



SAN DIEGO
HOUSING
COMMISSION

MINUTES

**SAN DIEGO HOUSING COMMISSION
MINUTES OF THE REGULAR MEETING
JANUARY 16, 2026
SMART CORNER
4TH FLOOR CONFERENCE ROOM
1122 BROADWAY
SAN DIEGO, CA 92101**

ATTENDANCE

Present:

Chair Eugene “Mitch” Mitchell
Vice Chair Ryan Clumpner
Commissioner Stephen P. Cushman
Commissioner Kellee Hubbard
Commissioner Antoine “Tony” Jackson
Commissioner Melinda K. Vásquez
President and CEO Lisa Jones
General Counsel Chuck Christensen

Not present:

Commissioner Johanna Hester

10 CALL TO ORDER

Vice Chair Clumpner called the Regular Meeting to order at 9:09 a.m.

Chair Mitchell joined the meeting at 9:11 a.m.

20 NON-AGENDA PUBLIC COMMENT

There was no non-agenda public comment.

30 COMMISSIONER COMMENTS

Vice Chair Clumpner requested the monthly update regarding homelessness shelter bed availability. Senior Vice President of Homelessness Housing Innovations Casey Snell said that in December 2025, the Coordinated Shelter Intake Program received 2,412 referrals for shelter, of which 280 were able to be accommodated for a 9 percent completion rate. Of the referrals, 56 were not completed because no top or bottom bunks were available for males, another 10 percent of referrals were not completed because no top bunks were available for females, and 9 percent of referrals were not completed because no beds were available for families. The San Diego Housing Commission (SDHC) continues to build its ability to collect and analyze the data. Of the 2,412 referrals for shelter in December 2025, only 861 were unique individuals, so there were multiple referrals per person. Although total referrals increased 24 percent from July



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through December, the number of unique individuals with referrals increased only 4 percent in that time. This is likely due to referring partners, such as street outreach teams and law enforcement, making more frequent contact with individuals and submitting referrals to shelter. In addition, changes implemented with the operation of The Hub have improved coordination of shelter referral activities through 2-1-1. Calls to 2-1-1 are triaged through The Hub. Since the start of the fiscal year, the Coordinated Shelter Intake Program has received 14,687 referrals for shelter, of which 1,444 were accommodated for a 10 percent completion rate. Fifty percent were not completed because no top or bottom bunks were available for males, 12 percent were not completed because no bottom bunks were available for females, and 11 percent were not completed because no beds were available for families. The 14,687 referrals for shelter since the fiscal year began comprised 3,829 unique households. Forty-one percent of households were referred to shelter only one time, 50 percent are referred between two and nine times, and 9 percent have been referred 10 or more times. SDHC is starting internal working groups to examine the data more to prepare some recommendations to move toward shelter prioritization.

In December, the Inclement Weather Shelter program activated five times, primarily due to rain. The program served 466 individuals, which may include duplicates as individuals may have stayed at Inclement Weather Shelter more than once. The average utilization is 58 percent. Most participants are hearing about the Inclement Weather Shelter program by word-of-mouth (67 percent), and 12 percent are referred through 2-1-1, outreach or San Diego Police Department.

REPORT BY THE PRESIDENT AND CHIEF EXECUTIVE OFFICER

Federal Budget Status

The current federal Continuing Resolution will expire January 30, 2026. There has been some movement on appropriations bills for agencies such as the Departments of Commerce, Justice, State, Interior and the Environmental Protection Agency. Those bills passed the U.S. House of Representatives with significant bipartisan support, which is a good sign. However, the Transportation, Housing and Urban Development appropriations bill has not passed yet. It is understood that it is near completion and is expected to be combined with appropriations bills for Defense, Labor and Health and Human Services. It is also expected that the bill will provide funding at levels somewhere between the versions that had been proposed in the House and Senate, respectively. The level of funding included in the appropriations bill represents a cut in SDHC's budget and does not adequately cover the cost of the existing programs that serve SDHC families. This is no surprise, as SDHC has had to propose changes to the Housing Choice Voucher program and implement cost-containment strategies across the agency to ensure that SDHC has the resources it needs to support all the families SDHC serves. The House Appropriations Committee Chair and Ranking member have expressed confidence that all appropriations bills will be passed by January 30, 2026. Even when the appropriations bill is approved, it may take the U.S. Department of Housing and Urban Development several months to go through their allocation and a process of notifying public housing authorities directly, so it may take several months to know how it will impact SDHC's budget and programs.

