



SAN DIEGO  
HOUSING  
COMMISSION

## MINUTES

**SAN DIEGO HOUSING COMMISSION  
MINUTES OF THE SPECIAL MEETING  
APRIL 25, 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 Johanna Hester  
Commissioner Kellee Hubbard  
Commissioner Antoine "Tony" Jackson  
Commissioner Melinda K. Vásquez  
President and CEO Lisa Jones  
General Counsel Chuck Christensen

### **10     CALL TO ORDER**

Chair Mitchell called the Special Meeting to order at 9:02 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 March, 2,301 referrals for shelter were received. That is the second-highest number of referrals year-to-date. Of those, 230 referrals, or 10 percent, were completed. Intakes were suspended at the Rachel's Promise and Safe Shelter for Transition-Age Youth (Safe STAY) programs because they are transitioning to new sites, so fewer beds were available during that timeframe. The main reasons for being unable to accommodate a shelter referral were the unavailability of enough top bunks for males, bottom bunks for females, and bottom bunks for males and top bunks for females. For families, 211 requests for shelter could not be accommodated. So it is very exciting for additional capacity at Rachel's Promise to come online later this year. Year-to-date, 18,382 requests for shelter have been received, of which 2,222 (12 percent) have been completed. More than half of referrals are not accommodated because a bed for males is not available.

The Inclement Weather Shelter program closed this season with 54 activations. The highest number of activations—24—occurred in January. A total of 6,119 individuals were served during the four months and eight days that the Inclement Weather Shelter program operated. That includes instances where

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the same person requested inclement shelter multiple times. The top way that participants said they heard about the program was through word-of-mouth, with 58 percent saying they heard about it from others experiencing homelessness. Another 20 percent already knew about the sites that offer Inclement Weather Shelter beds and walked up to the sites when they were activated, and 10 percent learned of the available beds through 211.

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

##### **Strategic Plan**

The next Strategic Plan will be an essential guide for SDHC in the coming years as SDHC navigates through challenging financial times and looks for opportunities to continue to bring housing and services to the San Diego community. SDHC is conducting a comprehensive process that includes a proactive engagement effort to gather input from SDHC staff and the community to inform the priorities and direction that will be reflected in the Strategic Plan. The Impact Center has been engaged on the Strategic Plan's development. The Impact Center is a highly regarded nonprofit that works with public sector and private sector organizations on strategic planning, building leadership capacity and providing management development services. Input from policy leaders, the community, SDHC staff and the organizations SDHC works with is crucial to developing the Strategic Plan. SDHC is accepting survey responses through May 2, 2025. The survey can be accessed at the SDHC website—[www.sdhc.org](http://www.sdhc.org). SDHC has received nearly 1,000 survey responses to date. Through focus groups, SDHC also is hearing from community-based organizations, landlords, service providers and their staff, participants in SDHC housing assistance programs and those with lived experience. SDHC anticipates completing the Strategic Plan and presenting it to the SDHC Board of Commissioners in July.

##### **Meetings in Washington D.C.**

Engaging in continuing dialogue with the U.S. Department of Housing and Urban Development (HUD), national associations, and San Diego's congressional delegation is very important, especially in such an unclear fiscal environment. President and CEO Jones met in Washington, D.C., this month with Benjamin Hobbs, HUD's Principal Deputy Assistant Secretary for Public and Indian Housing, and had a good discussion about SDHC's status as a Moving to Work (MTW) agency, the innovative initiatives SDHC has implemented with the flexibility this status provides, and how MTW status is an effective tool to stretch limited financial resources and pilot new policies and practices. He was already very aware of San Diego as an MTW agency, SDHC's work, and the work policy leaders at the City Council and the Mayor's office have done to streamline development of affordable housing, remove barriers, and try to reduce costs. It was heartening to hear that they see San Diego as a progressive city in terms of development and SDHC as an innovative, effective agency. SDHC looks forward to continuing to work with him and additional HUD officials and staff. While in Washington, President and CEO Jones also moderated a panel discussion that the San Diego Regional Chamber of Commerce organized. The panel included representatives from the National Multifamily Housing Council and the National Apartment Association. Discussions like this are valuable ways of hearing from others involved with housing and sharing with them what SDHC is seeing and doing to address a variety of housing challenges locally, as well as hearing about how other regions are making progress and pursuing innovations in development and housing.

