



SAN DIEGO
HOUSING
COMMISSION

MINUTES

**SAN DIEGO HOUSING COMMISSION
MINUTES OF THE REGULAR MEETING
SEPTEMBER 9, 2016
SMART CORNER
4th FLOOR CONFERENCE ROOM
1122 BROADWAY
SAN DIEGO, CALIFORNIA 92101**

ATTENDANCE

Present:

Chair Gary Gramling
Commissioner Ben Moraga
Commissioner Margaret Davis
Commissioner Kellee Hubbard
President & CEO Richard C. Gentry
General Counsel Charles Christensen

Absent:

Vice Chair Roberta Spoon
Commissioner Dorothy Surdi
Commissioner Frank Urtasun

10 CALL TO ORDER

Chair Gramling called the Regular Meeting to order at 9:10 a.m.

20 NON-AGENDA PUBLIC COMMENT

There was no public comment.

30 COMMISSIONER COMMENTS

Commissioner Gamling observed that Sunday will be the anniversary of 9-11, and should be a time of remembrance to reflect on the 2001 tragedy.

Regular Meeting Minutes of September 9, 2016

40 REPORT BY PRESIDENT & CHIEF EXECUTIVE OFFICER

Elected Chair of Regional Continuum of Care Council

On August 18, 2016, SDHC President & CEO Gentry was elected as the new Chair of the Regional Continuum of Care Council (RCCC) Governance Board. This position was previously held by City Councilmember Todd Gloria. The RCCC Board oversees millions of dollars that are allocated annually to the region by the U.S. Department of Housing and Urban Development for homelessness programs.

Regional Proposal to update HUD Funding Formula

The RCCC Board on August 18 approved a regional proposal that could positively impact Federal funding for San Diego County homelessness programs. In July 2016, HUD released four proposals to update its funding formula. These four proposals include new factors that are intended to provide better indicators of potential homelessness. SDHC, in collaboration with stakeholders, crafted an alternative fifth proposal, called Formula E. Formula E would more equitably distribute Federal Funds across regions like San Diego experiencing the highest levels of homelessness. San Diego is ranked 22nd in Federal homelessness funding despite having the fourth highest homeless population in the nation. HUD is accepting public comments on the funding formula through September 23, 2016.

Regional Continuum of Care Council merging with Regional Task Force on the Homeless

On August 18, 2016, the RCCC Board approved the merger of RCCC and the Regional Task Force on the Homeless.

Article 34 Ballot Measure Called Measure M

The November ballot measure that would increase the capacity level to construct additional affordable rental housing units is Measure M. Measure M asks voters to increase the capacity level to construct an additional 38,680 affordable rental housing units in the city of San Diego.

SDHC staff collaborated with Councilmember Todd Gloria's office to prepare the ballot argument in favor of Measure M, which was submitted to the City's Clerk office on August 25. The ballot argument in favor of Measure M was signed by Mayor Kevin Faulconer, Councilmember Gloria, President of the League of Women Voters Jeanne Brown, President & CEO of the San Diego County Taxpayers' Association Haney Hong, and San Diego Regional Chamber of Commerce Executive Vice President & COO Aimee Faucett. Additional supporters include Wakeland Housing & Development Corporation, National CORE, Affirmed Housing, Chelsea Investment Corporation, Building Owners and Managers Association International San Diego, the San Diego Housing Federation, and the San Diego chapter of the Commercial Real Estate Development Association.



Regular Meeting Minutes of September 9, 2016

Grand Reopening of Hotel Churchill

The Grand Reopening celebration of the Hotel Churchill will take place on Monday, September 19, 2016. SDHC's preservation of the historical Hotel Churchill created 72 furnished permanent affordable rental housing studios for homeless individuals: 56 Veterans; 8 transitional age youth, who are homeless or at risk of homelessness and 8 adults exiting the corrections system.

U.S. Senate Subcommittee Testimony

President & CEO Gentry will testify before a U.S. Senate Subcommittee in Washington D.C. on September 21. He will be testifying about the innovative approaches SDHC has implemented to provide affordable housing.

CONSENT AGENDA:

Motion by Commissioner Moraga to approve the items listed below on consent. Seconded by Commissioner Davis and passed by a vote of 4-0.

100 HCR16-072 SDHC Phone system and Call Center System Purchase and Implementation

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

- 1) Approve the award of a contract to Packet Fusion in the amount of \$237,332.91 for the purchase and implementation of a new ShoreTel phone system and call center for the Housing Commission and its remote sites;
- 2) Authorize the President & Chief Executive Officer (President & CEO), or designee, to substitute the funding sources with other available funding sources, so long as 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 Information Report at the next scheduled Housing Commission Board meeting; and
- 3) 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.

