



SAN DIEGO
HOUSING
COMMISSION

MINUTES

**SAN DIEGO HOUSING COMMISSION
MINUTES OF THE REGULAR MEETING
FEBRUARY 12, 2016
SMART CORNER
4th FLOOR CONFERENCE ROOM
1122 BROADWAY
SAN DIEGO, CALIFORNIA 92101**

ATTENDANCE

Present:

Chair Gary Gramling
Vice Chair Roberta Spoon
Commissioner Kellee Hubbard
Commissioner Ben Moraga
Commissioner Dorothy Surdi
Commissioner Frank Urtasun
President & CEO Richard C. Gentry
General Counsel Charles Christensen

Absent:

Commissioner Margaret Davis

10 CALL TO ORDER

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

20 NON-AGENDA PUBLIC COMMENT

Jan Bourgeois spoke about the acquisition of abandoned properties in San Diego.

30 COMMISSIONER COMMENTS

Chair Gramling met with San Diego Councilmember Scott Sherman, District 7, to talk about Article 34 of the California Constitution, which 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. Chair Gramling introduced General Counsel Charles Christensen to speak about a proposed ballot measure in November to increase the affordable housing capacity in the City of San Diego.

General Counsel Christensen said the City of San Diego has passed ballot measures over the years to obtain authority to allow the construction of affordable housing. San Diego is running out of its affordable housing capacity, which is down to 3,000 or 4,000 units. There is a proposal for a



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November ballot measure that would increase affordable housing capacity by an additional 10,000 units.

40 REPORT BY PRESIDENT & CHIEF EXECUTIVE OFFICER

Homelessness Action Week in San Diego

On January 26, 2016, SDHC President & CEO Richard C. Gentry accepted a proclamation from the San Diego City Council, declaring the week of January 24-30, as “Homelessness Action Week” throughout the City of San Diego. The proclamation, presented by San Diego City Councilmember Todd Gloria, recognized SDHC and its major partners for The 10th Project Homeless Connect – Downtown San Diego, one-day resource fair. It also recognized the annual Point-in-Time Count of homeless San Diegans, which took place early Friday morning on January 29.

The 10th Project Homeless Connect – Downtown San Diego

The 10th Project Homeless Connect – Downtown San Diego, held January 27, 2016, connected 1,215 homeless San Diegans with services that address many of their immediate and longer-term needs. Total attendance was the highest of any year since 2010, when SDHC became the lead organizer, along with major partners, the City of San Diego, Interfaith Shelter Network, Family Health Centers of San Diego and Father Joe’s Villages. This year, real-time data provided an up-to-the-minute overview of the homeless individuals that Project Homeless Connect served based on responses to surveys conducted as they entered the event.

The Annual Point-in-Time Count of Homeless San Diegans

On Friday, January 29, 2016, hundreds of volunteers, including President & CEO Gentry, Chair Gramling; and Commissioners Margaret Davis, Ben Moraga, and Dorothy Surdi, took part in the annual Point-in-Time Count in Downtown San Diego, required by the U.S. Department of Housing and Urban Development (HUD). The full numbers from the count, which is part of a nationwide survey, are usually released in mid-spring.

Hosting SDHC’s Counterparts from Canada

SDHC hosted a two-day informational visit on February 4-5, 2016, from the Ontario Non-Profit Housing Association (ONPHA). It represents 740 member organizations from throughout the Canadian province, operating more than 163,000 nonprofit housing units. Ontario recently required municipal service managers to develop plans for addressing homelessness. ONPHA officials were particularly interested in SDHC’s homelessness efforts in San Diego.

CONSENT AGENDA:

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



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100 HCR16-004 Mobile Home Community Issues Committee Membership

That the San Diego Housing Commission (“Housing Commission”) approve the following actions:

- 1) Appoint two new alternate members to the Mobile Home Community Issues Committee (MHCIC); and
- 2) Reappoint current committee members and alternates.

101 HCR16-016 2016-2017 Procurement of Property Insurance Coverage

That the San Diego Housing Commission (Housing Commission) recommend the Housing Authority of the City of San Diego (Housing Authority) authorize the Housing Commission President & Chief Executive Officer to approve the procurement of property insurance coverage from the California State Association of Counties Excess Insurance Authority (CSAC EIA) in an amount not to exceed \$310,000 with effective dates of March 31, 2016, to March 31, 2017, and adopt a resolution authorizing the Housing Commission President & Chief Executive Officer, without further action of the Housing Commission Board or the Housing Authority, to procure comprehensive general liability, vehicle liability, property damage, Directors & Officers liability, and worker’s compensation insurance coverages for March 31, 2016, to March 31, 2017, and for future years provided that the amounts for such insurance coverage is contained with Housing Authority approved budgets.