##### **New Site for Safe Shelter for Transition-Age Youth (Safe STAY)**

On April 11, 2025, SDHC announced the opening of a new site for a shelter program for transition-age youth between the ages of 18 and 24. The Safe Shelter for Transition-Age Youth (Safe STAY) program has been providing 21 beds for youth at two interim sites as the process of preparing this



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space moved forward. With the completion of this space, the program will double its current capacity by providing shelter to 43 youth experiencing homelessness. SDHC contracts with The Center to operate the Safe STAY program, in collaboration with San Diego Youth Services and the YMCA of San Diego County. U.S. Representative Scott Peters secured \$1.5 million in federal funding toward the conversion of underutilized office space into the site for this shelter program. He joined SDHC for the April 11, 2025, event along with Mayor Todd Gloria and Councilmembers Stephen Whitburn and Sean Elo-Rivera. SDHC thanks them for their leadership and SDHC staff for making the transformation of this space possible.

### **Rachel's Promise Center for Women and Children**

On April 17, 2025, the opening of Rachel's Promise Center for Women and Children was announced. Commissioner Cushman joined SDHC for this event, in which Mayor Gloria and Councilmember Whitburn also participated. Women experiencing homelessness will soon begin moving into the first 50 beds at the Rachel's Promise Center. That is 10 more beds than were available at the previous location at a nearby building owned by The Salvation Army. In the coming months, additional improvements at the new location will expand the program's capacity to a total of 210 beds for senior women, single women, and single women with children. This is a huge resource to address a significant and widening gap in the San Diego community. The City funds this shelter program, and SDHC contracts with Catholic Charities, Diocese of San Diego to operate the program. President and CEO Jones also thanked the owners of the building where the new Rachel's Promise is located—Dene Oliver and Jim McMillan—for their commitment and support for homelessness solutions in San Diego. Having programs tailored to the women at Rachel's Promise and the youth at the Safe STAY shelter program are incredible opportunities. President and CEO Jones thanked the SDHC Board, the City Council and the Mayor for their support and for ensuring budget funds were available for these programs.

### **SDHC Staff Awards of Excellence**

SDHC presented Awards of Excellence to staff at SDHC's all-employee meeting on March 28, 2025. These awards honor SDHC staff for their exceptional performance. The award recipients are selected from nominations they receive from their peers. Individual awards and team awards were presented. Some common themes emerged from the nominations for these award recipients, including regularly going above and beyond their job responsibilities; demonstrating professionalism; being collaborative and dependable; finding solutions; and producing high-quality work. President and CEO Jones added that SDHC staff work with compassion and put people first. They do the work day in and day out that makes a positive difference in the lives of thousands of San Diegans struggling financially in the City of San Diego.

Chair Mitchell said SDHC wants to create progress that can be seen and experienced, and the transition-age youth shelter and Rachel's Promise shelter create space. He also congratulated SDHC on the Rachel's Promise shelter, which will expand capacity to provide more than 200 total beds, and the SDHC staff recognized with awards of excellence.

Commissioner Cushman added that Rachel's Promise is going to be dignified, warm and a first-class facility.

Commissioner Hester thanked President & CEO Jones and applauded the SDHC staff highlighted as recipients of awards of excellence.



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## **50      APPROVAL OF THE MINUTES**

The minutes of the Regular and Special SDHC Board of Commissioners Meetings of March 14, 2025, were approved on a motion by Vice Chair Clumpner, seconded by Commissioner Jackson, and passed by a vote of 7-0.

## **CONSENT AGENDA**

Motion by Commissioner Hester to approve Items 100, 101 and 102 on consent. Seconded by Commissioner Hubbard and passed by a vote of 7-0.

