

INFORMATIONAL REPORT

DATE ISSUED: September 17, 2026

REPORT NO: HDP26-008

ATTENTION: Chair and Members of the Board of Directors of
Housing Development Partners of San Diego
For the Agenda of September 25, 2026

SUBJECT: Second Quarter 2026 Financials

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

SUMMARY

The Second Quarter 2026 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 2026 Operating Budget, and a 2026 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 Variance Report
- Sources and Uses

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 Antoine "Tony" Jackson, 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,

Ngoc Dang

Ngoc Dang
Principal Real Estate Audit & Reporting Analyst
Housing Development Partners

Approved by,

Julie Conserva

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

Attachments: 1) Second Quarter 2026 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, 2026

		June 30, 2026
Assets		
Current Assets		
Cash & Cash Equivalents	\$	23,068,997
Accounts Receivable		194,099
Prepaid Expenses		7,142
Total Current Assets		23,270,238
Noncurrent Assets		
Fixed Assets		2,668
Seller Notes Receivable		11,638,828
Developer Fees Receivable - Non Current		6,400,034
Other Assets		333,814
Total Noncurrent Assets		18,375,344
Total Assets	\$	41,645,582
Liabilities & Net Assets		
Current Liabilities		
Accounts Payable & Accrued Expenses		279,548
Total Current Liabilities		279,548
Noncurrent Liabilities		
Liabilities in Partnerships		2,352,718
Other Deferred Liabilities		11,620,031
Total Noncurrent Liabilities		13,972,749
Net Assets		
Unrestricted Net Assets		27,393,285
Total Net Assets		27,393,285
Total Liabilities & Net Assets	\$	41,645,582

Housing Development Partners of San Diego
Statement of Activities
April - June 2026

	April - June 2026	Year-to-Date 2026
Revenue		
Fee Income	1,347,774	1,372,192
Interest Income - Investments	108,429	219,289
Interest Income - Notes Receivable	144,445	289,328
Total Revenue	1,600,648	1,880,809
Expenses		
Administrative Expenses		
Salaries & Benefits	164,198	550,808
Office Expenses	623	837
Property Tax and Insurance	3,571	7,142
Legal and Accounting	10,836	24,605
Other Admin Expenses	130,216	290,045
Depreciation	864	1,728
Total Administrative Expenses	310,308	875,165
Program Expenses		
Salaries & Benefits	126,795	263,671
Other Program Exp	9,706	19,412
Total Program Expenses	136,501	283,083
Total Expenses	446,809	1,158,248
Change in Net Assets	\$ 1,153,839	\$ 722,561

Housing Development Partners of San Diego
2026 HDP Budget vs Actual

	2026 YTD Actuals 06/2026	2026 YTD Budget 06/2026	\$ Over/ (Under) Budget	% of YTD Budget	2026 Annual Budget
SOURCES					
Receipts from Project Operating Cash Flows	4,319,391	4,780,763	(461,372)	90%	4,780,763
Partnership Management Fees	55,841	46,308	9,533	121%	133,114
Interest from Corporate Investments	219,289	125,000	94,289	175%	250,000
TOTAL SOURCES	4,594,521	4,952,071	(357,550)	93%	5,163,877
USES					
Salaries & Benefits	803,678	957,654	(153,976)	84%	1,915,307
<i>Professional Fees</i>					
Legal - General Counsel	4,063	15,000	(10,937)	27%	30,000
Audit & Tax Return	20,543	20,543	-	100%	41,085
Consultants - Other	10,800	50,000	(39,200)	22%	100,000
Total Professional Fees	35,405	85,542	(50,137)	41%	171,085
<i>Office Expense and Admin</i>					
SDHC Overhead	290,045	354,387	(64,342)	82%	708,773
Insurance	7,142	7,260	(118)	98%	14,520
Travel, Training & Mileage	-	7,649	(7,649)	0%	15,298
Other Admin Expenses	837	13,491	(12,654)	6%	26,982
Total Office Expense and Admin	298,024	382,787	(84,762)	78%	765,573
Contingency 10%	-	25,818	(25,818)	0%	51,639
Due Dilligence for Abandon Projects	-	25,000	(25,000)	0%	50,000
Ground Lease Expense	19,412	18,742	670	104%	37,484
Total Operating Expenses	1,156,520	1,495,543	(339,023)	3	2,991,088
Capital Expenditures	-	-	-	0%	10,000,000
Total Expenditures	1,156,520	1,495,543	(339,023)	3	12,991,088
Transfer In/(Out) of Unrestricted Reserves	3,438,001	3,456,528	(18,527)	-214%	(7,827,211)
TOTAL USES	\$ 4,594,521	\$ 4,952,071	\$ (357,550)	93%	\$ 5,163,877

Housing Development Partners
2026 Sources and Uses
As of 6/30/2026

	2026 Annual Budget	YTD Budget	Total YTD Actuals
SOURCES			
Beginning Fund Balance			
Reserves & Commitments	\$ 6,904,239	\$ 6,904,239	\$ 6,904,239
Working Capital	12,858,509	12,858,509	12,977,767
Total Beginning Fund Balance	19,762,748	19,762,748	19,882,005
New Revenue	5,163,877	4,952,071	\$ 4,594,521
Total Sources	\$ 24,926,625	\$ 24,714,819	\$ 24,476,526
USES			
Operating Expenses	2,991,088	1,495,543	1,156,520
Acquisition/Preservation	10,000,000	-	-
Ending Fund Balance			
Reserves & Commitments	6,968,547	6,968,547	6,968,546
Working Capital	4,966,990	16,250,729	16,351,461
Total Ending Fund Balance	11,935,537	23,219,276	23,320,007
Total Uses	\$ 24,926,625	\$ 24,714,819	\$ 24,476,526