

**REGULAR MEETING SUMMARY ACTION MINUTES
ORANGE COUNTY HOUSING FINANCE TRUST**

TUESDAY, OCTOBER 29, 2019, 10:00 A.M.

JOHN MARK JENNINGS
Chair

ANDREW DO
Vice Chair

DON BARNES
Director

DOUG CHAFFEE
Director

DAVID PENALOZA
Director

JAMEY FEDERICO
Director

SHARI FREIDENRICH
Director

ED SACHS
Director

STEPHEN FAESSEL
Director

Trust Manger
Adam Eliason

Trust Counsel
Jacqueline Guzman

Clerk of the Trust
Robin Stieler

ATTENDANCE: Directors Jennings, Barnes, Penaloza, Federico, Freidenrich, and Faessel

ABSENT: Directors Do, Chaffee and Sachs

PRESENT: Trust Manager Adam Eliason
Trust Counsel Jacqueline Guzman
Clerk of the Trust Valerie Sanchez, Chief Deputy

CALL TO ORDER

CHAIR JENNINGS CALLED THE MEETING TO ORDER AT 10:03 A.M.

PLEDGE OF ALLEGIANCE

DIRECTOR FAESSEL LED THE PLEDGE OF ALLEGIANCE

ROLL CALL

THE CLERK CALLED THE ROLL AND CONFIRMED QUORUM

DISCUSSION ITEMS (Items 1-7):

1. Approve Orange County Housing Finance Trust minutes from the August 30, 2019 Regular Meeting.
ON THE MOTION OF DIRECTOR PENALOZA, SECONDED BY DIRECTOR FAESSEL, BY A VOTE OF 5 TO 0, WITH DIRECTOR BARNES ABSTAINING, AND VICE CHAIR DO AND DIRECTORS CHAFFEE AND SACHS BEING ABSENT, APPROVED THE ORANGE COUNTY HOUSING FINANCE TRUST MINUTES FROM THE AUGUST 30, 2019 REGULAR MEETING

2. Approve recommendation to hire outside legal counsel Orrick, Herrington & Sutcliffe to assist the Trust in evaluating options for structuring tax-deductible contributions from private sources; and authorize the Housing Trust Manager to execute an Agreement consistent with the attached Orrick engagement letter.
ON THE MOTION OF DIRECTOR FAESSEL, SECONDED BY DIRECTOR BARNES, BY A VOTE OF 6 TO 0 WITH VICE CHAIR DO AND DIRECTORS CHAFFEE AND SACHS BEING ABSENT, THE BOARD UNANIMOUSLY APPROVED ITEM AS RECOMMENDED

3. Approve Trust Budget for Fiscal Year 2019-2020.
ON THE MOTION OF DIRECTOR FEDERICO, SECONDED BY CHAIR JENNINGS, BY A VOTE OF 6 TO 0 WITH VICE CHAIR DO AND DIRECTORS CHAFFEE AND SACHS BEING ABSENT, THE BOARD UNANIMOUSLY AMENDED THE ITEM TO INCLUDE DIRECTION FOR STAFF TO RETURN TO THE BOARD IN JANUARY WITH A PROJECTED COST ALLOCATION FORMULA AND RETURN TO THE BOARD IN MARCH WITH A BUDGET WORKSHOP; ON THE MOTION OF DIRECTOR FRIEDENRICH, SECONDED BY DIRECTOR FAESSEL BY A VOTE OF 6 TO 0 WITH VICE CHAIR DO AND DIRECTORS CHAFFEE AND SACHS BEING ABSENT, THE BOARD UNANIMOUSLY APPROVED ITEM AS AMENDED

4. Approve Notice of Funding Available (NOFA) policy criteria and authorize Housing Trust Manager to issue \$5,950,000 NOFA for the development of supportive housing.
ON THE MOTION OF DIRECTOR BARNES, SECONDED BY DIRECTOR PENALOZA, BY A VOTE OF 6 TO 0 WITH VICE CHAIR DO AND DIRECTORS CHAFFEE AND SACHS BEING ABSENT, THE BOARD UNANIMOUSLY VOTED TO RECEIVE AND FILE; AND DIRECTED STAFF TO RETURN IN JANUARY WITH DRAFT NOFA, AND TO CHANGE POLICY CRITERIA TO POLICY GUIDELINES AND REVISE POLICY GUIDELINES AS FOLLOWS:
 - **REVISE NUMBER 1 TO REFLECT DEVELOPMENTS WITHIN UNINCORPORATED COUNTY AREAS AND OF JPA MEMBER CITIES**
 - **REVISE NUMBER 8 TO REFLECT AFFORDABILITY COVENANT OF 55 YEARS UPON CERTIFICATE OF OCCUPANCY**
 - **REVISE NUMBER 11(C) TO REMOVE PARENTHETICAL SECTION**
 - **REVISE NUMBER 15 TO REFLECT A PREFERENCE FOR EVEN DISTRIBUTION AMONG THE SPA AREAS**
 - **REVISE NUMBER 16 (C), DEVELOPER EXPERIENCE TO INCLUDE FINANCIAL STRENGTH OF THE DEVELOPER**

