

REPORT

DATE ISSUED: January 16, 2025

REPORT NO: HDPM25-001

ATTENTION: Chair and Members of the Board of Directors of
HDP Mason Housing Corporation
For the Agenda of January 23, 2025

SUBJECT: Approve the Appointment of a Member of the Board of Directors of HDP Mason
Housing Corporation

STAFF RECOMMENDATION

That the HDP Mason Housing Corporation Board of Directors (Board) take the following actions:

- 1) Approve the appointment of City of San Diego Councilmember and Housing Authority of the City of San Diego Member (Councilmember/Housing Authority Member) Sean Elo-Rivera as a member of the HDP Mason Board of Directors.
- 2) Find that the foregoing action just and reasonable as to HDP for purposes of California Corporations Code Section 5234.

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

SUMMARY

HDP was established in 1990 as a nonprofit affiliate of the San Diego Housing Commission (Housing Commission). HDP develops and preserves affordable housing for low-income San Diegans through the rehabilitation of existing buildings and new construction. Rental housing for seniors, families, veterans, workers and residents with special needs are among the developments in HDP's real estate portfolio. HDP is staffed by Housing Commission employees.

HDP Mason Housing Corporation was established in 2011. It oversees the operation of the Mason Hotel, a 17-unit affordable housing development in downtown San Diego for individuals with low-income at risk of homelessness. HDP Mason acquired the property in 2011. The property underwent a comprehensive rehabilitation in 2012. HDP Mason is a 501(c)(3) corporation that was formed for the acquisition of the Mason Hotel and to facilitate financing of that transaction.

HDP Mason is governed by a five-member Board of Directors pursuant to HDP Mason's bylaws. The membership of the Board of Directors of the HDP Mason Board is identical to the membership of the HDP Board of Directors.

On November 14, 2022, the San Diego City Council's Select Committee on San Diego Housing Commission Oversight and Reform voted unanimously, 4-0, to request that the Housing Commission President & Chief Executive Officer (President & CEO) draft an amendment to HDP's bylaws that would replace one of the two "at-large" seats on HDP's Board with a member of the Housing Authority of the City of San Diego, who would be appointed by the San Diego City Council. The Committee further requested that the Housing Commission President & CEO present the HDP bylaws amendment to the Housing Commission Board of Commissioners and the HDP Board for approval.

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On July 12, 2023, the HDP Board of Directors and HDP Mason Board of Directors, respectively voted 4-0 to approve an amendment to Section 5.02(b)(3) of HDP's bylaws and HDP Mason's bylaws, respectively, to require that one of the "at large" seats on HDP's Board of Directors and HDP Mason's Board of Directors be filled by a member of the Housing Authority of the City of San Diego, who will be appointed by the San Diego City Council President and Confirmed by the San Diego City Council. Approval of the amendment to the bylaws was subject to and contingent upon approval by the Housing Commission Board of Commissioners. On July 21, 2023, the Housing Commission Board of Commissioners voted 4-0 to approve the amendment to Section 5.02(b)(3) of HDP's bylaws and Section 5.02(b)(3) of HDP Mason's bylaws.

On December 17, 2025, the San Diego City Council voted 9-0 to confirm the appointment of Councilmember Elo-Rivera to serve on HDP's Board of Directors.

Councilmember Elo-Rivera has represented San Diego City Council District 9 since assuming office in December 2020. He served as City Council President from December 2021 through December 2024. He is also Chair of the City Council's Select Committee on Addressing Cost of Living, Chair of the City Council's Environment Committee, Vice Chair of the City Council's Land Use and Housing Committee, and a member of the City Council's Rules and Budget and Government Efficiency Committees.

Councilmember Elo-Rivera also serves as second alternate to Council President Joe LaCava on the San Diego Association of Governments (SANDAG) Board of Directors; alternate to Councilmember Vivian Moreno on the SANDAG Borders Committee; representative on the SANDAG Transportation Committee; first representative and alternate Chair for the San Diego Consortium Policy Board; representative on the San Diego Metropolitan Transit System (MTS) Board of Directors, representative on the MTS Executive Committee and Taxicab Committee; and representative on the San Diego Community Power Board of Directors.

Before joining the City Council, he served as an elected member of the San Diego Community College District Board of Trustees and as the Executive Director of Youth Will.

FISCAL CONSIDERATIONS

The proposed action has no fiscal impact.

KEY STAKEHOLDERS and PROJECTED IMPACTS

The key stakeholders of this action are the Housing Commission Board of Commissioners, the HDP Board of Directors, the Board of Directors of HDP Mason Housing Corporation, the ownership partners and residents of HDP affordable housing developments, participants in Housing Commission collaborative programs and developments, and the individuals Housing Commission collaborative developments and programs assist.

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 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 Mason as of the date of this staff report and President and CEO Jones have no conflict of interest as discussed below.

The Commissioners and President and CEO Jones 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 President and CEO Jones each have a "non-interest" as described in Government Code Section 1091.5 for purposes of their action on

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Housing Commission matters associated with this matter, if any. This disclosure shall be incorporated into the record of the Housing Commission.

San Diego City Councilmember and Housing Authority member, Councilmember Sean Elo-Rivera, is also a Director of HDP Mason. Councilmember Elo-Rivera is not compensated for his service on the HDP Mason Board or as an officer of HDP Mason. As it relates to this matter, as a Housing Authority member, Councilmember Elo-Rivera has a noninterest under California Government Code section 1091.5(a)(9). This disclosure shall be incorporated into the record of the Housing Authority, if and when this matter is heard by the Housing Authority.

Further, because of their non-interests, the Commissioners, as members of the Housing Commission Board of Commissioners, and Councilmember Elo-Rivera, as a member of the Housing Authority, are entitled to vote on this matter and may be counted for quorum.

Further, no HDP Mason Director or officer has a financial interest in this matter that would legally preclude their participation under the provisions of California Government Code section 87100 et. seq.

The Commissioners are not compensated for their services on the board of the Housing Commission, a public agency. Councilmember Elo-Rivera's compensation as a member of the Housing Authority, a public agency, is a non-interest under Government Code section 1091.5(a)(9). Further, Ms. Jones' compensation from a public agency, the Housing Commission, is a noninterest under the provisions of Government Code Section 1091.5(a)(9) as well as for the purposes of Government Code Section 87100 et. seq.

Finally, to the extent that HDP Mason is a public agency for local Ethics Ordinance purposes, neither the Commissioners, Ms. Jones, nor Councilmember Elo-Rivera have any conflicts of interest under the local ethics ordinance that would preclude their actions in this matter or from being counted for quorum purposes.

These disclosures shall be and are hereby documented in the official records of the Housing Commission and Housing Authority.

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, a vote on this matter should incorporate a finding that these transactions are just and reasonable as to HDP Mason.

Respectfully submitted,



Suket Dayal
Executive Vice President and Treasurer/Chief Financial Officer
HDP Mason Housing Corporation

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