



SAN DIEGO  
HOUSING  
COMMISSION

# MINUTES

**SAN DIEGO HOUSING COMMISSION  
MINUTES OF THE REGULAR MEETING  
JANUARY 17, 2025  
SMART CORNER  
4<sup>TH</sup> FLOOR CONFERENCE ROOM  
1122 BROADWAY  
SAN DIEGO, CA 92101**

## **ATTENDANCE**

Present:

Chair Eugene "Mitch" Mitchell  
Vice Chair Ryan Clumpner  
Commissioner Stephen P. Cushman  
Commissioner Antoine "Tony" Jackson  
Commissioner Melinda K. Vásquez  
President & CEO Lisa Jones  
General Counsel Chuck Christensen

Not present:

Commissioner Johanna Hester  
Commissioner Kellee Hubbard

## **10 CALL TO ORDER**

Chair Mitchell called the Special Meeting to order at 9:05 a.m.

## **20 NON-AGENDA PUBLIC COMMENT**

Hannah Hailu-Beyene spoke about the Moderate Rehabilitation (Mod Rehab) housing waiting list. Joni Halpern, consulting attorney for the Partnership for the Advancement of New Americans, spoke about San Diego Housing Commission (SDHC) staff, tenant notices, a request for SDHC to issue receipts for payments accepted on the third floor at SDHC's offices, a request for SDHC to ask landlords to date their letters to tenants; and Mariner's Cove.

## **30 COMMISSIONER COMMENTS**

Commissioner Vásquez said the non-agenda public comments provided to the SDHC Board provided a daily illustration of the importance of affordable housing for people of all ages, especially for older adults who may face displacement.

Commissioner Jackson asked how rent increases at Mariner's Cove could be different among tenants. President and CEO Jones said the rent increase might be the same, but the actual tenant portion paid toward the rent may be different based on household income, and that SDHC will look into the circumstances occurring at Mariner's Cove. Commissioner Jackson also asked about the rent payments received on the third floor. President and CEO Jones said that is not the normal practice, but if people come in to provide their payment, SDHC accepts it, and SDHC will follow up on the conversation about receipts.



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Vice Chair Clumpner said it was great to hear about the level of service SDHC staff provides, and that SDHC fosters a culture of service toward the wide variety of people who need SDHC's assistance. The hardest issue for staff is the shortage of resources to be able to assist everyone who needs it. Vice Chair Clumpner also requested the monthly update regarding homelessness shelter bed availability. Senior Vice President of Homelessness Housing Innovations Casey Snell said that in December 2024, the Coordinated Shelter Intake Program received 1,964 requests for shelter and was able to accommodate 189, which was 10 percent of all referrals. The top reason referrals could not be accommodated was that no top bunks were available for males, followed by the lack of available top bunks for females and no available bottom bunks for males. In December the focus was on transitioning Golden Hall residents to new shelters; 263 new beds were made available and prioritized for Golden Hall. Starting January 6, 2025, new beds were available for additional assistance. Year-to-date, from July 1, 2024, the Coordinate Shelter Intake Program has received 11,795 unique referrals for shelter and has been able to accommodate 1,461, or 12 percent of all requests.

For inclement weather, halfway through the season, the Inclement Weather Shelter Program has been activated 24 times, which exceeds the typical plan for 20 to 23 activations per year. This season is unprecedented because the activations have been due to cold temperatures. Generally, in the past, activations have been due to rain or a combination of rain and cold temperatures.

Chair Mitchell said SDHC staff continues to do a wonderful job. It's a tough job, but the SDHC Board appreciates the work they do. Chair Mitchell also said the challenge is clear as 2025 begins as the weather is cold even though it has been the driest winter on record since 1850. Against the backdrop of an infrastructure struggle to get people off the streets and into homes and shelters, Chair Mitchell said he is hopeful about progress being made this year. This is a joint effort among 18 cities in the County of San Diego coming together to address this crisis.