5. Approve the appointment of Board Members to serve on a Funding Strategy Ad Hoc Committee to review and recommend to the Board various actions to obtain additional funding for the Trust.
ON THE MOTION OF CHAIR JENNINGS, SECONDED BY DIRECTOR BARNES, BY A VOTE OF 6 TO 0 WITH VICE CHAIR DO AND DIRECTORS CHAFFEE AND SACHS BEING ABSENT, THE BOARD UNANIMOUSLY APPROVED APPOINTMENT OF CHAIR JENNINGS AND DIRECTOR CHAFFEE TO THE FUNDING STRATEGY AD HOC COMMITTEE AND DIRECTED STAFF TO EXTEND INVITATION TO THE ABSENT DIRECTORS AND RETURN IN JANUARY TO MAKE ANY ADDITIONAL APPOINTMENTS TO THE AD HOC COMMITTEE

6. Retroactively approve the Memorandum of Understanding (MOU) with the County of Orange and authorize the Housing Trust Manager, or his designee, to execute the agreement; and appoint Shari Freidenrich as Treasurer and Frank Davies as Auditor-Controller for the Trust pursuant to the terms of the MOU, and direct both parties to file an Official Bond if their existing bonds are not extended to cover their obligations to the Trust.
ON THE MOTION OF DIRECTOR PENALOZA, SECONDED BY DIRECTOR FAESSEL, BY A VOTE OF 6 TO 0 WITH VICE CHAIR DO AND DIRECTORS CHAFFEE AND SACHS BEING ABSENT, THE BOARD UNANIMOUSLY APPROVED ITEM AS RECOMMENDED

7. Adopt by resolution the 2020 Orange County Housing Finance Trust meeting calendar.
ON THE MOTION OF CHAIR JENNINGS, SECONDED BY DIRECTOR FEDERICO, BY A VOTE OF 6 TO 0 WITH VICE CHAIR DO AND DIRECTORS CHAFFEE AND SACHS BEING ABSENT, THE BOARD UNANIMOUSLY APPROVED ITEM AS RECOMMENDED

RESO: 19-004-OCHF

HOUSING TRUST MANAGER REPORT

8. Oral Report from the Housing Trust Manager
 - **PRELIMINARY DISCUSSIONS WITH COUNTY STAFF ON CREATING A SHORT VIDEO THAT WILL ADDRESS THE QUESTION OF “WHAT IS PERMANENT SUPPORTIVE HOUSING” AND PLAN TO FEATURE INDIVIDUALS WHO HAVE TRANSITIONED FROM HOMELESSNESS TO PERMANENT SUPPORTIVE HOUSING AND WILL INCLUDE DISCUSSION ON SAFETY, SECURITY, PROPERTY VALUES AND HOW THIS APPROACH REDUCES DEMANDS AND COSTS ON PUBLIC SERVICES**

 - **ATTENDED ANNUAL CONFERENCE IN LOS ANGELES OF THE SOUTHERN CALIFORNIA ASSOCIATION OF NON-PROFITS AND PARTICIPATED ON A PANEL THAT INCLUDED THE ORANGE COUNTY HOUSING TRUST AND THE UNITED WAY AND DISCUSSED COLLABORATION OF BOTH TRUSTS AND DISCUSSED HOW THE RESEARCH CONDUCTED BY UNITED WAY AND UC IRVINE HELP ALL TO UNDERSTAND THE NUMBERS AND ISSUES OF HOMELESSNESS**

PUBLIC & TRUST COMMENTS:

PUBLIC COMMENTS

Lucy Dunn – Oral Re: Orange County Housing Trust and Orange County Business Council efforts to leverage private capital in the effort to address homelessness; received grants from Disney, Union Bank, Brookfield, Wells Fargo and others are in the works; and then to partner with the Finance Trust to raise public and private funding; currently have three projects in pipeline; focus is on affordable housing and permanent supportive housing and increasing supply

Helen O’Sullivan – Oral Re: Director of Orange County Housing Trust; similarities and differences between the two trusts; focus on collaboration between the two to work together to raise and attract capital to Orange County; the housing trust has already created over 300 units of affordable and permanent supportive housing and looks forward to working with the finance trust to do more

Thomas Fielder – Oral Re: Questions the logic of equally distributing funds equally between the 3 SPA areas because there are more homeless and the need is greater in Central and North SPAs; Disappointed that Directors Do and Chaffee were not at the meeting; County sits on close to a billion dollars in general funds and interest alone could provide a funding stream of \$1 million per month; housing homeless includes very different populations and recommends start by focusing on the small handful of folks who tend to use the most public resources

David Durran – Oral Re: Commended Directors Barnes and Freidenrich for making some great points during discussions; affordability should be a permanent designation; making the meetings available so more of the public can be involved and suggested live streaming the meetings, baby steps being taken will make this successful

DIRECTOR COMMENTS

Director Penalzo – Oral re: Requested the Trust Manager and/or Trust Counsel be available to provide one-on-one briefings after the agendas are made available to answer questions prior to the meeting

Director Faessel – Oral Re: Attended the Be Well OC Groundbreaking on October 16th, it is a major step in the right direction and glad to see public-private partnership working together with the County and hospital care providers

Chair Jennings – Oral Re: Invited as Chair to speak at the ACCOC Housing Forum in which Lucy Dunn was the Keynote Speaker and championed cooperation between the Housing Trust and the Housing Finance Trust

ADJOURNED: 12:17 P.M.

NEXT MEETINGS: January 15, 2020, 10:00 A.M.

Signature on file

JOHN MARK JENNINGS
Chair, Orange County Housing Finance Trust

Signature on file

ROBIN STIELER
Clerk of the Orange County Housing Finance Trust