101 HCR16-075 Final Bond Authorization for Vista Terrace Hills

That the San Diego Housing Commission (Housing Commission) recommends that the Housing Authority of the City of San Diego (Housing Authority) authorize the issuance of up to \$99,995,347 in tax-exempt Multifamily Housing Revenue Bonds, which are allocated by the State, to fund the acquisition and the rehabilitation of Vista Terrace Hills, a 262-unit multifamily



Regular Meeting Minutes of September 9, 2016

affordable housing rental development, located at 1790 Del Sur Boulevard in the San Ysidro community, which will remain affordable for 55 years.

50 APPROVAL OF THE MINUTES

The minutes of the Regular Housing Commission meeting of July 29, 2016, were approved on a motion by Commissioner Hubbard, seconded by Commissioner Davis, and passed by a vote of 4-0.

ACTION AGENDA:

102 HCR16-076 Coronado Terrace – Preliminary Bond Items

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

Motion by Commissioner Moraga to take the following staff recommended actions. Seconded by Commissioner Hubbard, and passed by a vote of 4-0.

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 Coronado Terrace, a 312-unit multifamily affordable housing rental development, located in the San Ysidro community, which will remain affordable for 55 years:
 - 1) Issue a bond inducement resolution (Declaration of Official Intent) for up to \$97,000,000 in Multifamily Housing Revenue Bonds for the development of Coronado Terrace by a limited partnership formed by Eden Housing, Inc. (Eden);
 - 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 \$97,000,000 for Coronado Terrace;
 - 3) Approve the financing team of Jones Hall as Bond Counsel and CSG Advisors 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 \$97,000,000; and
- 2) 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



Regular Meeting Minutes of September 9, 2016

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.

103 HCR16-069 San Diego Housing Commission Strategic Plan 2016-2020

Jeff Davis, Executive Vice President & Chief of Staff, and Debbie Ruane, Executive Vice President & Chief Strategy Officer, presented the request for approval.

Motion by Commissioner Davis to take the following staff recommended actions. Seconded by Commissioner Hubbard, and passed by a vote of 4-0.

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

- 1) Approve the proposed Housing Commission Strategic Plan 2016-2020 (Attachment 1) as the guiding document for the Housing Commission's focus, goals and actions over the next four years; and
- 2) Authorize the President and Chief Executive Officer (President & CEO), or designee, to continue with the necessary strategic management steps to implement the Strategic Plan, which will include annual updates to the Housing Commission Board.

104 HCR16-080 Workshop & Discussion: Results of San Diego Housing Commission Audit – Real Estate Division

Debbie Ruane, Executive Vice President & Chief Strategy Officer, and Ted Miyahara, Director of Housing Finance, Real Estate Division presented the workshop on the findings by the City of San Diego Auditors for the San Diego Housing Commission Real Estate Division.

NO ACTION IS REQUIRED ON THE PART OF THE HOUSING COMMISSION



Regular Meeting Minutes of September 9, 2016

CLOSED SESSION

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

- A. CONFERENCE WITH REAL PROPERTY NEGOTIATORS pursuant to subdivision (b) of 54954.5 of the Government Code and 54956.8 of the Government Code.

Property: 215-243 CATANIA ST., SAN DIEGO, CA
4072-4092 MESSINA DR., SAN DIEGO, CA
245-285 VISTA HORIZON ST., SAN DIEGO, CA
230-284 VISTA HORIZON ST., SAN DIEGO, CA
4015-4070 MESSINA DR., SAN DIEGO, CA

Otherwise identified as APN: 547-370-03, 04, 05, 06 AND 07

Agency negotiator: Richard C. Gentry, Jeff Davis, Debbie Ruane, and Ted Miyahara

Negotiating parties: MOUNTAIN VIEW PROPERTIES, LTD., a California limited partnership; and

MGP - San Diego Community Housing Corporation, a California non-profit corporation

Under negotiation: Price and terms of payment

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:

Two (2) matters:

Quashana Simmons vs. San Diego Housing Commission, et al., Superior Court of California, County of San Diego, Case No. 37-2016-00014888-CU-PO-CTL; and

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.

This was an informational item. No action was taken.



SAN DIEGO
HOUSING
COMMISSION

Regular Meeting Minutes of September 9, 2016

- C. Public Employee Performance Evaluation pursuant to subdivision (e) of 54954.5 Government Code and Section 54957:
Title: President & Chief Executive Officer

By a vote of 4-0, the Board instructions were given to Counsel concerning anticipated litigation.

ADJOURNMENT:

Chair Gramling adjourned the Regular Meeting at 10:15 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