102 HCR16-014 Increased Loan Funding Request for Villa Encantada

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

- 1) Increase the previously approved loan from the Housing Commission to AMCAL Villa Encantada Fund, L.P. (AMCAL), to a new total of up to \$7,500,000 (from \$6,000,000) to finance the acquisition and development of Villa Encantada; and
- 2) 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.
 - b. Adjust financing terms/conditions as necessary for consistency with requirements of other funding sources or to accommodate market changes that may



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occur, provided that the proposed \$7,500,000 maximum loan amount may not increase.

c. Substitute approved funding sources with any other available funds as deemed appropriate, and 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.

50 APPROVAL OF THE MINUTES

The minutes of the Regular Housing Commission meeting of January 15, 2016, were approved on a motion by Commissioner Surdi, seconded by Commissioner Hubbard, and passed by a vote of 6-0.

ACTION AGENDA:

103 HCR16-012 The 1,000 Homeless Veterans Initiative of HOUSING FIRST – SAN DIEGO, the San Diego Housing Commission’s three-year Homelessness Action Plan (2014-17)

Jeff Davis, Executive Vice President and Chief Operating Officer, and Melissa Peterman, Director of Homeless Housing Innovations, presented the request for approval.

Motion by Commissioner Urtasun to take the following staff-recommended actions as amended by General Counsel to add: “Hotel Metro funds and San Diego Square funds, other than those referenced in recommendation 3 below, to wit \$3 million and \$4 million, continue to be available for the purposes referenced within the cited resolutions of the City Council, in addition to those purposes set forth in this report” to staff recommendation No. 2: “Adopt a resolution authorizing the use of all funds from the pending sale of the Hotel Metro and the ground lease of San Diego Square for the purposes referenced within this report, including, without limitation, any funds within Low Income Lease Revenue Fund 200389 and 10540, and specifically granting such authority pursuant to the provisions of City Council Resolutions R-224179 and R-218880 [“the Resolutions’], to the extent that such actions are necessary. Hotel Metro funds and San Diego Square funds, other than those referenced in recommendation 3 below, to wit \$3 million and \$4 million, continue to be available for the purposes referenced within the cited resolutions of the City Council, in addition to those purposes set forth in this report.” Seconded by Commissioner Surdi and approved by a vote of 6-0:

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, contingent upon the subsequent appropriation of sufficient



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funds by the City of San Diego (City) for San Diego Square Apartments and the availability of funds from the pending sale of Hotel Metro and the City of San Diego and the Housing Authority of the City of San Diego, each adopt a resolution specifically authorizing the use of Low Income Lease Revenue Funds, including but not limited those within Funds 200398 and 10540, for each of the purposes referenced within this report:

- 1) Amend the Housing Authority-approved Housing Commission Fiscal Year (FY) 2016 budget to include additional sums of \$3,000,000 from the pending sale of Hotel Metro; \$4,000,000 from the grant from the City resulting from the ground lease of San Diego Square, and \$250,000 from Housing Commission local funds (Bond and Low Income Lease Revenue Funds);
- 2) Adopt a resolution authorizing the use of all funds from the pending sale of the Hotel Metro and the ground lease of San Diego Square for the purposes referenced within this report, including, without limitation, any funds within Low Income Lease Revenue Fund 200389 and 10540, and specifically granting such authority pursuant to the provisions of City Council Resolutions R-224179 and R-218880 [“the Resolutions”], to the extent that such actions are necessary. Hotel Metro funds and San Diego Square funds, other than those referenced in recommendation 3 below, to wit \$3 million and \$4 million, continue to be available for the purposes referenced within the cited resolutions of the City Council, in addition to those purposes set forth in this report;
- 3) Authorize the Housing Commission’s expenditure of up to \$3,000,000 from the pending sale of Hotel Metro; \$4,000,000 from the grant from the City resulting from the ground lease of San Diego Square, and \$250,000 from Housing Commission local funds (bond and lease revenue) as part of the Housing Commission’s FY 2016 Housing Authority-approved Budget, contingent upon the appropriation of these funds by the City for San Diego Square, the availability of funds from the sale of Hotel Metro, and the City’s Chief Financial Officer furnishing a certificate certifying that the funds necessary for expenditures are, or will be, on deposit with the City Treasurer and contingent upon the adoption of the resolutions by the City Council and the Housing Authority as referenced within action item 2, above;
- 4) Authorize the award of contracts to successful respondents to the open Notice of Funding Availability (NOFA) and/or Request for Proposals (RFP) by the President & CEO, or designee, without further actions of the City of San Diego, the Housing Authority of the City of San Diego and/or the Board of Commissioners of the Housing Commission;
- 5) Authorize the President & Chief Executive Officer (President & CEO), or designee, to expend funds approved by this action to participating landlords as part of the collaborative landlord-outreach component – Housing our Heroes campaign – of The 1,000 Homeless Veterans Initiative of HOUSING FIRST – SAN DIEGO, the Housing Commission’s three-year Homelessness Action Plan;



