



SAN DIEGO
HOUSING
COMMISSION

MINUTES

**SAN DIEGO HOUSING COMMISSION
MINUTES OF THE REGULAR MEETING
MARCH 17, 2023
SMART CORNER
4TH FLOOR CONFERENCE ROOM
1122 BROADWAY
SAN DIEGO, CA 92101**

ATTENDANCE

Present:

Chair Eugene “Mitch” Mitchell
Vice Chair Ryan Clumpner
Commissioner Stefanie Benvenuto
Commissioner Melinda K. Vásquez
Interim President & CEO Jeff Davis
General Counsel Charles Christensen

Not present:

Commissioner Johanna Hester
Commissioner Kellee Hubbard

10 CALL TO ORDER

Chair Mitchell called the Regular Meeting to order at 9:01 a.m.

20 NON-AGENDA PUBLIC COMMENT

There were no public comments.

30 COMMISSIONER COMMENTS

Vice Chair Clumpner commended the Housing Commission staff for their elegant, creative and innovative approach in the work to potentially locate a shelter at the Housing Commission’s office building for transition-age youth experiencing homelessness. He said it combines changes to the Housing Commission’s staffing models and office space needs with the acute need for more shelter space for unhoused residents. He described it as a fantastic example of creative leadership and finding opportunities in what otherwise could be discouraging situations. Vice Chair Clumpner also congratulated staff on the report from the City of San Diego Office of the City Auditor from their performance audit of the Housing Commission’s management of homelessness services contracts. He said the report was a glowing and confidence-inducing review of the Housing Commission’s work in this area.

Commissioner Benvenuto thanked staff for their work during the COVID-19 pandemic, which she described as harder and less visible. She told staff they are valued and appreciated. Commissioner Benvenuto also shared comments she received from developer Ginger Hitzke and congratulated the



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Real Estate Division’s housing finance team for their work to apply for state Infill Infrastructure Grant program funding.

Chair Mitchell expressed appreciation for the work by staff over the past couple of years and staff’s commitment because the work has not been easy. Chair Mitchell said that staff’s work will be remembered many years from now because it was essential during a crisis, and the work going forward will be forever remembered because it is essential. He added that he knows the Mayor and Council President appreciate the work of this team.

40 REPORT BY THE INTERIM PRESIDENT & CHIEF EXECUTIVE OFFICER

San Diego Housing Commission Performance Audit Released

The City of San Diego’s Office of the City Auditor’s performance audit of the Housing Commission’s management of homelessness services contracts for the City confirmed that San Diego residents can rely on the Housing Commission as a responsible leader in collaborative homelessness solutions. It determined that the Housing Commission follows best practices in the procurement, administration, and monitoring of homelessness services contracts. It also found that the Housing Commission ensures that contracted homelessness services programs follow best practices through contract design, ongoing administration, and compliance monitoring. These findings reflect the Housing Commission’s core values and strategic priorities, including a commitment to excellence and innovation and being responsible, financial stewards of the funding deployed. The audit included two recommendations related to processes for sole-sourced contracts. The Housing Commission agreed with the recommendations and already has taken steps to begin implementing them.

Homelessness Sector Compensation Study

As part of the Housing Commission’s ongoing efforts to support the recruitment and retention of staff in the homelessness services sector, a compensation study has been completed. This study demonstrates that homelessness services sector wages are well below the cost of living in San Diego. The majority of frontline staff cannot afford a one-bedroom rental housing unit. These include positions such as outreach workers, case managers, housing specialists, housing navigators, behavioral health specialists and many others. These employees are essential to the ongoing collaborative efforts to address homelessness. The goal of the study is to re-benchmark key frontline and case management positions, with the intent to more effectively attract and retain staff, reduce system vacancies and increase system performance. The compensation study report was posted on the Housing Commission’s website in the “Significant Documents” section of its “Media Center.”

