 3, 2015, President & CEO Gentry joined San Diego Mayor Kevin Faulconer, Councilmember Todd Gloria and partners at San Diego State University (SDSU) and The Monarch School for a news conference to introduce new initiatives and highlight the first-year accomplishments of HOUSING FIRST- SAN DIEGO. New initiatives include:

- 1) **The Guardian Scholars Program at SDSU** - A first-of-its kind housing partnership between SDHC and SDSU to provide Federal rental assistance for up to 100 SDSU students who have been homeless or at risk of homelessness.
- 2) **The Monarch School Project** – A new pilot program that will provide Federal rental housing vouchers for up to 25 families with students impacted by homelessness.
- 3) **Award Development Funds** – For the second consecutive year, SDHC will award up to \$10 million to developers to create permanent affordable housing with supportive services for homeless San Diegans, along with up to 300 Federal housing vouchers.

New Palace Hotel Purchase

On January 15, 2016, SDHC's nonprofit affiliate, Housing Development Partners (HDP), in partnership with the Local Initiatives Support Corporation (LISC), purchased the 79-unit New Palace Hotel, at 1814 Fifth Ave., to preserve affordable housing for low-income seniors age 62 or older who are at risk of homelessness. LISC provided a loan of \$5.8 million to fund the purchase and closing costs.

MTW Agreement Extension

The U.S. Congress extended SDHC's Moving to Work agreement with the U.S. Department of Housing and Urban Development through 2028. This agreement ensures that SDHC can continue to create innovative and creative programs to assist low-income and homeless San Diegans, such as HOUSING FIRST – SAN DIEGO.

Housing Affordability Report

Commissioners were provided a copy of "Addressing the Housing Affordability Crisis." The SDHC report is an 11-step action plan which could reduce the cost of affordable housing construction and market-rate construction. On December 9, 2015, the San Diego City Council's Smart Growth & Land Use Committee voted unanimously to direct City staff to work with SDHC to explore how the report's recommendations could be crafted into City ordinances or advocated at the Federal or State level.

Project Homeless Connect

Commissioners were invited to attend The 10th Project Homeless Connect – Downtown San Diego on January 27, 2016, the one-day resource fair for homeless San Diegans. This is the sixth year that SDHC has been the lead organizer. Major partners include the City of San Diego, Father Joe's Villages, Interfaith Shelter Network and the Family Health Centers of San Diego.

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HUD Homeless Count

The annual Point-in-Time Count of homeless San Diegans is scheduled for Friday, January 29, 2016, which HUD requires of cities and counties in regional Continuums of Care that receive Federal funding for homeless programs. SDHC is a member of the San Diego Regional Continuum of Care Council (RCCC), which is responsible for completing the Point-in-Time Count each year.

New Year's Resolution Published in The San Diego Union Tribune

President & CEO Gentry among the San Diegans who were asked by the San Diego Union-Tribune to submit a resolution for the New Year, which was published on Sunday, January 3, 2016. President & CEO Gentry shared the need to resolve in 2016 to help more San Diegans find affordable housing.

Article 34 Ballot Measure

President & CEO Gentry introduced General Counsel Charles B. Christensen to talk about a proposed ballot measure:

General Counsel Christensen said Article 34 of the California Constitution provides that no housing that is low-income and is owned or supported by a public entity may be constructed or aided without a vote of the people. The City of San Diego has gone through a number of ballot measures over the years to get authority to allow the construction of affordable housing. San Diego is running out of its capacity, down to 3,000 or 4,000 units. There is a proposal for a November ballot measure that would increase capacity by an additional 10,000 units.

Construction update

The Rehabilitation of San Diego Square has been completed. SDHC, working with its nonprofit affiliate, Housing Development Partners (HDP), rehabilitated San Diego Square to preserve 154 affordable housing units for low-income seniors age 62 and older. Construction on the renovation of the Hotel Churchill, which also is an SDHC partnership with HDP, is on schedule and on budget and is scheduled to be complete in June or July for a midsummer grand opening event. The rehabilitation of Hotel Churchill will create 72 affordable studios for homeless San Diegans:

- 56 housing units will be set aside for homeless Veterans;
- 8 units will provide housing for youth aging out of the foster care system; and
- 8 units will provide housing for adults who also need supportive services.

