

INFORMATIONAL REPORT

DATE ISSUED: December 8, 2023

REPORT NO: HDPM23-008

ATTENTION: Chair and Members of the Board of Directors of
HDP Mason Housing Corporation For
the Agenda of December 21, 2023

SUBJECT: Third Quarter 2023 Financials for HDP Mason Housing Corporation

NO ACTION IS REQUIRED ON THE PART OF THE HDP MASON BOARD OF DIRECTORS

SUMMARY

The Third Quarter 2023 Financials provide a fiscal status update of HDP Mason Housing Corporation (HDP Mason). The report includes HDP Mason's Statement of Financial Position and Statement of Activities.

Please note a Conflict Disclosure Statement at the end of this report.

CONFLICT DISCLOSURE STATEMENT:

Two San Diego Housing Commissioners (Commissioners), Eugene "Mitch" Mitchell and Ryan Clumpner, and Interim President & Chief Executive Officer (CEO) of the San Diego Housing Commission (Housing Commission), Jeff Davis, are each directors of HDP Mason Housing Corporation (HDP Mason), 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 HDP Mason's Board of Directors and/or as officers of HDP Mason. 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 Housing Commission, if and when this matter is heard by the Housing Commission.

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

None of HDP Mason'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 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 the Housing Commission is not a financial interest that would, in any way, preclude him being counted for quorum purposes or voting on these matters before HDP Mason.

Further, to the extent that HDP Mason 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 Mason. Similar disclosures will be made in the records of the 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 Housing Commission for purposes of California Corporations Code Section 5234 and, hence, common directors with HDP Mason, a vote on this matter should incorporate a finding that these transactions are just and reasonable as to HDP Mason.

Respectfully submitted,

Julie Conserva

Julie Conserva
Vice President of Finance – Real Estate
Housing Development Partners

Approved by,

Suket Dayal

Suket Dayal
Executive Vice President and Treasurer/Chief
Financial Officer
Housing Development Partners

Attachments: 1) Third Quarter 2023 Financials for HDP Mason Housing Corporation

Docket materials are available on HDP's website at www.hdpartners.org

HDP Mason Housing Corporation
Statement of Financial Position
As of September 30, 2023

<i>Assets</i>	September 30, 2023
Current Assets	
Cash & Cash Equivalents	\$ 195,785
Accounts Receivable	1,649
Prepaid Expenses	10,115
Total Current Assets	207,549
 Noncurrent Assets	
Deposits Noncurrent	32,095
Fixed Assets	4,364,994
Total Noncurrent Assets	4,397,089
Total Assets	\$ 4,604,638
 <i>Liabilities & Net Assets</i>	
Current Liabilities	
Accounts Payable & Accrued Expenses	21,095
Other Current Liabilities	17,850
Total Current Liabilities	38,944
 Noncurrent Liabilities	
Deferred Developer Fees - Non Current	50,708
Other Non Current Liabilities	6,628,255
Total Noncurrent Liabilities	6,678,964
 Net Assets	
Unrestricted Net Assets	(2,113,270)
Total Net Assets	(2,113,270)
Total Liabilities & Net Assets	\$ 4,604,638

HDP Mason Housing Corporation
Statement of Activities
July - September 2023

	July - September 2023	Year-to-Date 2023
Revenue		
Rental Income	\$ 111,860	\$ 281,451
Fee Income	108	195
Interest Income	307	330
Total Revenue	112,275	281,977
Expenses		
Administrative Expenses		
Professional Fees	6,211	18,380
Office Expenses	1,069	3,110
Other Admin Expenses	402	1,348
Total Administrative Expenses	7,681	22,838
Program Expenses		
Program Admin	11,810	30,699
Repairs and Maintenance	13,806	47,580
Utilities	11,174	32,290
Other Program Exp	34,613	104,724
Interest Expense	37,004	111,011
Total Program Expenses	108,407	326,304
Total Expenses	116,088	349,142
Change in Net Assets	\$ (3,814)	\$ (67,165)