Potential Shelter at San Diego Housing Commission Achievement Academy

The Housing Commission’s two-year pilot program to allow the majority of staff to continue to work remotely has allowed the consideration of options for repurposing some of the office space in the Housing Commission’s building. With the need for additional homelessness shelter beds, the Housing Commission is exploring the possibility of converting some of the office space into a shelter for transition-age youth experiencing homelessness. The first-floor offices at their building that served as the Achievement Academy appear to be well-suited for this purpose. The Housing Commission is working as quickly as possible to confirm the viability of this space for this purpose. The Housing



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Commission is confident that staff will be able to present a proposal to this board and to the Housing Authority in the coming months. The Housing Commission will also be discussing this possibility with community groups. Meanwhile, the SDHC Achievement Academy continues to operate remotely and in different San Diego Housing Commission offices, as needed, without disruption for its participants.

San Diego Housing Commission Selected as Morehead Cain Civic Collaboration Partner

The San Diego Housing Commission has been chosen as a Civic Collaboration partner by a program from the University of North Carolina at Chapel Hill. This summer, scholars from the University's Morehead Cain merit-based scholarship program will come to San Diego to engage in a "deep dive" with the Housing Commission's Digital Equity and Inclusion project. The students will look at the work the Housing Commission has already done to bridge the digital divide and to identify core factors that hinder digital accessibility and look for additional solutions. Activities will include facilitating digital equity resource events, supporting the Housing Commission's Oasis Senior Tablet program, and providing ongoing research into new ways to increase digital access and public engagement. The students will also reach out to residents of Housing Commission programs to conduct research into cost barriers and identify other potential barriers to access. The program will launch May 30 and run through July 21, 2023.

Greater Fort Lauderdale Alliance

On March 14 and 15, 2023, the Housing and Homelessness Committee of the Greater Fort Lauderdale Alliance visited the Housing Commission. Staff discussed with them was the affordable housing and homelessness challenges in San Diego and the innovative and collaborative solutions the Housing Commission has implemented to address them. Their visit also included a roundtable discussion with staff and affordable housing developers Affirmed Housing and Wakeland Housing and Community Development; a brief walking tour to see a few affordable rental housing properties in downtown San Diego; a tour of the Homelessness Response Center; and a roundtable discussion with Housing Commission staff and Regional Task Force on Homelessness CEO Tamera Kohler. The Greater Fort Lauderdale Alliance is a group of civic and business leaders from Broward County, Florida. Since 2016, they have scheduled visits to other areas of the country that they determine have similar markets to Broward County so they can learn more about how those communities are addressing housing and homelessness issues.

Employee Awards of Excellence

At the Housing Commission's All-Employee Meeting early this month, the annual Employee Awards of Excellence for outstanding performance in 2022 were announced. The following Housing Commission employees were recognized with Individual Awards of Excellence: Roger Lucero, Real Estate Division; Xochitl Luna, Rental Assistance Division; Nancy Sa, Homeless Housing Innovations Division; and Katie Vigil, Human Resources Department. The Team Award of Excellence went to the Emergency Housing Voucher Team. The Emergency Housing Voucher program has been uniquely successful in helping secure rental housing more quickly than other jurisdictions for hundreds of families experiencing homelessness or at risk of homelessness. The Individual and Team Awards of Excellence recipients were selected from nominations submitted by their peers. Two employees were also awarded the CEO Award of Excellence: Melanie Madrid, Real Estate Division, and Zac Bange, Rental Assistance Division.



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50 APPROVAL OF THE MINUTES

Approval of the February 9, 2023, Special Meeting Minutes was postponed to the April 6, 2023, meeting.

CONSENT AGENDA:

Motion by Commission Benvenuto to approve Items 100 and 102 listed below on consent. Seconded by Vice Chair Clumpner and passed by a vote of 4-0.

Item 100 HCR23-034 Procurement of Property Insurance Coverage

That the San Diego Housing Commission (Housing Commission) Board of Commissioners (Board) authorize the procurement and binding of property insurance coverage for the Housing Commission from Public Risk Innovation, Solutions, and Management (PRISM) in an amount not to exceed \$1,029,000 plus 5 percent as a contingency reserve, with effective dates of March 31, 2023, to March 31, 2024.