Chairman Gramling Appointed To NAHRO Board

SDHC Chairman of the Board Gramling has been appointed to the board of The Pacific Southwest Regional Council of the National Association of Housing and Redevelopment Officials (NAHRO). Chair Gramling is the only local Commissioner to serve on this board. Chair Gramling also serves on the National NAHRO Commissioners Committee.



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CONSENT AGENDA:

Motion by Chair Gramling to approve the items listed below on consent. Seconded by Commissioner Surdi and passed by a vote of 6-0:

50 APPROVAL OF THE MINUTES

The minutes of the regular Housing Commission meetings of October 9, 2015, and November 20, 2015.

101 HCR16-001 Approval of the Award of two Job Order Contracts

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

- 1) Authorize the President & Chief Executive Officer (President & CEO), or designee, to enter into cooperative purchasing agreements with the contractors referenced within this report based upon procurements previously competitively bid and awarded by the National Joint Powers Alliance (NJPA);
- 2) Approve the award of two separate multiyear Job Order Contracting (JOC) contracts (Attachments 1 and 2) to the following companies, each with a value not to exceed maximum annual capacity of \$500,000, with an initial term from January 18, 2016 – October 19, 2016, with three one-year options to renew:
 - a. Angeles Contractor Inc.- Housing Commission JOC Contract #JOC-16-06
 - b. Vincor Construction, Inc.- Housing Commission JOC Contract #JOC-16-07
- 3) Authorize the President & CEO, or designee, to substitute the identified contract funding sources with other available funding sources as long as the total activity budget amount after substitution does not exceed the total approved budget, should the operational need arise or should actions be to the benefit of the Housing Commission and its mission; and
- 4) Authorize the President & CEO, or designee, to execute all documents and instruments 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.

102 HCR16-003 Second Amendment to the Janitorial and Day Porter Services Contract for Smart Corner and San Diego Housing Commission Offices

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



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- 1) Approve the ratification of Amendment 2 to the Housing Commission's contract with NMS Management, Inc. (Attachment 1) to increase the annual maximum contract amount for janitorial and day porter services at Smart Corner, 1122 Broadway, San Diego, CA 92101, the Housing Commission's corporate office building, from \$131,076.00 plus any Consumer Price Index increase annually to a not-to-exceed amount of \$151,592.87 plus any Consumer Price Index increase, with two (2) one-year options to renew remaining;
- 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. Funding substitutions will be memorialized in an Informational Report at the next scheduled Housing Commission Board meeting; 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.

ACTION AGENDA:

100 HCR16-008 Election of Officers for Calendar Year 2016 and the Appointment of Board Members to the San Diego Housing Commission Committees

Motion by Vice Chair Spoon to reelect Commissioner Gramling as Chair. Seconded by Commissioner Surdi and carried by a vote of 6-0.

Motion by Commissioner Surdi to reelect Commissioner Spoon as Vice Chair. Seconded by Commissioner Gramling and carried by a vote of 6-0.

Chairman Gramling, without objection, made the following appointments to standing committees:

Real Estate Committee – Chair Gramling was reappointed to be committee Chair, and Commissioner Surdi, former Housing Commission Board Chair Sal Salas and former Housing Commission Board Member Sam Guillen were appointed as committee members.

Investment Committee – Commissioner Davis was appointed to be Chair.

Audit Committee – Vice Chair Spoon was reappointed to be Chair and Commissioner Moraga was reappointed as a committee member.



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Strategic Plan Committee – Chair Gramling appointed Commissioner Moraga as Chair of the Strategic Planning Committee.

103 HCR16-006 Amendment to the San Diego Housing Commission’s Contract with LeSar Development Consultants

Deborah Ruane, Senior Vice President, Real Estate Division and Melissa Peterman, Director of Homeless Housing Innovations Department, presented the request for approval.

Motion by Commissioner Moraga to take the following staff-recommended actions. Seconded by Commissioner Davis and approved by a vote of 6-0.

