

MINUTES

**HOUSING DEVELOPMENT PARTNERS
MINUTES OF THE BOARD MEETING OF
DECEMBER 15, 2022
VIDEO CONFERENCE PURSUANT TO
CALIFORNIA GOVERNMENT CODE SECTION 54953(e)**

ATTENDANCE

Board Members Present:

Chair Jeff Davis

Vice Chair Gary Gramling

Secretary Stefanie Benvenuto

Board Member Eugene “Mitch” Mitchell

Counsel Chuck Christensen

Counsel Irene Kuei

Not present: Board Member Justine Nielsen

10 CALL TO ORDER

Chair Davis called the Meeting to order at 9:05 a.m.

20 NON-AGENDA PUBLIC COMMENT

There were no public comments.

30 BOARD COMMENTS

There were no board member comments.

40 CHAIR COMMENTS

HDP Office Lease

The lease for HDP’s offices at 701 B Street in downtown San Diego will end on March 31, 2023. A project team is coordinating the upcoming move-out from the offices. This includes cleaning personal and professional belongings out of the space. Staff will also be relocating furniture, fixtures and equipment that belong to HDP. In addition, the move-out process will include forwarding mail to the San Diego Housing Commission’s (Housing Commission) offices. HDP’s information technology infrastructure and maintenance will also transfer to the Housing Commission. The HDP office space is no longer necessary at this point because the Housing Commission has implemented a two-year pilot program to allow some staff to work remotely. Staff members continue to provide quality service to customers by phone, email, mail, virtually and through in-person appointments, as needed.

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Security Assessment

At its June 2022 meeting, the HDP Board approved an agreement for a security assessment of 10 HDP properties. HDP executed a one-year contract with Delta V, which started August 1, 2022. Delta V has performed site inspections and interviews at Quality Inn, West Park, The Mason Hotel, and Hotel Churchill. The next set of property inspections will occur in early 2023. Staff meets every two weeks with the consultant to discuss progress and address any questions. Final reports for all properties identified to undergo a security assessment are expected by June 2023, per the terms of the contract.

Mariner's Village

The application for IRS Tax Form 8609 for the Mariner's Village property has been submitted to the California Tax Credit Allocation Committee. This form is required for the low-income housing tax credits for this rehabilitation project as part of the regulatory period. The form certifies from the state that the buildings have been completed and placed in service and that the tax credits can be issued. This typically leads to the release of any remaining equity installments to the developer, including in most cases, the payment of the final developer fee. Mariner's Village consists of 170 affordable rental apartments for families with low income in the Skyline/Paradise Hills area. The initial application for the tax form was submitted in September, and in December, staff resubmitted responses to comments on the application. This is typical for this process. Obtaining approval of the application is expected to take 14 to 18 months, based on HDP's experience with similar efforts for New Palace and West Park.

West Park Inn

For West Park Inn, the California Tax Credit Allocation Committee is reviewing the final documents for the tax form 8609. In about a month, they will complete their review and issue the form, and the project will be formally closed out. West Park provides 46 affordable rental housing units in Bankers Hill with supportive services for people who experienced homelessness.

Quality Inn

Quality Inn is next door to West Park. The installation of solar panels at the property is pending final utility provider tie-in, which is expected soon. Quality Inn provides 91 affordable rental housing units with supportive services for people who experienced homelessness. HDP has met all of the occupancy and income benchmarks that lenders for this project—Citibank and Freddie Mac—required. HDP anticipates receiving the final reserve funding distribution by the end of 2022.

Casa Colina

The design team is nearing the completion of the design development stage for Casa Colina. Schematic plans have gone through a preliminary review with the City of San Diego. A project cost estimate is in process at this time for the rehabilitation, with a report due in January. Casa Colina is a 75-unit affordable housing property in City Heights for seniors and people with disabilities. Staff is also evaluating the potential to increase the housing density at Casa Colina. Due to the property reaching its year 15 tax credit period, Casa Colina makes sense to be the first property to pilot efforts to increase density at HDP properties. This is part of the San Diego Housing Commission's broader preliminary efforts to explore increasing density throughout its real estate portfolio to produce additional affordable housing. After receiving feedback from a land use consultant, staff will work with the design team to create preliminary studies and obtain cost estimates for the construction options that are considered feasible.