State Budget Proposal

At the State level, Governor Gavin Newsom released his budget proposal on January 9. The Governor's Office is proposing a \$349 billion budget, with a projected a \$2.9 billion shortfall. The Governor's proposal includes \$500 million for a seventh round of Homelessness Housing, Assistance and Prevention (HHAP) Program funding. The good news is



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this is an increase from last year's budget of zero, but is a reduction from the \$1 billion budgeted for HHAP in fiscal years prior to last year. The administration also continues to emphasize the implementation of the new California Housing and Homelessness Agency (CHHA). Through this restructuring, the administration proposes statutory changes to streamline affordable housing programs with existing financing tools, such as Low-Income Housing Tax Credits (LIHTC) and private activity bonds. I was invited by Secretary Tomiquia Moss Secretary of the Business Consumer Services and Housing Agency, who will eventually take over CHHA, to participate in a small working group of leaders across the housing industry to ensure the needs of public housing authorities are taken into consideration as the structure of the new agency is developed. We will be closely monitoring state budget activity as well as the implementation of the new CHHA in the coming months and engaging with state lawmakers through the process to make sure our priorities are heard.

SDHC Fiscal Year 2025 Annual Report

In November, SDHC published its Fiscal Year 2025 Annual Report online at www.sdhc.org. In the Annual Report, SDHC has the privilege of sharing the stories of many of the families SDHC serves. They include truly inspiring stories of resilience, determination, aspiration and accomplishments. Also highlighted are a variety of data about SDHC's programs in graphics in this report. SDHC has a positive impact on thousands of families in the City of San Diego through its many housing assistance programs. SDHC is grateful to the Board of Commissioners for their leadership, guidance and support for what SDHC accomplished last fiscal year and as SDHC navigates challenging times this year and in the years to come. President and CEO Jones said she is especially grateful for the many dedicated SDHC staff who made these accomplishments possible. SDHC's Communications team produces the Annual Report entirely in-house.

City Clerk's Community Listening Sessions

The Office of the City Clerk is hosting community listening sessions. These sessions are to help community members learn how to participate in City Council meetings and to share feedback on how they want to engage with City government. Participation in City Council meetings also applies to the Housing Authority meetings because the City Council serves as the Housing Authority. Previous sessions have been held in Logan Heights and San Ysidro. The next event is Tuesday, January 20, at the Pacific Highlands Ranch Library. Members of the community can also join on Zoom with the link at sandiego.gov/listening. The City Clerk also has an online survey option to provide feedback. For more details and to participate in the survey, visit sandiego.gov/cityclerk.

50 APPROVAL OF THE MINUTES

The minutes of the December 11, 2025, Special Meeting of the SDHC Board of Commissioners were approved on a motion by Commissioner Jackson, seconded by Commissioner Vice Chair Clumpner, and passed by a vote of 6-0, with Commissioner Hester not present.

CONSENT AGENDA

Motion by Commissioner Vásquez to approve Items 101, 102, and 103 on consent. Seconded by Vice Chair Clumpner and passed by a vote of 6-0, with Commissioner Hester not present.



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Item 101 HCR26-009 Lease Agreement at Hotel Sandford for BB’s Delicatessen

That the San Diego Housing Commission (SDHC) Board of Commissioners (Board) take the following actions:

- 1) Approve a four-year extension of the lease with BB’s Delicatessen for the period of October 1, 2026, through September 30, 2030, with a 3 percent rent increase each year, to occupy the commercial space at 1321 Fifth Ave. on the first floor of Hotel Sandford, 1301 Fifth Ave., San Diego, CA 92101.
- 2) Approve one option to extend the lease with BB’s Delicatessen for an additional five years, from October 1, 2030, through September 30, 2035, with a 3% rent increase each year, to occupy the commercial space at 1321 Fifth Ave. on the first floor of Hotel Sandford, 1301 Fifth Ave., San Diego, CA 92101.
- 3) Authorize the President and Chief Executive Officer (President and CEO), or designee, to execute all documents and instruments that are necessary and/or appropriate to implement these approvals, in a form approved by General Counsel, and take such actions as are necessary and/or appropriate to implement these approvals, provided that a copy of the documents, signed as to form by General Counsel, is submitted to each Housing Commissioner.

Item 102 HCR26-008 Lease Agreement with The Center for Space at Smart Corner for the Safe Shelter for Transition-Age Youth (Safe STAY) Program

That the San Diego Housing Commission (SDHC) Board of Commissioners (Board) take the following actions:

- 1) Approve an extension of the term of SDHC’s lease with The Center for the space at 1045 11th Ave., San Diego, CA 92101, at the Smart Corner building for the Safe Shelter for Transition-Age Youth (Safe STAY) program to June 30, 2026, to coincide with the end of the fiscal year instead of the current lease end date of April 13, 2026.
- 2) Approve three one-year options to extend the lease at SDHC’s discretion, if The Center requests to extend the lease.
- 3) Authorize SDHC’s President and Chief Executive Officer, or designee, to execute all documents and instruments that are necessary and/or appropriate to implement these approvals, in a form approved by General Counsel, and take such actions as are necessary and/or appropriate to implement these approvals, provided that a copy of the documents, signed as to form by General Counsel, is submitted to each Housing Commissioner.