Item 102 HCR23-031 Authorize the Housing Commission to Retire the Greystone Servicing Corporation Central SDHC FNMA, LLC Mortgage Loan and Partially Retire Mortgage Loans on the Kearny Vista and Valley Vista Apartments Properties, in Accordance with the Previous Approval of the Fiscal Year 2023 San Diego Housing Commission Annual Budget

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

- 1) Authorize the Housing Commission to retire the Greystone Servicing Corporation (Greystone) Central SDHC FNMA, LLC loan, including a prepayment premium, in total amount up to \$11,970,796 in accordance with the previous approval of the Fiscal Year 2023 Housing Commission annual budget.
- 2) Authorize the Housing Commission to partially retire the JP Morgan Chase mortgage loan for Kearny Vista apartments in an amount up to \$10,000,000 in accordance with the previous approval of the Fiscal Year 2023 Housing Commission annual budget.
- 3) Authorize the Housing Commission to partially retire the JP Morgan Chase mortgage loan for Valley Vista apartments in an amount up to \$2,879,204 in accordance with the previous approval of the Fiscal Year 2023 Housing Commission annual budget.
- 4) Authorize the payment of fees, costs and expenses, including but not limited to legal, escrow and lender fees, necessary to complete these approvals, in an amount up to \$150,000 in accordance with the previous approval of the Fiscal Year 2023 Housing Commission annual budget.
- 5) Approve the transfer of title to the properties from Central SDHC FNMA, LLC to the Housing Commission and dissolution of Central SDHC FNMA, LLC.



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- 6) Authorize the Housing Commission’s President and Chief Executive Officer (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 to take such actions as are necessary and/or appropriate to implement these approvals, provided that a copy of the documents, signed as to form by General Counsel, is submitted to each Housing Commissioner.

DISCUSSION AGENDA

Item 101 HCR23-023 Application for State of California Housing and Community Development Infill Infrastructure Grant Catalytic Qualifying Infill Area (IIGC) Program

Postponed to the April 6, 2023 meeting.

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

- 1) Authorize the Housing Commission’s President and Chief Executive Officer (President & CEO), or designee, to apply on behalf of the Housing Authority and any developer for maximum funding as outlined in the guidelines from the State of California’s Infill Infrastructure Grant Catalytic Qualifying Infill Area (IIGC) Program in response to the Notice of Funding Availability (NOFA) that is anticipated to be issued in March 2023 and any subsequent NOFAs issued for affordable housing activities in the City of San Diego.
- 2) Authorize the Housing Commission’s 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 to take such actions as are necessary and/or appropriate to implement these approvals. Housing Commission staff will notify the Housing Authority and the City Attorney’s Office about any subsequent amendments or modifications to the documents, and other required documents, including amendments to any documents.

Item 103 HCR23-039 Tax Equity and Fiscal Responsibility Act (TEFRA) Hearing for Ulric Street Apartments

Removed from the agenda.

Item 104 HCR23-036 Loan Recommendation for Modica Apartments

Postponed to the April 6, 2023 meeting.

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

- 1) Approve a Housing Commission residual receipts loan in an amount not to exceed \$3,000,000 to Modica Family Apartments CIC LP, a California limited partnership, created to finance the



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proposed new construction of the Modica Apartments (Modica) at 5255 Mt Etna Drive, with 93 rental housing units that will remain affordable for 55 years for individuals and families with income of 30 percent to 60 percent of San Diego’s Area Median Income (AMI) and one unrestricted manager’s unit.

The Housing Commission’s proposed loan will be contingent upon the developer receiving all necessary third-party funding commitments as described in this report. Such third-party funding commitments will be subject to the Housing Commission’s General Counsel’s approval.

- 2) Authorize the Housing Commission’s President and Chief Executive Officer (President & CEO), or designee, to:
 - a. Execute all necessary documents and instruments to effectuate the transaction and implement the project, in a form approved by the General Counsel, and to take such actions as are necessary, convenient, and/or appropriate to implement the approvals upon advice of the General Counsel, provided that a copy of the documents, signed as to form by General Counsel, is submitted to each Housing Commissioner.
 - b. Adjust financing terms/conditions, as necessary, for consistency with requirements of other funding sources or to accommodate market changes that may occur, provided that the proposed \$3,000,000 maximum Housing Commission loan amount may not increase.
 - c. Substitute approved funding sources with any other available funds as deemed appropriate, contingent upon budget availability, and further authorize the Interim 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 the General Counsel.