Commissioner Cushman said for the record that having a 20 percent contingency is too high. He also encouraged staff before concluding the Ware Disposal contract to try to get a 3 percent annual increase instead of a Consumer Price Index (CPI) increase, but he supports the consent agenda items.

### **100      HCR25-031      Award of a Contract with Ware Disposal, Inc., for Trash, Recycling and Organics Collection Services**

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

- 1) Authorize SDHC to enter into a contract with Ware Disposal, Inc., for trash, recycling and organics collection services for an initial term of June 1, 2025, through May 31, 2026, in the amount of \$1,182,176.21 with four one-year options to renew based on SDHC's needs. The dollar amounts for the first year and each renewal option, if SDHC exercises the option, include an annual 20 percent contingency and anticipated Consumer Price Index (CPI) increases. The contingency is subject to SDHC's written approval and execution through a contract amendment, if needed. Spending against the contract will not exceed the approved total budget in each fiscal year.
- 2) Authorize the President and Chief Executive Officer (President and CEO), or designee, to substitute the funding sources with other available funding sources, provided the total program/project budget amount after substitution does not exceed the approved total budget, should the operational need arise or should such actions benefit SDHC and its mission.
- 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.

### **101      HCR25-032      Award of a Contract with Aventus Security Inc. for Security Services for the San Diego Housing Commission's Headquarters**

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

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- 1) Ratify an agreement with Aventus Security, Inc. for security services at SDHC's headquarters at 1122 Broadway, San Diego, 92101, which SDHC owns, for an initial one-year term from April 15, 2025, through April 14, 2026, in the amount of \$663,838 with four one-year options to renew. The dollar amounts for the first year and each renewal option, if SDHC exercises the option, include an annual 10 percent contingency and a 3 percent increase for each option year SDHC exercises.

Contract Term	Contract Amount	Contingency	Total
Year 1 April 15, 2025-April 14, 2026	\$603,480	\$60,348	\$663,828
Year 2 April 15, 2026-April 14, 2027	\$621,510	\$62,151	\$683,661
Year 1 April 15, 2027-April 14, 2028	\$640,156	\$64,016	\$704,172
Year 1 April 15, 2028-April 14, 2029	\$659,360	\$65,936	\$725,296
Year 1 April 15, 2029-April 14, 2030	\$679,141	\$67,914	\$747,055
Total Contract Cost	\$3,203,647		\$3,524,012

- 2) Authorize SDHC's President and Chief Executive Officer (President and CEO), or designee, to substitute the funding sources with other available funding sources, provided that the total program/project budget amount after substitution does not exceed the approved total budget, should the operational need arise or should actions benefit SDHC and its mission.
- 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 to 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.

**102 HCR25-021 Approval of an Operating Agreement between the San Diego Housing Commission and Alpha Project for the Homeless to Operate the City of San Diego Family Shelter Program at 1801 Logan Avenue, San Diego, CA 92113**

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

- 1) Authorize SDHC to enter into an agreement with Alpha Project for the Homeless (Alpha Project) to operate a 42-unit, non-congregate, shelter program at 1801 Logan Avenue, San Diego, CA 92113, for an initial term from July 1, 2025, through June 30, 2026, in the amount of \$2,249,674, with four one-year options to renew in the amount of \$2,249,674 per year. Funding for this program will be determined through the City's annual budget process.



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- 2) Authorize SDHC's 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 and format approved by General Counsel, and to take such actions 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.
- 3) Authorize SDHC's President and CEO, or designee, to substitute funding sources and/or increase compensation by not more than 20 percent of the total agreement amount for the proposed agreement, if necessary, without further action by the SDHC Board or the Housing Authority of the City of San Diego, but only if and to the extent that funds are determined to be available for such purposes.

### **ADOPTION AGENDA**

#### **103    HCR25-018    Authorization to Execute a Purchase and Sale Agreement and Apply for State of California Department of Housing and Community Development Homekey+ Program Grant Funds – 7798 Starling Dr.**

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

Public testimony by Keith Corry and Brian Elliott.

