

**CITY COUNCIL OF THE CITY OF SAN DIEGO
SUPPLEMENTAL DOCKET NUMBER 1
FOR THE REGULAR MEETING OF
TUESDAY, SEPTEMBER 27, 2016
CITY ADMINISTRATION BUILDING
COUNCIL CHAMBERS – 12TH FLOOR
202 “C” STREET
SAN DIEGO, CA 92101**

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Pursuant to California Senate Bill 343 (Section 54957.5(b) of the Brown Act), late-arriving documents related to City Council meeting agenda items which are distributed to the legislative body prior to and during the Council meeting are available for public review in the Office of the City Clerk on the second floor of the City Administration Building, 202 C Street, San Diego, CA 92101. This relates to those documents received after the agenda is publicly noticed and during the 72 hours prior to the start of the meeting. Please note: Approximately one hour prior to the start of the Council Meeting, the documents will be available just outside Council Chambers in the lobby of the 12th floor of the City Administration Building in a binder labeled “SB 343.” Late-arriving materials received during the City Council meeting are available for review by making a verbal request of City Clerk staff located in Council Chambers.

ADOPTION AGENDA, DISCUSSION, OTHER LEGISLATIVE ITEMS
RESOLUTIONS:

The following item will be considered in the afternoon session which is scheduled to begin at 2:00 p.m.

ITEM-S500: Preliminary Bond Authorization for Coronado Terrace and Tax Equity & Fiscal Responsibility Act Public Hearing. (District 8.)

(Continued from the meeting of September 20, 2016, Item 332.)

ITEM DESCRIPTION:

Take the initial steps to issue Housing Authority of the City of San Diego Multifamily Housing Revenue Bonds, which are allocated by the State, to fund the acquisition and rehabilitation of Coronado Terrace, a 312-unit multifamily affordable housing rental development, located in the Otay Mesa-Nestor community, which will remain affordable for 55 years.

That the 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 for Coronado Terrace.

SAN DIEGO HOUSING COMMISSION'S RECOMMENDATION:

Adopt the following resolution:

(R-2017-104)

Declaring the City Council of the City of San Diego, as the applicable elected representative under Section 147(f) of the Code, approves the issuance of the Bonds by the Housing Authority of the City of San Diego (Authority);

Declaring that the City does not warrant the creditworthiness of the Bonds or guarantee, in any way, the payment of the Bonds. No moneys of the City will be pledged or applied to the repayment of the Bonds;

Declaring that the proposed rehabilitation is categorically exempt from the requirements of the California Environmental Quality Act (CEQA) pursuant to Section 15301 of the State CEQA Guidelines because the Project is an existing facility and the proposed actions do not involve expansion of the existing use. The Project meets the criteria set forth in CEQA Section 15301(a), which allows for exterior and interior alterations of existing facilities. Processing under the National Environmental Policy Act is not required as there are no federal funds involved with this Project.

SUPPORTING INFORMATION:

FISCAL CONSIDERATIONS:

The proposed funding sources and uses approved by this action are included in the San Diego Housing Commission (Housing Authority)-approved Fiscal Year (FY) 2017 Housing Commission Budget. Approving this action will not change the FY 2017 total budget.

Funding sources approved by this action will be as follows:

Bond Issuance Fees - \$242,500

Funding uses approved by this action will be as follows:

Housing Commission Rental Housing Finance Program Administration Costs - \$242,500

Approval of the bond inducement and Tax Equity & Fiscal Responsibility Act (TEFRA) resolutions does not commit the Housing Authority to issue bonds. The bonds would not constitute a debt of the City. If bonds are ultimately issued for the development, the bonds will not financially obligate the City, the Housing Authority or the Housing Commission because security for the repayment of the bonds will be limited to specific private revenue sources of the development. Neither the faith and credit nor the taxing power of the City or the Housing Authority would be pledged to the payment of the bonds. The developer is responsible for the payment of all costs under the financing, including the Housing Commission's annual administrative fee, as well as Housing Commission Bond Counsel and Financial Advisor fees.

PREVIOUS COUNCIL AND/OR COMMITTEE ACTION:

The Housing Commission on February 9, 2001, (HCR01-020) and the Housing Authority on February 13, 2001, approved a \$1,400,000 residual receipts loan for Coronado Terrace, which was repaid in full on June 5, 2015.

NOTE: See the Housing Authority Agenda of September 27, 2016, for a companion item.

NOTE: This is a TEFRA hearing item.

Davis/Graham

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