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50 APPROVAL OF THE MINUTES

The minutes of the June 24, 2022, HDP Board of Directors Meeting, were approved on a motion by Board Member Gramling, Seconded by Board Member Benvenuto and passed by a vote of 4-0.

CONSENT AGENDA

Motion by Board Member Gramling to approve Item 100 on Consent. Seconded by Board Member Mitchell and passed by a vote of 4-0.

100 HDP22-010 2023 Board Meeting Schedule

That the Housing Development Partners (HDP) Board of Directors (Board) take the following actions:

- 1) Approve the proposed 2023 Board meeting schedule, as presented.
- 2) Find that the foregoing action just and reasonable as to HDP for purposes of California Corporations Code Section 5234.

DISCUSSION ITEMS

101 HDP22-011 2023 Operating Budget for Housing Development Partners

Suket Dayal, Executive Vice President and Chief Financial Officer, and Julie Conserva, Vice President of Real Estate Finance, Housing Development Partners, presented the request for approval.

Motion by Board Member Mitchell, seconded by Board Member Gramling, and passed by the vote of 4-0.

That the Housing Development Partners (HDP) Board of Directors (Board) take the following actions:

- 1) Approve the 2023 Operating Budget for HDP, as presented.
- 2) Find that the foregoing action just and reasonable as to HDP for purposes of California Corporations Code Section 5234.

102 HDP22-012 Single-Family Homes/Companion Units 2023 Property Budget

Emmanuel Arellano, Vice President of Asset Management, Housing Development Partners, presented the request for approval.

Motion by Board Member Benvenuto, seconded by Board Member Mitchell, and passed by the vote of 4-0.

That the Housing Development Partners (HDP) Board of Directors (Board) take the following actions:

- 1) Approve the 2023 Property Budget for Single-Family Homes/Companion Units (SFH/CU).
- 2) Find that the foregoing action is just and reasonable as to HDP for purposes of California Corporations Code Section 5234.

103 HDP22-013 Casa Colina 2023 Property Budget

Emmanuel Arellano, Vice President of Asset Management, Housing Development Partners, presented the request for approval.

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Motion by Board Member Benvenuto, seconded by Board Member Mitchell, and passed by the vote of 4-0.

That the Housing Development Partners (HDP) Board of Directors (Board) take the following actions:

- 1) Approve the 2023 Property Budget for Casa Colina.
- 2) Find that the foregoing action is just and reasonable as to HDP for purposes of California Corporations Code Section 5234.

104 [HDP22-014 Hotel Churchill 2023 Property Budget](#)

Emmanuel Arellano, Vice President of Asset Management, Housing Development Partners, presented the request for approval.

Motion by Board Member Benvenuto, seconded by Board Member Mitchell, and passed by the vote of 4-0.

That the Housing Development Partners (HDP) Board of Directors (Board) take the following actions:

- 1) Approve the 2023 Property Budget for Hotel Churchill.
- 2) Find that the foregoing action is just and reasonable as to HDP for purposes of California Corporations Code Section 5234.

105 [HDP22-015 Knox Glen 2023 Property Budget](#)

Emmanuel Arellano, Vice President of Asset Management, Housing Development Partners, presented the request for approval.

Motion by Board Member Benvenuto, seconded by Board Member Mitchell, and passed by the vote of 4-0.

That the Housing Development Partners (HDP) Board of Directors (Board) take the following actions:

- 1) Approve the 2023 Property Budget for Knox Glen.
- 2) Find that the foregoing action is just and reasonable as to HDP for purposes of California Corporations Code Section 5234.

106 [HDP22-016 Mariner's Village 2023 Property Budget](#)

Emmanuel Arellano, Vice President of Asset Management, Housing Development Partners, presented the request for approval.

Motion by Board Member Benvenuto, seconded by Board Member Mitchell, and passed by the vote of 4-0.

That the Housing Development Partners (HDP) Board of Directors (Board) take the following actions:

- 1) Approve the 2023 Property Budget for Mariner's Village.
- 2) Find that the foregoing action is just and reasonable as to HDP for purposes of California Corporations Code Section 5234.