#### **40 REPORT BY PRESIDENT & CHIEF EXECUTIVE OFFICER**

The budget preparation and planning for the City of San Diego and SDHC—along with many other government agencies at all levels—will be especially challenging this year. Uncertainty about available funding and anticipated reductions require difficult discussions and decision making. Recent news coverage has highlighted one area of SDHC's budget that is significantly impacted is the project-based vouchers program. However, some of this coverage unfortunately has given an inaccurate impression of what is taking place, and it has impacted SDHC call centers, participants and landlords—calling and asking if the voucher program is ending. SDHC has not ended and is not ending any of its rental housing voucher programs. SDHC is continuing to assist more than 17,000 families by paying a portion of their rent each month. These families consist of more than 36,000 people with low income or who previously experienced homelessness. This assistance is provided through a variety of types of housing vouchers.

#### **Project-Based Vouchers (PBVs)**

PBVs are awarded to affordable housing developments through a competitive application process. PBVs are linked to specific housing units, and these are long-term commitments, generally for about 20 years. In most cases, toward the end of that contract term, a new contract term is negotiated to keep that housing affordable. SDHC's commitment to the rental subsidy for these PBV units is long-term, even if costs of doing business and rental subsidies rise. Because these are long-term contracts, when a family moves on, the PBV remains with the housing unit to assist the next family that moves into it. SDHC has committed more than 3,700 PBVs, which represent about 22 percent of SDHC's total voucher allocation. About 78 percent of SDHC's PBVs are for families who previously experienced homelessness, and 22 percent are for families with low income who were not



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experiencing homelessness. About 45 percent of the PBV commitments have occurred in just the past five years. With the support of the City Council and SDHC Board, SDHC has been authorized to award more than 1,700 vouchers under the project-based model since 2020. These include PBVs that were essential to securing state Homekey funds for San Diego. Collaborations with the City and the County have brought more than \$105 million in State Homekey funds to San Diego to create more than 600 affordable housing units for people previously experiencing homelessness. These are resources that would have gone to other areas of the state if we had not been able to collaborate to secure them for our region. PBVs were a crucial part of those efforts. Families in housing units with PBVs will continue to receive rental assistance from SDHC. However, due to financial constraints, SDHC will not be awarding new PBVs at this time. SDHC has been a leader in the region in awarding PBVs to spur the development of affordable housing and permanent supportive housing. Not awarding new PBVs is a step SDHC needs to take as the agency continues to assist thousands of families with low income who currently rely on existing housing vouchers.

### **Rising Housing Assistance Costs**

The cost to provide rental assistance for families with low income continues to rise in the high-cost housing market in San Diego. The U.S. Department of Housing and Urban Development (HUD) funds SDHC's housing vouchers. SDHC receives one pool of federal funding for all rental housing vouchers it administers. HUD informs SDHC each year how much to expect to receive for rental assistance payments. That amount is based on the calendar year. Based on the information received from HUD, it is projected that SDHC's rental assistance payments will continue to exceed federal funding throughout this year and into next year. Essentially, it will cost more to run this program than SDHC is receiving from HUD to fund it. The notice received from HUD—effective January 1, 2025—indicates that funding for SDHC's housing vouchers will decrease for the remainder of 2025. These funding amounts are not final as long as the federal government continues to operate under continuing resolutions. The funding cuts projecting could become greater. In Fiscal Year 2024, the amount expended on SDHC's rental assistance payments was more than the amount received from HUD for those rental assistance payments. The need for rental assistance in the community is already much greater than what SDHC is able to provide with the funding received from HUD. SDHC is working diligently on the development of its budget to determine how we can best provide housing assistance for families who need it while also prudently accounting for upcoming fiscal challenges.

## **50 APPROVAL OF THE MINUTES**

The minutes of the Regular Housing Commission Meeting of November 22, 2024, and Special Housing Commission Meeting of December 18, 2024, were approved on a motion by Commissioner Jackson, seconded by Commissioner Clumpner, and passed by a vote of 5-0.