Item 103 HCR26-001 Fiscal Year 2025 Annual Comprehensive Financial Report (ACFR) and Single Audit Reports

That the San Diego Housing Commission (SDHC) Board of Commissioners (Board) accept the Fiscal Year (FY) 2025 (July 1, 2024 – June 30, 2025) Annual Comprehensive Financial Report



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(ACFR) and Single Audit Reports prepared by CohnReznick LLP, an independent audit firm, and attached to this staff report.

ADOPTION AGENDA

Item 100 HCR26-010 Approval of Amendments to Increase the Compensation Limits of On-Call Contracts for Relocation Consulting Services (CS-23-03A and CS-23-03B)

Colin Miller, Senior Vice President of Real Estate Development, Real Estate Division, and Josh Hoffman, Vice President, Real Estate Development, Real Estate Division, presented the request for approval.

Motion by Commissioner Cushman to approve staff's recommendation. Seconded by Commissioner Hubbard and passed by a vote of 6-0, with Commissioner Hester not present.

That the San Diego Housing Commission (SDHC) Board of Commissioners (Board) take the following actions:

- 1) Authorize the execution of amendments to increase the maximum compensation on a pair of competitively solicited, on-call, relocation consulting services contracts with Clark Land Resources, Inc., and Overland, Pacific, & Cutler, LLC in an amount not to exceed \$450,000 for each contract to provide relocation services to support planned SDHC property rehabilitation efforts in Fiscal Years 2026 and 2027 at SDHC-owned properties, including a proposed acquisition with State of California (State) Homekey+ funding.
- 2) Authorize SDHC's President and Chief Executive Officer (President and CEO), or designee, to substitute the identified contract funding sources with other available funding sources as long as the total activity budget amount after substitution does not exceed the total Board-approved budget, should the operational need arise or should actions be to the benefit of SDHC and its mission.
- 3) Authorize SDHC's President and CEO, or designee, to execute all documents and instruments that are necessary and/or appropriate to implement these approvals, in a form approved by General Counsel, and to take such actions as are necessary and/or appropriate to implement these approvals upon the advice of General Counsel, provided that a copy of the documents, signed as to form by General Counsel, is submitted to each Housing Commissioner.

Item 104 HCR26-011 Authorization to accept \$26,490,313 in State of California (State) Homekey+ capital funds, \$12,134,986 in City of San Diego funds, and \$7,000,000 in County of San Diego funds; authorization to accept operating subsidy funds in the amounts of \$5,921,431 from the State Homekey+ program and \$3,360,000 from the County of San Diego; authorization to expend \$46,326,059 to support the proposed acquisition and upgrades of the property at 7798 Starling Dr., San Diego, CA 92123, known as Starling



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Place; and authorization to acquire Starling Place and complete upgrades at the property.

Colin Miller, Senior Vice President of Real Estate Development, Real Estate Division, and Buddy Bohrer, Vice President of Real Estate Finance and Acquisitions, Real Estate Division, presented the request for approval.

Motion by Vice Chair Clumpner to approve staff's recommendation. Seconded by Commissioner Vásquez and passed by a vote of 6-0, with Commissioner Hester not present.

That the San Diego Housing Commission (SDHC) Board of Commissioners (Board) take the following actions:

