



SAN DIEGO
HOUSING
COMMISSION

MINUTES

**SAN DIEGO HOUSING COMMISSION
MINUTES OF THE REGULAR MEETING
JULY 29, 2016
SMART CORNER
4th FLOOR CONFERENCE ROOM
1122 BROADWAY
SAN DIEGO, CALIFORNIA 92101**

ATTENDANCE

Present:

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

Absent:

Chair Gary Gramling
Commissioner Dorothy Surdi

10 CALL TO ORDER

Vice Chair Spoon called the Regular Meeting to order at 9:00 a.m.

20 NON-AGENDA PUBLIC COMMENT

There was no public comment.

30 COMMISSIONER COMMENTS

There were no Commissioner comments.

40 REPORT BY PRESIDENT & CHIEF EXECUTIVE OFFICER

Affordable Housing Capacity Measure Placed on Ballot

On Tuesday, July 26, 2016, the San Diego City Council placed a measure on the November 8, 2016, ballot that would ask voters to increase the capacity to construct an additional 38,680 affordable rental housing units in the city of San Diego. City Councilmember Todd Gloria was



Regular Meeting Minutes of July 29, 2016

designated to prepare the ballot argument in favor of the measure with the San Diego Housing Commission (SDHC). To date, the list of supporters for the measure includes Wakeland Housing & Development Corporation, National CORE, Affirmed Housing, Chelsea Investment Corporation, Building Owners and Managers Association International San Diego as well as the San Diego Regional Chamber of Commerce, San Diego Housing Federation, and the San Diego chapter of NAIOP, the Commercial Real Estate Development Association. The ballot measure would not raise taxes. And this ballot measure does not automatically guarantee that these additional 38,680 affordable rental housing units would be built. Affordable housing developments would still have to go through the permitting process, including community, environmental and San Diego City Council reviews. Article 34 of the State Constitution requires voter approval for low rent housing that is developed, constructed or acquired by a state public agency, such as the San Diego Housing Commission (SDHC) and the City of San Diego. SDHC manages compliance with Article 34 on behalf of the City of San Diego.

Smart Growth & Land Use Committee Action – Report Forwarded to City Council

The San Diego City Council's Smart Growth and Land Use Committee, on Wednesday, July 27, 2016, forwarded to the full City Council proposed updates to the City's Municipal Code that would streamline SDHC's administrative processes. The proposed changes would still allow reviews by the Housing Authority of the City of San Diego. These proposed updates were approved by the SDHC Board of Commissioners in May.

Audit Committee Action – Report Forwarded to City Council

On Wednesday, July 29, 2016, the San Diego City Council's Audit Committee forwarded the City Auditor's report about the performance audit of the City of San Diego's Affordable Housing Fund to the full City Council. SDHC administers the City's Affordable Housing Fund. Only one of the eight recommendations in the City Auditor's report directly involved SDHC, which will require the City of San Diego's Development Services Department to enter into a written service level agreement with SDHC regarding updates to the City's Inclusionary Housing Fee rates.

209 Homeless Veterans Secured Housing to Date

As of July 20, 2016, 209 homeless Veterans have secured housing through SDHC's The 1,000 Homeless Veterans Initiative. In addition, 130 landlords have answered the call to provide rental housing for homeless Veterans, through the "Housing Our Heroes" landlord outreach program of The 1,000 Homeless Veterans Initiative, listing 333 rental housing units. At a news conference, SDHC President & CEO Gentry joined Mayor Kevin Faulconer, City Councilmember Todd Gloria, landlord and Army Veteran Noble Robinson, Veterans Village of San Diego CEO Phil Landis, and additional partners to announce these updates.



SAN DIEGO
HOUSING
COMMISSION

Regular Meeting Minutes of July 29, 2016

Groundbreaking for Affordable Senior Housing – North Park Senior Apartments

SDHC President & CEO Gentry, California State Assemblymember Toni Atkins, and Councilmember Todd Gloria were among the speakers at the groundbreaking ceremony for North Park Senior Apartments on July 13, 2016. SDHC is partnering with Community HousingWorks to develop 75 affordable rental housing units that will remain affordable for 55 years in North Park and will be open to all low-income seniors. North Park Senior Apartments will also be the first affordable rental housing development for seniors in the city of San Diego to provide programs for lesbian, gay, bisexual and transgender seniors. SDHC assisted with approximately 78 percent of the \$28.3 million total development cost.

“Topping Out” Ceremony for Atmosphere Apartments

The SDHC partnership development Atmosphere recently marked a construction milestone with a “topping out” ceremony. The construction is scheduled for completion in spring 2017.

Atmosphere is replacing a vacant lot in Downtown San Diego with 202 affordable rental housing units, which include 51 supportive housing units to address homelessness. SDHC has committed 51 Federal rental housing vouchers to Atmosphere to provide rental assistance at these units through HOUSING FIRST – SAN DIEGO, SDHC’s three-year Homelessness Action Plan (2014-2017). SDHC is partnering with Wakeland Housing and Development Corporation for the development of Atmosphere. SDHC assisted with approximately 36 percent of the \$79.5 million total development cost.