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107 [HDP22-017 New Palace Hotel 2023 Property Budget](#)

Emmanuel Arellano, Vice President of Asset Management, Housing Development Partners, presented the request for approval.

Motion by Board Member Benvenuto, seconded by Board Member Mitchell, and passed by the vote of 4-0.

That the Housing Development Partners (HDP) Board of Directors (Board) take the following actions:

- 1) Approve the 2023 Property Budget for New Palace Hotel.
- 2) Find that the foregoing action is just and reasonable as to HDP for purposes of California Corporations Code Section 5234.

108 [HDP22-018 Parker Kier 2023 Property Budget](#)

Emmanuel Arellano, Vice President of Asset Management, Housing Development Partners, presented the request for approval.

Motion by Board Member Benvenuto, seconded by Board Member Mitchell, and passed by the vote of 4-0.

That the Housing Development Partners (HDP) Board of Directors (Board) take the following actions:

- 1) Approve the 2023 Property Budget for Parker Kier.
- 2) Find that the foregoing action is just and reasonable as to HDP for purposes of California Corporations Code Section 5234.

109 [HDP22-019 Quality Inn 2023 Property Budget](#)

Emmanuel Arellano, Vice President of Asset Management, Housing Development Partners, presented the request for approval.

Motion by Board Member Benvenuto, seconded by Board Member Mitchell, and passed by the vote of 4-0.

That the Housing Development Partners (HDP) Board of Directors (Board) take the following actions:

- 1) Approve the 2023 Property Budget for Quality Inn.
- 2) Find that the foregoing action is just and reasonable as to HDP for purposes of California Corporations Code Section 5234.

110 [HDP22-020 San Diego Square 2023 Property Budget](#)

Emmanuel Arellano, Vice President of Asset Management, Housing Development Partners, presented the request for approval.

Motion by Board Member Benvenuto, seconded by Board Member Mitchell, and passed by the vote of 4-0.

That the Housing Development Partners (HDP) Board of Directors (Board) take the following actions:

- 1) Approve the 2023 Property Budget for San Diego Square.

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- 2) Find that the foregoing action is just and reasonable as to HDP for purposes of California Corporations Code Section 5234.

111 HDP22-021 Town and Country 2023 Property Budget

Emmanuel Arellano, Vice President of Asset Management, Housing Development Partners, presented the request for approval.

Motion by Board Member Benvenuto, seconded by Board Member Mitchell, and passed by the vote of 4-0.

That the Housing Development Partners (HDP) Board of Directors (Board) take the following actions:

- 1) Approve the 2023 Property Budget for Town and Country.
- 2) Find that the foregoing action is just and reasonable as to HDP for purposes of California Corporations Code Section 5234.

112 HDP22-022 Village North Senior 2023 Property Budget

Emmanuel Arellano, Vice President of Asset Management, Housing Development Partners, presented the request for approval.

Motion by Board Member Benvenuto, seconded by Board Member Mitchell, and passed by the vote of 4-0.

That the Housing Development Partners (HDP) Board of Directors (Board) take the following actions:

- 1) Approve the 2023 Property Budget for Village North Senior.
- 2) Find that the foregoing action is just and reasonable as to HDP for purposes of California Corporations Code Section 5234.

113 HDP22-023 West Park 2023 Property Budget

Emmanuel Arellano, Vice President of Asset Management, Housing Development Partners, presented the request for approval.

Motion by Board Member Benvenuto, seconded by Board Member Mitchell, and passed by the vote of 4-0.

That the Housing Development Partners (HDP) Board of Directors (Board) take the following actions:

- 1) Approve the 2023 Property Budget for West Park.
- 2) Find that the foregoing action is just and reasonable as to HDP for purposes of California Corporations Code Section 5234.

ADJOURNMENT

Chair Davis adjourned the Meeting at 10:04 a.m.



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Respectfully submitted,

Scott Marshall

Scott Marshall
Vice President, Communications and
Government Relations
Housing Development Partners

Approved by,

Emily S. Jacobs

Emily S. Jacobs
Executive Vice President
Housing Development Partners