

REPORT

DATE ISSUED: June 16, 2022

REPORT NO: HDP22-004

ATTENTION: Chair and Members of the Board of Directors of
Housing Development Partners of San Diego
For the Agenda of June 24, 2022

SUBJECT: Housing Development Partners Security Assessment

STAFF RECOMMENDATIONS

That the Board of Directors (Board) take the following actions:

1. Authorize an agreement between Housing Development Partners (HDP) and Delta V Group in the amount of \$110,200 for the Security Assessment of 10 HDP-owned real estate properties, identified in Table 1 of this report.
2. Authorize HDP's Executive Vice President, or designee, to execute all documents and instruments that are necessary and/or appropriate to implement these approvals, in a form approved by HDP's legal counsel, and take such actions as are necessary and/or appropriate to implement these approvals.
3. Find that the foregoing transaction is just and reasonable as to HDP for purposes of California Corporations Code Section 5234 to the extent they involve the San Diego Housing Commission.

SUMMARY

Project Details

HDP owns 20 affordable housing properties, totaling 1,712 units. Three properties consisting of 644 units are owned in partnership with other local real estate development companies. HDP's real estate portfolio consists of multifamily housing properties, including single-room occupancy (SRO) and studios; single-family homes, and Accessory Dwelling Units (ADUs). These properties serve San Diego's diverse affordable housing needs by providing apartments for seniors, families, workers and special needs households.

On October 4, 2021, HDP issued a Request for Proposals (RFP) to select a vendor to perform security assessments on some of its real estate assets. The RFP was published on HDP's vendor portal, PlanetBids, and on the City of San Diego's PlanetBids portal. Notifications were provided to 108 potential contractors. When the RFP closed on October 25, 2021, 11 proposals were received. A review committee evaluated the proposals. Based on the overall project cost and an interview process, the review committee identified Delta V Group to be the most responsive and qualified respondent to conduct the security assessment. Delta V's proposal for the security assessment was in the amount of \$110,200.

The security assessment will be conducted on 10 HDP-owned properties listed in Table 1 below. The properties were selected based on the population served, as well as the location and activity observed at the property, with a focus on the properties that provide permanent housing with supportive services for households that previously experienced homelessness.

As part of the assessment, an independent study, report collation, final report, and presentation will be completed for each of the 10 sites.

Based on the timeframe provided by Delta V Group, upon the HDP's Board approval, this project is anticipated to start on July 1, 2022, and is expected to be completed by June 30, 2023.

Table 1: List of HDP Properties to Undergo Security Assessments

Property Name	HDP Property Address	Units
Hotel Churchill	827 C St., San Diego, CA 92101	73
Mason Hotel	1345 Fifth Ave, SD CA 92101	17
New Palace Hotel	1815 Fifth Ave, SD CA 92101	80
Quality Inn	1830 Fourth Ave, SD CA 92101	92
West Park Inn	1840 Fourth Ave, SD CA 92101	47
Parker Kier	2172 Front Street, SD CA 92101	33
Studio 15	1475 Imperial Ave, SD CA 92101	275
Island Village	1245 Market St, SD CA 92102	280
Town & Country	4079 Messina Dr, SD CA 92113	148
Mariner's Village	6847 Potomac St, SD CA 92139	172

Fiscal Considerations

The funding sources and uses proposed for approval by this action were not included in the 2022 budget approved by the HDP board on December 10, 2021. Approving this action increases the 2022 budget by \$110,200. Funding sources and uses approved by this action will be as follows:

Table 2:

SOURCES	
HDP RESERVES	\$110,200
TOTAL SOURCES	\$110,200
USES	
Security Assessment Contract (Delta V)	\$110,200
TOTAL USES	\$110,200

Environmental Review

California Environmental Quality Act

These activities are categorically exempt from the requirements of the California Environmental Quality Act (CEQA) pursuant to Section 15306 (Information Collection), which allows basic data collection, research, experimental management, and resource evaluation activities which do not result in a serious or major disturbance to an environmental resource. These may be strictly for information gathering purposes, or as part of a study leading to an action which a public agency has not yet approved, adopted, or funded.

National Environmental Policy Act

Processing under the National Environmental Policy Act is not required because no federal funds are included in these activities.

