

INFORMATIONAL REPORT

DATE ISSUED: June 6, 2024

REPORT NO: HDP24-008

ATTENTION: Chair and Members of the Board of Directors of
Housing Development Partners of San Diego
For the Agenda of June 13, 2024

SUBJECT: Investment Portfolio Status

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

SUMMARY

The attached Quarterly Investment Report details Housing Development Partners' (HDP) investment portfolio as of March 31, 2024. The report includes both summary and detailed information on all liquid cash and cash equivalents and core investments owned by HDP. These funds, however, are not indicative of funds available for discretionary use as they have been earmarked as indicated in the HDP Reserves Policy.

The market value of the portfolio on March 31, 2024, was \$12,461,644 with an investment mix as follows:

- \$5,742,699 held in the Certificate of Deposit Account Registry Service (CDARS), which places funds in increments of \$250,000, equal to the Federal Deposit Insurance Corporation (FDIC) limit, with varying maturities of 13 and 26 weeks.
- \$1,457,194 held in the Insured Cash Sweep Service (ICS), which places funds into money market deposit accounts, established at other ICS participating institutions, in increments equal to or less than the FDIC amount.
- 5,261,751 held in operating account, which was reinvested in 26 weeks Certificate of Deposit Account Registry Service (CDARS) on 04/04/2024.

Please note a Conflict Disclosure Statement at the end of this report has been included because HDP is the Housing Commission's nonprofit affiliate, and these transactions otherwise involve the Housing Commission.

CONFLICT DISCLOSURE STATEMENT:

Two San Diego Housing Commissioners (Commissioners), Eugene "Mitch" Mitchell and Ryan Clumpner, and the San Diego Housing Commission's (Housing Commission) President and Chief Executive Officer (President and CEO), Lisa Jones, 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 President and CEO Jones have no conflict of interest as discussed below. After approval of action before the HDP Board on June 13, 2024, Councilmember/Housing

Authority Member Stephen Whitburn will become a Director of HDP. As a member of the Housing Authority, he has responsibilities for oversight of the Housing Commission. The Councilmember/Housing Authority Member receives no compensation for his service on the HDP Board and/or as an officer of HDP. Pursuant to the provisions of 1091.5(a)(9), the City Councilmember/Housing Authority Member has a non-interest as described in Government Code Section 1091.5 for purposes of his action on Housing Authority matters associated with this matter, if any. This disclosure shall be incorporated into the record of the Housing Authority, if and when this matter is heard by the Housing Authority, if ever.

The Commissioners and President and CEO Jones receive no compensation for their service on 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 President and CEO Jones 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 or the Housing Authority, the Commissioners and the Councilmember/Housing Authority Member are legally entitled to vote and be counted for quorum purposes in this HDP matter. Further, Ms. Jones is not compensated by HDP, and she sits on the HDP Board of Directors. She 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, the Housing Authority, which are both public agencies, and their respective Commissioners are not compensated for their service as Commissioners of the Housing Commission or the Housing Authority. Further, Ms. Jones' 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. Ms. Jones' 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.

Further, to the extent that HDP is a public agency for local Ethics Ordinance purposes, neither the Commissioners nor Director Jones has 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 Housing Commission, if and when this matter is heard by the Housing Commission and/or the Housing Authority.

MUTUAL DIRECTORS STATEMENT:

To the extent that Commissioners may be considered to be "directors" of the Housing Commission or Housing Authority Members may be considered "directors" of the Housing Authority 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.

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Respectfully submitted,

Julie Conserva

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

Approved by,

Jeff Davis

Jeff Davis
Deputy Chief Executive Officer
Housing Development Partners

Attachments: 1) Investment Portfolio Holdings

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

Housing Development Partners of San Diego Investment Portfolio Holdings

As of 03/31/2024

Type	Issuer	Amount	Interest Rate	Market Value	Maturity Date
Cash - Insured Sweep (FDIC)	ICS - Multiple	\$ 1,457,194	0.005%	\$ 1,457,194	N/A
Certificates of Deposits (FDIC)	CDARS - 13 Week	1,581,659	3.540%	1,581,659	5/23/2024
Certificates of Deposits (FDIC)	CDARS - 13 Week	2,114,908	3.700%	2,114,908	6/13/2024
Certificates of Deposits (FDIC)	CDARS - 26 Week	2,046,131	3.890%	2,046,131	6/6/2024
Cash - Operating	Operating Account	5,261,751	0.000%	5,261,751	Reinvested 4/4/2024
Total		\$ 12,461,644		\$ 12,461,644	

As of 12/31/2023

Type	Issuer	Amount	Interest Rate	Market Value	Maturity Date
Cash - Insured Sweep (FDIC)	ICS - Multiple	\$ 1,807,171	0.005%	\$ 1,807,171	N/A
Certificates of Deposits (FDIC)	CDARS - 13 Week	1,562,243	3.850%	1,562,243	1/25/2024
Certificates of Deposits (FDIC)	CDARS - 13 Week	2,088,898	3.850%	2,088,898	2/15/2024
Certificates of Deposits (FDIC)	CDARS - 13 Week	5,151,425	4.250%	5,151,425	3/28/2024
Certificates of Deposits (FDIC)	CDARS - 26 Week	2,046,131	3.890%	2,046,131	6/6/2024
Total		\$ 12,655,868		\$ 12,655,868	