SDHC Recognition

SDHC President & CEO Gentry joined Chairman of the Board Gramling to accept two NAHRO Awards of Merit on behalf of SDHC at NAHRO’s Summer Conference in Portland, Oregon. The first NAHRO Award of Merit was for the development, implementation and communications of HOUSING FIRST – SAN DIEGO. The second NAHRO Award of Merit was for the SDHC Achievement Academy’s Resident and Client Services program, “Jumpstart Your Career.” Both of these programs were also nominated for NAHRO Awards of Excellence, which will be presented in October.



Regular Meeting Minutes of July 29, 2016

CONSENT AGENDA:

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

100 HCR16-064 Action to Amend Appendix A of Housing Commission PO101.000

That the Board of Commissioners recommends adoption by San Diego City Council of the amendment to Appendix A to Policy 101.000 "Conflict of Interest Code and Related Provisions."

101 HCR16-020 San Diego Housing Commission Administrative Policy Revisions

That the San Diego Housing Commission (Housing Commission) approve the proposed policy revisions and deletions summarized in the Policy Matrix Requiring Housing Commission Approval (Attachment 1) and detailed in the Proposed Policy Revisions Binder; and recommend the San Diego City Council (City Council) and/or Housing Authority (Housing Authority) take the following actions:

1. Approve the proposed revisions and deletions to the Housing Commission major policies summarized in the Policy Matrix Requiring City Council and Housing Authority Approval (Attachment 2) and detailed in the Proposed Policy Revisions Binder (Attachment 3); and
2. Authorize the President & Chief Executive Officer (President & CEO) of the Housing Commission, or designee, to execute all documents and instruments as are necessary and/or appropriate to implement these approvals, in a form approved by General Counsel, and to take such actions as our necessary, and/or appropriate to implement these approvals.

102 HCR16-063 Application for Mortgage Credit Certificate Allocation

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

- 1) Approve the submission of an application and payment of required deposit to the California Debt Limit Allocation Committee (CDLAC) for a Mortgage Credit Certificate (MCC) Program allocation of up to \$25 million;
- 2) If the Housing Commission receives less than a \$25 million allocation, authorize staff to submit additional MCC applications to CDLAC in 2017 up to the approved \$25 million in total allocation;
- 3) Approve recommended changes to the MCC eligibility guidelines, as detailed in the summary of this report;



Regular Meeting Minutes of July 29, 2016

- 4) Authorize the President and Chief Executive Officer (President & CEO), or designee, to:
 - a. Execute any and all documents necessary to effectuate the transaction and implement the project in a form approved by General Counsel, and to take such actions as are necessary, convenient and/or appropriate to implement the approvals upon advice of General Counsel; and
 - b. 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 General Counsel.

103 HCR16-067 St. Vincent de Paul Village, Inc. Revocable Grant and Loan Modification

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

- 1) Consent to the sale of the two properties located at 4281 College Avenue and 5126 70th Street owned by St. Vincent de Paul Village; accept \$115,108 as payment in full of the revocable grant; and accept \$27,050 for repayment of the loan made to the project known as Josue Homes, as described within this report;
- 2) Rescind the existing Declaration of Covenants, Conditions and Restrictions for both properties upon receipt of the funds; and
- 3) Approve the reallocation of \$142,158 to St. Vincent de Paul Village's existing Transitional Housing Grant Contract No. HIT-15-02E.1 for Fiscal Year 2017.

50 APPROVAL OF THE MINUTES

The minutes of the Regular Housing Commission meeting of June 17, 2016, were approved on a motion by Commissioner Davis, seconded by Commissioner Moraga, and passed by a vote of 5-0.

ACTION AGENDA:

104 HCR16-066 Loan Recommendation for The Nook East Village

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



Regular Meeting Minutes of July 29, 2016

Motion by Commissioner Moraga to take the following staff recommended actions. Seconded by Commissioner Urtasun and passed by a vote of 5-0.

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

1. Approve a loan in an amount not to exceed \$750,000 to a to-be-formed Limited Partnership consisting of Trestle Development, LLC (Trestle) as the General Partner, National Housing Corporation (NHC) as Managing General Partner, and Glamor Investments, LLC as equity investor Limited Partner to finance the acquisition and development of The Nook East Village at 1492 K Street, San Diego, 92101.

The Housing Commission proposed loan will be contingent upon the developer receiving all necessary third-party funding commitments;

2. Authorize the President and Chief Executive Officer (President & CEO) of the Housing Commission, or designee:
 - a. To execute all necessary documents and instruments to effectuate the transaction and implement the project, in a form approved by General Counsel, and to take such actions as are necessary, convenient and/or appropriate to implement the approvals upon advice of General Counsel;
 - b. To adjust financing terms/conditions as necessary for consistency with requirements of other funding sources or to accommodate market changes, not to exceed the maximum Housing Commission loan amount of \$750,000; and
 - c. To 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 General Counsel.

105 HCR16-068 SDHC Strategic Plan 2014 – 2016 Workshop

A workshop was presented about the San Diego Housing Commission's (Housing Commission) agency-wide two-year Strategic Plan, which was approved by the Housing Commission Board (Board) on January 17, 2014. This workshop provided the Board with an update of the accomplishments that were achieved through the two-year Strategic Plan.

NO ACTION WAS TAKEN ON THE PART OF THE HOUSING COMMISSION



SAN DIEGO
HOUSING
COMMISSION

Regular Meeting Minutes of July 29, 2016

ADJOURNMENT:

Vice Chair Spoon adjourned the Regular Meeting at 10:01 a.m.

Respectfully submitted,

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

Approved by,

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