CONFLICT DISCLOSURE STATEMENT:

Two San Diego Housing Commissioners (Commissioners), Stefanie Benvenuto and Eugene “Mitch” Mitchell, and Interim President & Chief Executive Officer (CEO) of the San Diego Housing Commission, Jeff Davis, are each directors of Housing Development Partners (“HDP”), a California nonprofit public benefit corporation qualified as an Internal Revenue Code Section 501(c)(3) corporation for federal purposes. Any Commissioner, who is also a director of HDP as of the date of this staff report, and Interim CEO Davis have no conflict of interest as discussed below.

The Commissioners and Interim CEO Davis receive no compensation for their service on the HDP’s Board of Directors and/or as officers of HDP. Pursuant to the provisions of Government Code Sections 1091.5(a)(7) and 1091.5(a)(8), the Commissioners and Interim CEO Davis each have a “non-interest” as described in Government Code Section 1091.5 for purposes of their action on Housing Commission matters associated with this matter, if any. This disclosure shall be incorporated into the record of the San Diego Housing Commission, if and when this matter is heard by the Commission.

Further, as members of the Board of Commissioners of the Housing Commission, the Commissioners are legally entitled to vote and be counted for quorum purposes in this HDP matter. Further, Mr. Davis is not compensated by HDP and he sits on the Board of Directors of HDP. He is legally entitled to vote and to be counted for quorum purposes for this HDP matter.

None of HDP’s board members has a financial interest in this action item that would legally preclude their participation under the provisions of Government Code Sections 1090 and/or 87100 et. seq. Further, the Housing Commission is a public agency and the Commissioners are not compensated for their service as Commissioners of the Housing Commission. Further, Mr. Davis’s compensation from a public agency, the San Diego Housing Commission, is a non-interest under the provisions of Government Code Section 1091.5(a)(9) as well as for the purposes of Government Code Section 87100 et. seq. Mr. Davis’s compensation with SDHC is not a financial interest that would, in any way, preclude him being counted for quorum purposes or voting on these matters before HDP.

Further, to the extent that HDP is a public agency for local Ethics Ordinance purposes, neither the Commissioners nor Director Davis have any conflicts of interest under the local ethics ordinance that would preclude their, or any of their, actions in this matter or from being counted for quorum purposes. This disclosure shall be and is hereby documented in the official records of the HDP. Similar disclosures will be made in the records of the San Diego Housing Commission, if and when this matter is heard by the Commission.

MUTUAL DIRECTORS STATEMENT:

To the extent that Commissioners may be considered to be “directors” of the San Diego Housing Commission for purposes of California Corporations Code Section 5234 and, hence, common directors with HDP, a vote on this matter should incorporate a finding that these transactions are just and reasonable as to HDP.

Respectfully submitted,



Emmanuel Arellano
Vice President of Asset Management
Housing Development Partners

Approved by,



Emily S. Jacobs
Executive Vice President
Housing Development Partners

Attachments: Delta V Group cost proposal

Delta V Group13857 York Ave,
Poway, Ca 92064**HDP Direct and Indirect Itemized Costs**

HDP-21-02-02

Explicit Task	Implicit Task	Personnel Hours	Rate	Subtotal
Independent Site Survey	Site 1 Assessment	9	\$ 120.00	\$ 1,080.00
	Site 2 Assessment	9	\$ 120.00	\$ 1,080.00
	Site 3 Assessment	9	\$ 120.00	\$ 1,080.00
	Site 4 Assessment	9	\$ 120.00	\$ 1,080.00
	Site 5 Assessment	9	\$ 120.00	\$ 1,080.00
	Site 6 Assessment	9	\$ 120.00	\$ 1,080.00
	Site 7 Assessment	9	\$ 120.00	\$ 1,080.00
	Site 8 Assessment	9	\$ 120.00	\$ 1,080.00
	Site 9 Assessment	9	\$ 120.00	\$ 1,080.00
	Site 10 Assessment	9	\$ 120.00	\$ 1,080.00
Report Generation	Report Collation	56	\$ 100.00	\$ 5,600.00
	Draft Report Generation	320	\$ 100.00	\$ 32,000.00
	Final Report Generation	48	\$ 100.00	\$ 4,800.00
Presentation Generation	Presentation Creation	96	\$ 100.00	\$ 9,600.00
	Presentation Briefing	20	\$ 100.00	\$ 2,000.00
General Technical Consultation				\$ -
	Q1	25	\$ 100.00	\$ 2,500.00
	Q2	25	\$ 100.00	\$ 2,500.00
	Q3	25	\$ 100.00	\$ 2,500.00
	Q4	25	\$ 100.00	\$ 2,500.00
Subtotal		630		\$ 74,800.00

