

SELECTION OF NEW PROPERTY MANAGEMENT COMPANIES

Housing Development Partners

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Selection of New Property Management Companies

Summary

- Increase efficiencies and economies of scale, by reducing the number of Property Management Companies (PMCos) contracted with to manage HDP's Real Estate Properties.
- Update older existing PMCo contracts to be consistent with current SDHC property management contracts.
 - This will provide HDP additional protections and ensure similarity among PMCo contracts at HDP and SDHC.

Selection of New Property Management Companies

Request for Proposal

- February 15, 2024: HDP published a request for proposal (RFP) seeking a consultant to provide Property Management Services for 1,075 apartment units (22 properties).
- February 29, 2024: Pre-Proposal meeting was held.
- April 1, 2024, at 2 p.m. Pacific Daylight Time: Responses to the RFP were due.
 - Three consultants provided responses to the RFP.



Quality Inn
91 Permanent Supportive Housing Units

Selection of New Property Management Companies Evaluation

- An evaluation committee evaluated the proposals received using a point system with a maximum possible total score of 100 based on scores in five categories.
 1. Experience & Past Performance
 2. Plan & Methodology for Service
 3. Financial Information & Management Fee Structure
 4. Qualifications
 5. Equity & Inclusion



Hotel Churchill

72 Permanent Supportive Housing Units

Selection of New Property Management Companies

Selection

- ConAM was ranked as the highest respondent.
 - established in 1975 and has over 40 years of property management experience.
 - Manages market-rate and affordable properties in 11 states—over 26,000 affordable units.
 - ConAM has managed HDP properties since 2018 and currently manages 292 HDP units.
- Hyder received the second-highest score.
 - Established in 1973 and has over 40 years of affordable housing property management experience.
 - Manages over 8,000 affordable units.
 - Hyder has managed HDP properties since 2013 and currently manages 333 HDP units.

Selection of New Property Management Companies

Selection (Continued)

- ConAm's proposal focused specifically on affordable and senior properties.
 - It did not include the permanent supportive housing (PSH) properties.
- Hyder's proposal focused on the entire HDP real estate portfolio.
 - Hyder is well-suited to manage the PSH portion in the real estate portfolio.
- Subject to the HDP Board and stakeholders' approval, HDP plans to transition the properties currently managed by Winn to both ConAm and Hyder.
- ConAm will manage San Diego Square.
- Hyder will manage Casa Colina, Quality Inn, West Park, and New Palace Hotel.

Selection of New Property Management Companies Transition

- Property management of Knox Glen and Town & Country will transition from Hyder to ConAm. The chart below depicts the new portfolio assignments, which are subject to change:

	Project Name	Address	# Units	Population Served
ConAm	Mariner's Village	6847 Potomac Street	172	Family
	Village North Senior	7720 Belden Street	120	Senior
	San Diego Square	1055 9th Avenue	156	Senior
	Town & Country	4066 Messina Drive	145	Family
	Knox Glen	4754 Logan Avenue	54	Family
		Total Units		647
Hyder	SFH/11 Twining	11 Twining Avenue	1	Family
	SFH/12 Twining	12 Twining Avenue	1	Family
	SFH/12 Peterlynn	12 Peterlynn Drive	1	Family
	SFH/15 Peterlynn	15 Peterlynn Drive	1	Family
	SFH/42 Stu	42 Stu Court	1	Family
	ADU/Marzo	40 Marzo Street	1	Family
	ADU/Peterlynn	12 Peterlynn Drive	1	Family
	ADU/Kostner	10 Kostner Drive	1	Family
	ADU/Kimsue	41 Kimsue Way	1	Family
	ADU/Enero	41 Enero Street	1	Family
	Hotel Churchill	827 C Street	73	PSH
	Parker Kier	2172 Front Street	34	PSH
	Casa Colina	5207 52nd Place	75	Senior
	Quality Inn	1830 4th Avenue	92	PSH
	West Park	1830 4th Avenue	47	PSH
New Palace Hotel	1814 5th Avenue	80	PSH	
	Total Units		411	

 PMCO Change

Selection of New Property Management Companies Transition (Continued)

- Asset Management staff anticipates the changes would take effect October 1, 2024.
- This will allow Asset Management to provide the proper notices of the upcoming changes to the PMCos.
- All Winn-managed properties have Management Agreements in place that allow for cancellation with at least a 30-day notice.
- Additionally, HDP will seek to obtain all other applicable approvals, e.g., California Tax Credit Allocation Committee, Lender, Investor and SDHC.
- Property Management company changes are subject to all these approvals.

Selection of New Property Management Companies

Fiscal Considerations

- The funding sources and uses proposed for approval by this action are included in the approved 2024 HDP property operating budgets.
- Approving this action will not change the approved 2024 budgets.



*New Palace Hotel
79 affordable apartments for seniors
at risk of or who experienced
homelessness*

Photo: Griffin Photography

Selection of New Property Management Companies

Staff Recommendations

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

1. Approve recommended changes to companies performing Property Management Services at HDP properties, as described in this report.
2. Approve updating existing property management contracts to provide additional protections and consistency with San Diego Housing Commission processes, as described in this report.
3. Find that the foregoing actions are just and reasonable as to HDP for purposes of California Corporations Code Section 5234.

Selection of New Property Management Companies

Questions/Comments