Item 105 HCR23-013 Fiscal Year 2024 Moving To Work Annual Plan Approval

Jeff Davis, Interim President and Chief Executive Officer, Lisa Jones, Executive Vice President, Strategic Initiatives, and Azucena Valladolid, Executive Vice President, Rental Assistance and Workforce Development, presented the request for approval.

Motion by Vice Chair Clumpner to take the staff-recommended actions. Seconded by Commissioner Benvenuto and passed by a vote of 4-0.

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

- 1) Approve the Fiscal Year (FY) 2024 Moving to Work (MTW) Annual Plan; and
- 2) Authorize the President and Chief Executive Officer, or designee, to execute all documents and instruments necessary and/or appropriate to implement these approvals, in a form approved by



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General Counsel, and to take such actions as are necessary and/or appropriate to implement these approvals, provided that a copy of the documents, signed as to form by General Counsel, is submitted to each Housing Commissioner.

Item 106 HCR23-040 Approval of the Contract between the San Diego Housing Commission and The San Diego LGBT Community Center to Operate the LGBTQ+ Affirming Shelter and Outreach Program for Transition-Age Youth

Postponed to the April 6, 2023 meeting.

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

- 1) Authorize the Housing Commission to enter into an agreement with The San Diego LGBT Community Center (The Center) in the amount of \$704,190 which includes \$325,000 for one-time startup costs) for an initial term of March 20, 2023, through June 30, 2023, with an annualized budget of \$1,646,801 with two one-year options for renewal, contingent on funding being made available for that purpose, to operate the LGBTQ+ Affirming Shelter and Outreach Program at a to-be-determined existing facilities and as approved by the Housing Commission's President and Chief Executive Officer (President & CEO), or designee, for Transition-Age Youth (TAY) experiencing homelessness. Funding source for the initial term will be the City of San Diego General Fund.
- 2) Authorize the Housing Commission's President & CEO, or designee, to execute all documents and instruments that are necessary and/or appropriate to implement these approvals, in a form and format approved by General Counsel, and to take such actions necessary and/or appropriate to implement these approvals, provided that a copy of the documents, signed as to form by General Counsel, are submitted to each Housing Commissioner.
- 3) Authorize the Housing Commission's President & CEO, or designee, to substitute funding sources and/or increase compensation by not more than 20 percent of the total agreement amount for the proposed agreement, if necessary, without further action by the Housing Commission Board or the Housing Authority of the City of San Diego, but only if and to the extent that funds are determined to be available for such purposes.

Item 107 HCR23-033 Workshop & Discussion: San Diego Housing Commission Achievement Academy

Azucena Valladolid, Executive Vice President, Rental Assistance and Workforce Development, and Stephanie Murphy, Vice President, Workforce Development, Rental Assistance Division, presented an informational workshop to provide an overview of the San Diego Housing Commission (Housing Commission) Achievement Academy's programs and services provided to federal Section 8 Housing Choice Voucher rental assistance participants, public housing residents and participants in certain Housing Commission homelessness programs, along with program outcomes. No action was taken on this item.



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Item 108 HCR23-037 Workshop & Discussion: San Diego Housing Commission Compliance and Equity Assurance Division

Debra Fischle-Faulk, Senior Vice President, Compliance and Equity Assurance, and George Williams, Director, Compliance and Equity Assurance, presented an informational workshop to provide an overview of the San Diego Housing Commission (Housing Commission) Equity and Inclusion Initiative. No action was taken on this item.

ADJOURNMENT

Chair Mitchell adjourned the Special Meeting at 10:35 a.m.

Respectfully submitted,

Scott Marshall

Scott Marshall
Vice President
Communications and Government Relations
San Diego Housing Commission

Approved by,

Jeff Davis

Jeff Davis
Interim President and Chief Executive Officer
San Diego Housing Commission