Material	Description	Quantity	Price	Subtotal
Presentation Materials		1	\$ 1,200.00	\$ 1,200.00
Subtotal				\$ 1,200.00
Total Direct Cost				\$ 76,000.00

Administration	Description	Cost	Subtotal
Overhead		20%	\$ 15,200.00
Profit		25%	\$ 19,000.00
Subtotal			\$ 34,200.00
Total Indirect Costs			\$ 34,200.00
Total Project Cost			\$ 110,200.00

**HOUSING DEVELOPMENT PARTNERS OF SAN DIEGO,
a California nonprofit public benefit corporation**

SECRETARY'S CERTIFICATE

I, Stefanie Benvenuto, Secretary of Housing Development Partners of San Diego, a California nonprofit public benefit corporation (the "Corporation"), hereby certify that attached hereto is a true, correct and complete copy of the resolutions of the Board of Directors of the Corporation; such resolutions have not been substantively amended, modified or rescinded and remain in full force and effect; and such resolutions shall govern in case of conflict with any prior resolutions of the Corporation's Board of Directors relating to the transactions described therein.

IN WITNESS WHEREOF, I have hereunto signed my name.

Dated: June _____, 2022

Stefanie Benvenuto
Corporate Secretary

I, Jeff Davis, President of the Corporation, hereby certify that Stefanie Benvenuto is the duly elected, qualified and acting Secretary of the Corporation and that the signature appearing above is her genuine signature.

IN WITNESS WHEREOF, I have hereunto signed my name.

Dated: June _____, 2022

Jeff Davis
President

**RESOLUTIONS
OF THE
BOARD OF DIRECTORS
OF
HOUSING DEVELOPMENT PARTNERS OF SAN DIEGO,
a California nonprofit public benefit corporation**

WHEREAS, Housing Development Partners of San Diego, a California nonprofit public benefit corporation (the "Corporation") desires to enter into that certain contract or agreement with Delta V Group ("Delta") in order for Delta to perform certain security assessment for real estate properties listed on Exhibit A attached hereto which are owned and maintained by the Corporation (the "Agreement");

WHEREAS, the Corporation deems it to be in the best interest of the Corporation and consistent with the charitable purposes of the Corporation to enter into the Agreement with Delta (the "Transaction");

NOW, THEREFORE, BE IT RESOLVED, that the Corporation is hereby authorized to enter into any and all documents in order to cause and/or to effectuate the Transaction; and Emily Jacobs, as the Executive Vice President or any officer of the Corporation be (collectively, the "Authorized Representatives" and each a "Authorized Representative"), and each of them is hereby, authorized, empowered and directed, on behalf of the Corporation, to enter into, execute and deliver any and all documents relating to the Transaction;

RESOLVED FURTHER, that the Authorized Representatives be, and each of them hereby is, authorized, empowered and directed, take such further actions, and to execute such additional documents and instruments, as the person taking such actions or executing such documents or instruments, may deem necessary or appropriate in connection with the matters authorized in the foregoing resolutions, and the signature of such person on any document or instrument, or the performance of any such actions, shall be conclusive evidence of such person's authority to take such actions or execute such document or instrument on behalf of the Corporation;

RESOLVED FURTHER, that any and all acts heretofore taken by each Authorized Representative in connection with the matters authorized by the foregoing resolutions or in connection with the transaction described herein are hereby ratified, confirmed, adopted and approved by the Board of Directors of the Corporation;

RESOLVED FURTHER, that the execution of any and all documents and instruments related to the purposes and intent of the foregoing resolutions shall be conclusive evidence of the approval thereof by this Corporation; and

RESOLVED FURTHER, that any third party receiving a duly executed copy or a facsimile of the foregoing resolutions may rely on the foregoing resolutions, unless and until revoked by the Corporation, and that the revocation of the foregoing resolutions shall be ineffective as to such third party unless and until actual notice or knowledge of such revocation shall have been received by such third party.

Exhibit A

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