

INFORMATIONAL REPORT

DATE ISSUED: October 24, 2025

REPORT NO: HDP25-026

ATTENTION: Chair and Members of the Board of Directors of
Housing Development Partners of San Diego
For the Agenda of October 30, 2025

SUBJECT: Second Quarter 2025 Financials

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

SUMMARY

The Second Quarter 2025 Financials provide a fiscal status update of Housing Development Partners (HDP). The report includes HDP's financial statements, revenue and expenditure activity compared to the 2025 Operating Budget, and a 2025 Sources and Uses report detailing the nonprofit's fund balance.

The following are included in this report:

- Statement of Financial Position
- Statement of Activities
- Budget compared to Actual
- Sources and Uses

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.

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.

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.

San Diego City Councilmember and Housing Authority member, Councilmember Sean Elo-Rivera, is also a Director of HDP. Councilmember Elo-Rivera is not compensated for his service on the HDP Board or as an officer of HDP. 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 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 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.

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) Second Quarter 2025 Financials

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

Housing Development Partners of San Diego
Statement of Financial Position
As of June 30, 2025

		June 30, 2025
Assets		
Current Assets		
Cash & Cash Equivalents	\$	20,601,943
Accounts Receivable		201,320
Prepaid Expenses		6,875
Total Current Assets		20,810,137
Noncurrent Assets		
Fixed Assets		6,469
Seller Notes Receivable		13,098,741
Developer Fees Receivable - Non Current		7,892,073
Other Assets		325,575
Total Noncurrent Assets		21,322,858
Total Assets	\$	42,132,995
Liabilities & Net Assets		
Current Liabilities		
Accounts Payable & Accrued Expenses		565,726
Total Current Liabilities		565,726
Noncurrent Liabilities		
Liabilities in Partnerships		4,103,203
Other Deferred Liabilities		13,112,073
Total Noncurrent Liabilities		17,215,276
Net Assets		
Unrestricted Net Assets		24,351,993
Total Net Assets		24,351,993
Total Liabilities & Net Assets	\$	42,132,995

Housing Development Partners of San Diego
Statement of Activities
January - June 2025

	January - June 2025	Year-to-Date 2025
Revenue		
Fee Income	\$ 1,020,080	\$ 1,020,080
Interest Income	548,366	548,366
Total Revenue	1,568,446	1,568,446
Expenses		
Administrative Expenses		
Salaries & Benefits	575,931	575,931
Office Expenses	1,232	1,232
Training Travel and Parking	1,015	1,015
Property Tax and Insurance	6,875	6,875
Legal and Accounting	21,409	21,409
Other Admin Expenses	337,900	337,900
Depreciation	2,072	2,072
Total Administrative Expenses	946,433	946,433
Program Expenses		
Salaries & Benefits	286,664	286,664
Other Program Exp	18,776	18,776
Total Program Expenses	305,440	305,440
Total Expenses	1,251,873	1,251,873
Change in Net Assets	\$ 316,573	\$ 316,573

Housing Development Partners of San Diego
2025 HDP Budget vs Actual

	2025 YTD Actuals 06/2025	2025 YTD Budget 06/2025	\$ Over/ (Under) Budget	% of YTD Budget	2025 Annual Budget
SOURCES					
Receipts from Project Operating Cash Flows	3,899,634	4,146,537	(246,903)	94%	4,146,537
Partnership Management Fees	89,085	89,106	(20)	100%	178,211
Interest from Corporate Investments	236,375	100,000	136,375	236%	200,000
Miscellaneous Income	19	-	19	100%	-
TOTAL SOURCES	4,225,113	4,335,643	(110,529)	97%	4,524,748
USES					
Salaries & Benefits	862,595	919,494	(56,899)	94%	1,838,987
<i>Professional Fees</i>					
Legal - General Counsel	1,298	15,000	(13,702)	9%	30,000
Audit & Tax Return	20,111	19,958	153	101%	39,916
Consultants - Other	-	50,000	(50,000)	0%	100,000
Total Professional Fees	21,409	84,958	(63,549)	25%	169,916
<i>Office Expense and Admin</i>					
SDHC Overhead	337,900	340,191	(2,291)	99%	680,381
Insurance	6,875	6,760	115	102%	13,520
Travel, Training & Mileage	1,015	7,426	(6,411)	14%	14,852
Other Admin Expenses	1,232	1,828	(597)	67%	3,656
Total Office Expense and Admin	347,021	356,205	(9,183)	97%	712,409
Contingency 10%	-	22,623	(22,623)	0%	45,247
Due Dilligence for Abandon Projects	-	25,000	(25,000)	0%	50,000
Ground Lease Expense	18,776	19,539	(763)	96%	39,078
Total Operating Expenses	1,249,801	1,427,819	(178,017)	88%	2,855,637
Capital Expenditures	-	-	-	0%	10,000,000
Total Expenditures	1,249,801	1,427,819	(178,017)		12,855,637
Transfer In/(Out) of Unrestricted Reserves	2,975,312	2,907,824	67,488	97%	(8,330,889)
TOTAL USES	\$ 4,225,113	\$ 4,335,643	\$ (110,529)	97%	\$ 4,524,748

Housing Development Partners
2025 Sources and Uses
As of 06/30/2025

SOURCES

Beginning Fund Balance (1/1/2025)

Reserves & Commitments	\$ 6,451,014
Working Capital	<u>11,158,529</u>
Total Beginning Fund Balance	17,609,543
 New Revenue	 4,225,113

Total Sources	\$ 21,834,656
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USES

Operating Expenses	\$ 1,249,801
Project Expenditures	15,000

Ending Fund Balance

Reserves & Commitments	6,774,941
Working Capital	<u>13,794,914</u>
Total Ending Fund Balance	20,569,855

Total Uses	\$ 21,834,656
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