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

- 1) Approve a contract amendment to increase the annual amount of the current contract option for the period effective May 11, 2015, through May 10, 2016, between the Housing Commission and LeSar Development Consultants (LeSar) in the amount of \$48,000 to a not-to-exceed annual amount of \$248,000; and
- 2) Authorize the President & Chief Executive Officer (President & CEO), or designee, to execute such documents, in a form approved by General Counsel, and to perform such acts as are necessary and/or appropriate to implement these approvals.

104 HCR16-007 Workshop & Discussion: Federal Section 8 Housing Choice Voucher Program

Jeff Davis, Executive Vice President & Chief Operating Officer and Azucena Valladolid, Vice President, Rental Assistance Division, presented the workshop on the San Diego Housing Commission’s (Housing Commission) Federal Section 8 Housing Choice Voucher (HCV) Program.

With a program budget of more than \$152 million in Fiscal Year 2016 (July 1, 2015 – June 30, 2016), HCV is the Housing Commission’s largest program, providing rental assistance to approximately 15,000 San Diego households every year. Using the Moving to Work (MTW) designation, the Rental Assistance Division serves as the agency’s hub for designing and implementing the majority of MTW initiatives at the Housing Commission, increasing housing opportunities for families, streamlining administrative processes, and decreasing program costs.

The workshop provided a general overview of the HCV program.

The workshop covered:

- Waiting List Selection and Preferences



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- Program Eligibility Criteria
- Voucher Issuance
- Leasing
- Housing Quality Standards
- Program Integrity
- The Housing Commission's ongoing administrative responsibilities
- Recent MTW programs

No action was taken on this item

Closed session items were introduced in open session and members of the public were given the opportunity to make public comment on the matters before the Housing Commission convened in closed session. There were no public comments made.

IV. The Commission convened in closed session to consider the following agenda:

A. CONFERENCE WITH LEGAL COUNSEL - EXISTING LITIGATION
pursuant to subdivision (c) of 54954.5 of the Government Code and pursuant to
subdivision (a) of Section 54956.9:

1. Lewis vs. San Diego Housing Commission; Northern SDHC FNMA, LLC, et. al., San Diego Superior Court Case No. CASE NO. 37-2015-00006751-CU-WE-CTL;

By a vote of 6-0, with Commissioner Urtasun absent, the Board gave authority to Counsel to resolve this lawsuit.

2. Stephanie Andrews vs. Belden SDHC FNMA LLC, et al.
Superior Court of California, County of San Diego, Case No. Case No. 37-2015-00005063-CU-PO-CTL;

This was an informational item only. No action was taken.

3. Vargas v. San Diego Housing Commission, et. al., San Diego Superior Court Case No. Case No. 37-2014-00023172-CU-OE-CTL;

This was an informational item only. No action was taken.

4. Ahamed vs. San Diego Housing Commission, San Diego Superior Court Case No. CASE NO. 37-2014-00033188-CU-WT-CTL.



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This was an informational item only. No action was taken.

Counsel's Description of General Nature of Closed Session:

Counsel will discuss the status of the listed litigation and will seek direction from the Board concerning the same.

B. CONFERENCE WITH LABOR NEGOTIATORS - Pursuant to Government Code Section 54957.6:

Agency Representatives: Richard C. Gentry, Jeff Davis, Michael McKenna, Charles B. Christensen and Joel Mason for the San Diego Housing Commission

Employee Organization: Service Employees International Union, Local 221, AFL-CIO

Counsel's Description of General Nature of Closed Session:

Agency Representatives will seek direction from the Commission concerning labor negotiations.

By a vote of 5-0, with Commissioners Moraga and Urtasun absent, the Board gave direction to labor negotiators.

ADJOURNMENT:

Chair Gramling adjourned the Regular Meeting at 10:32 a.m.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Maria Velasquez", written over a horizontal line.

Maria Velasquez
Senior Vice President, Communications
and Legislative Affairs
& Chief Communications Officer
San Diego Housing Commission

Approved by,

A handwritten signature in black ink, appearing to read "R. C. Gentry", written over a horizontal line.

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