- 1) Authorize SDHC to accept and expend capital funds in the amounts of \$26,490,313 in State of California (State) Homekey+ funds; \$12,134,986 in City of San Diego funds; and \$7,000,000 in County of San Diego funds to support the proposed acquisition and upgrades of the property at 7798 Starling Dr., San Diego, CA 92123, to be known as Starling Place, which will consist of 80 rental housing units affordable for people experiencing homelessness with income up to 30 percent of San Diego's Area Median Income (AMI), and two unrestricted manager's units.
- 2) Authorize SDHC to accept and expend operating subsidy funds in the amounts of \$5,921,431 from the State's Homekey+ program and \$3,360,000 from the County of San Diego to support the operations of Starling Place at 7798 Starling Dr., San Diego, CA 92123.
- 3) Authorize SDHC to acquire Starling Place, pursuant to that certain Purchase and Sale Agreement (PSA) for the property at 7798 Starling Dr., San Diego CA, 92123, dated May 2, 2025, with the seller Tusore Hospitality, Inc.
- 4) Authorize SDHC's President and Chief Executive Officer (President and CEO), or designee, to take such actions and perform such acts as are necessary to acquire Starling Place at 7798 Starling Dr., San Diego, CA 92123, a 40,151-square-foot property, for the price of \$37,350,000. Tusore Hospitality, Inc. shall provide clear fee simple title upon acquisition of the property.
- 5) Authorize SDHC's President and CEO, or designee, to execute and record an affordability covenant against Starling Place for 55 years, with 80 units required to remain affordable for households experiencing homelessness or at risk of homelessness with income at or below 30 percent of AMI There will be two additional unrestricted manager's units for a total of 82 units.
- 6) Authorize SDHC to purchase Starling Place and complete all associated closing activities and costs, as well as remediation and upgrades to the property, utilizing \$26,490,313 in State Department of Housing and Community Development Homekey+ funds; \$12,134,986 in City of San Diego funds; \$7,000,000 in County of San Diego funds; and \$700,760 in a Deferred Developer Fee.



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- 7) Authorize SDHC's President and CEO, or designee, to substitute approved funding sources for Starling Place, with any other available funds as deemed appropriate, including, without limitation, in the event the Homekey+ grant is delayed beyond the anticipated closing date of February 15, 2026, contingent upon budget availability, and further authorize the President and CEO, or designee, to take such actions as are necessary, convenient and/or appropriate to implement these approvals, upon the advice of General Counsel.
- 8) Authorize SDHC's President and CEO, or designee, to execute all documents and instruments that are necessary and/or appropriate to implement these approvals, in a form approved by General Counsel, and to take such actions as are necessary and/or appropriate to implement these approvals upon the advice of General Counsel, to allow SDHC to acquire Starling Place on terms and conditions described in this report, as approved by SDHC's General Counsel, provided that a copy of the of the documents, signed as to form by General Counsel, is submitted to each Housing Commissioner.
- 9) Approve all budgets associated with the purchase and upgrades at Starling Place. This includes the transfer and/or reallocation of funds between any and all funding use line items within the total approved development/project budget, provided the total project/development budget amount after any and all transfers/reallocations does not exceed the previously approved budget total, in any instances when the operational need arises and/or when such actions are to the benefit of SDHC and its mission.
- 10) Authorize SDHC's President and CEO, or designee, to take such actions and perform such acts as necessary for the recruitment and hiring of staff for the ongoing operations of Starling Place.

Item 105 HCR26-002 Workshop & Discussion: Fiscal Year 2027 Moving to Work Annual Plan

Debra Fischle-Faulk, Senior Vice President, Community and Strategic Initiatives, and Nancy Sa, Director, MTW and Community Engagement, Community and Strategic Initiatives, presented an informational workshop regarding the Fiscal Year 2027 Moving to Work (MTW) Annual Plan. No action was taken on this item.

Item 106 HCR26-003 Workshop & Discussion: Homelessness System Coordination & Navigation

Megan Burt, Director of Homelessness Housing Innovations Operations, and Josh Coyne, Chief of Staff with Downtown San Diego Partnership, presented an informational workshop regarding homelessness system coordination and navigation. No action was taken on this item.

CLOSED SESSION

The San Diego Housing Commission Board of Commissioners (SDHC Board) convened in closed session on January 16, 2026, at 10:41 a.m. with the following agenda:



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- I. Announcement by Counsel of the Matters to be discussed in Closed Session and the basis upon which each will be discussed, as referenced within the Brown Act.
- II. Public Testimony and Comment, if any, concerning any matter on the Closed Session Agenda.
- III. Commissioner comments, if any.
- IV. The SDHC Board will convene in closed session to consider the following agenda:
 - A. Conference with Legal Counsel – Anticipated Litigation, pursuant to subdivision (c) of section 54956.9 of the Government Code and pursuant to Government Code Section 54954.5(c)

One (1) matter

Counsel will discuss the potential initiation of litigation.

OPEN SESSION

Chair Mitchell reconvened the San Diego Housing Commission Board of Commissioners in Open Session at 11:04 a.m.

- V. Announcement of Actions Taken in Closed Session.

The SDHC Board of Commissioners voted 5-0, with Commissioners Cushman and Hester not present, to authorize the initiation of litigation.

ADJOURNMENT

Chair Mitchell adjourned the meeting at 11:05 a.m.

Respectfully submitted,

Scott Marshall

Scott Marshall
Vice President
Communications and Government Relations
San Diego Housing Commission

Approved by,

Jeff Davis

Jeff Davis
Deputy Chief Executive Officer
San Diego Housing Commission