## **CONSENT AGENDA**

Motion by Commissioner Cushman to approve Item 100 on consent. Seconded by Commissioner Jackson and passed by a vote of 5-0.

### **100 HCR25-002 Authorize a Drainage Easement at Valley Vista Apartments**

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



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- 1) Authorize the President and Chief Executive Officer (President and CEO), or designee, to execute a grant deed with the City of San Diego (City) for a drainage easement to allow the City to maintain, operate and repair drainage facilities recently installed at 1865 Hotel Circle South, San Diego, CA 92108.
- 2) Authorize the President and CEO, or designee, to execute a Subordination Agreement for the Deed of Trust with the City for a drainage easement to allow the City to maintain, operate and repair drainage facilities recently installed at 1865 Hotel Circle South, San Diego, CA 92108.
- 3) Authorize the 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.

## **ADOPTION AGENDA**

### **101 HCR25-005 Application for State of California CalHome Program Funds**

Sujata Raman, Vice President, Single Family Housing Finance, Real Estate Department presented the request for approval.

Motion by Commissioner Cushman to take the following staff recommended actions. Seconded by Commissioner Jackson and passed by a vote of 5-0.

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

- 1) Approve the submission of an application to the California Department of Housing and Community Development (HCD) for up to \$5 million in CalHome Program funds.
- 2) Authorize Lisa Jones, SDHC's President and CEO, or designee, to execute all necessary 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. SDHC staff will notify the Housing Authority and the City Attorney's Office about any subsequent amendments or modifications to the documents, and other required documents, including amendments to any documents.
- 3) Authorize the President and CEO, or designee, to amend the Accessory Dwelling Unit and Homeownership Loan and Grant budget to include the CalHome funds, if and as awarded, and to adjust the specific CalHome dollar amounts allocated between the Accessory Dwelling Unit and Homeownership Loan and Grant programs, respectively, provided that the combined total amount does not exceed the total amount of CalHome funds awarded to SDHC, if any.

HCD has confirmed there are errors in the Notice of Funding Availability (NOFA) application, which are affecting the calculation of scores. HCD has promised to rectify the errors, but such revision is not currently finalized. This issue is not caused in any way by SDHC. SDHC seeks, by this action, the authority to establish the allocation of up to \$5,000,000 by the determination of the President and CEO, or designee, upon the advice of General Counsel, without further



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action of either the SDHC Board or the Housing Authority. Housing Authority Resolution HA-1569 allows SDHC to apply for grants and accept the same and to amend the SDHC budget without action by either the SDHC Board or the Housing Authority as long as the terms of the grant are reflected within the reports required by HA-1569. However, HCD requires a grant-specific resolution that meets all of HCD's requirements for this NOFA application.

### **CLOSED SESSION**

The San Diego Housing Commission convened in closed session on Friday, January 17, 2025, at 9:54 a.m. with the following agenda:

- 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.

Sean Keener commented on closed session.

- III. Commissioner comments, if any.

- IV. Commission will convene in closed session to consider the following agenda:

- A. CONFERENCE WITH LEGAL COUNSEL - EXISTING LITIGATION pursuant to subdivision (c) of section 54954.5 of the Government Code and pursuant to subdivision (d)(1) of section 54956.9:

One (1) matter:

*San Diego Housing Commission v. Surf Cowboy Elm LLC, et. al.*  
San Diego Superior Court Case No. 37-2023-00042560-CU-OR-CTL

Counsel will discuss the litigation.



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**OPEN SESSION**

Chair Mitchell reconvened the San Diego Housing Commission Board of Commissioners in Open Session at 10:10 a.m.

- V. Announcement of Actions Taken in Closed Session by General Counsel Charles Christensen:

The San Diego Housing Commission Board gave direction to Counsel by unanimous vote of 5-0.

- VI. Adjournment

Chair Mitchell adjourned the Regular Meeting at 10:10 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