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- 6) Authorize the President & Chief Executive Officer, or designee, to execute all necessary 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 necessary and/or appropriate to implement these approvals; and
- 7) Authorize the President & CEO to substitute funding sources, if necessary, including temporarily using other eligible funding sources until all other funds are available, without further action by the City Council, Housing Authority, or Board of Commissioners (Board) of the Housing Commission, but only if and to the extent that funds are determined to be available for such purposes.

104 Additional Appointments of Board Members to San Diego Housing Commission Committees

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

Investment Committee – Chair Gramling was appointed to the committee.

Strategic Plan Committee – Chair Gramling, Vice Chair Spoon, Commissioner Hubbard, and Commissioner Urtasun were appointed to the committee.

105 HCR16-009 Strategic Plan Update Workshop

Jeff Davis, Executive Vice President and Chief Operating Officer, and Debbie Ruane, Senior Vice President of the Real Estate Division, presented the report.

The San Diego Housing Commission (Housing Commission) developed the two-year Strategic Plan for the agency that was approved by the Board on January 17, 2014, and which identified three major Goals:

- A) Create and Preserve Quality Affordable Housing;
- B) Provide Housing Choice Voucher families with Opportunities for Them to Become More Financially Self-reliant; and
- C) Foster a Culture of Excellence and Innovation.

This workshop provided the Board with an update on milestones and/or accomplishments achieved.

NO ACTION WAS TAKEN BY THE SAN DIEGO HOUSING COMMISSION



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106 HCR16-013 Workshop & Discussion: Fiscal Year 2017 Moving to Work Annual Plan

Jeff Davis, Executive Vice President and Chief Operating Officer, and Suket Dayal, Senior Director of Strategy, presented the report.

Housing Commission (Housing Commission) staff is developing the Fiscal Year 2017 MTW Annual Plan (Plan), which includes two proposed initiatives. The initiatives in the draft Plan are intended to further streamline administrative processes, encourage financial self-reliance among Section 8 Housing Choice Voucher participants, and increase housing opportunities for low-income families. The Plan includes a description of each proposed activity and how performance will be measured and tracked. An overview of the draft Plan was the focus of the workshop. The two proposed initiatives are:

- 1) The Moving On Program - Provide rental assistance to 25 formerly homeless individuals transitioning out of permanent supportive housing and into permanent affordable housing with less intensive supportive services; and
- 2) Sponsor-Based Housing Voucher Program Updates - Rent payment amount will be calculated at 28.5 percent of gross monthly income, down from 30 percent, and allowances and deductions, such as utilities, will be eliminated.

NO ACTION WAS TAKEN ON THE PART OF THE SAN DIEGO HOUSING COMMISSION

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 Housing Commission convened in closed session to consider the following agenda:

- A. CONFERENCE WITH LEGAL COUNSEL - ANTICIPATED 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) potential matter.

Counsel's Description of General Nature of Closed Session:



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Counsel will discuss potential litigation arising out of Bayview Community Development Corporation related to its affordable housing located on Stork Street.

This was an informational item. No action was taken.

B. 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:

Maria T. Ahamed vs. San Diego Housing Commission, Superior Court of California, County of San Diego, Case No. 37-2014-00033188-CU-WT-CTL

Counsel's Description of General Nature of Closed Session:

Counsel will discuss the existing litigation, will report on status and will seek direction from the Commission concerning the same.

By a vote of 6-0, the Board gave direction to Counsel concerning the litigation.

C. CONFERENCE WITH LABOR NEGOTIATORS pursuant to Government Code section 54957.6:

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

Employee Organization: Social Services 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.

This was an informational item. No action was taken.

V. Announcement of Actions Taken in Closed Session.

Adjournment.



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ADJOURNMENT:

Chair Gramling adjourned the Regular Meeting at 10:15 a.m.

Respectfully submitted

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

Approved by,

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