Motion by Commissioner Cushman to approve staff's recommendation. Seconded by Commissioner Jackson and passed by a vote of 7-0.

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

- 1) Authorize SDHC's President and Chief Executive Officer (President and CEO), or designee, to execute a Purchase and Sale Agreement (PSA) by and between SDHC and Tusore Hospitality, Inc, a California Corporation, with a purchase price not to exceed \$37,350,000 for the property at 7798 Starling Dr., San Diego, CA 92123.
- 2) Authorize an Earnest Money Deposit not to exceed \$500,000 as detailed in the staff report.
- 3) Authorize the commencement of Due Diligence and a Due Diligence budget not to exceed \$250,000 as set forth in the staff report.
- 4) Authorize SDHC's President and CEO, or designee, to substitute approved funding sources with any other available funds as deemed appropriate, contingent upon budget availability.
- 5) Authorize and direct SDHC to submit an individual application to the State of



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California Department of Housing and Community Development (Department) Homekey+ Program for grant funds in an amount up to \$35,000,000 in accordance with the November 26, 2024, Notice of Funding Availability (NOFA) for the Homekey+ Program for the acquisition and rehabilitation of the property at 7798 Starling Dr., San Diego, CA 92123.

- 6) If the application is approved and the proposed project is subsequently approved by the Housing Authority of the City of San Diego, authorize and direct SDHC to enter into, execute, and deliver a Standard Agreement in a total amount up to \$35,000,000 and any and all other documents required or deemed necessary or appropriate to secure Homekey+ Funds from the Department, and to participate in the Homekey+ Program.

SDHC acknowledges and agrees that it shall be subject to the terms and conditions specified in the Standard Agreement, and that the NOFA and application will be incorporated in the Standard Agreement by reference and made a part thereof. Any and all activities, expenditures, information, and timelines represented in the application are enforceable through the Standard Agreement. Funds are to be used for the allowable expenditures and activities identified in the Standard Agreement.

- 7) 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, provided that a copy of the documents, signed as to form by General Counsel, are submitted to each Housing Commissioner.

**104 HCR25-024 Proposed Fiscal Year 2026 City of San Diego Affordable Housing Fund Annual Plan**

Suket Dayal, Executive Vice President of Business Administration and Chief Financial Officer, and Mathew Higgins, Principal Budget & Reporting Analyst, Financial Services Department, presented the request for approval.

Motion by Commissioner Jackson to approve staff's recommendation. Seconded by Commissioner Hubbard and passed by a vote of 7-0.

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

- 1) Approve the Proposed Fiscal Year (FY) 2026 City of San Diego Affordable Housing Fund Annual Plan Program Activity Allocation of \$32,811,745 in anticipated funds (also included in the proposed FY 2026 SDHC Budget), of which \$15,757,789 was approved in prior years, and the proposed Model Programs.
- 2) Authorize SDHC's President and Chief Executive Officer (President and CEO), or designee, to reallocate funds among the proposed Model Programs included in the FY



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2026 Affordable Housing Fund Annual Plan in response to market demands and opportunities.

**105 HCR25-030 Supplemental Preliminary Bond Authorization and Tax Equity and Fiscal Responsibility Act (TEFRA) Hearing for Sea Breeze Gardens Apartments**

Colin Miller, Senior Vice President of Real Estate Development, and Michelle Muniz, Director of Multifamily Loan Underwriting & Special Assets, Real Estate Division, presented the request for approval.

Motion by Commissioner Cushman to approve staff's recommendation. Seconded by Commissioner Vásquez and passed by a vote of 7-0.

That the San Diego Housing Commission (SDHC) Board of Commissioners (Board) take the following actions, as described in this report.

- 1) Approve the following steps to issue a supplemental allocation of up to \$7,500,000 in Housing Authority of the City of San Diego (Housing Authority) tax-exempt Multifamily Housing Revenue Bonds to facilitate Sea Breeze Gardens Preservation LP's rehabilitation of the Sea Breeze Gardens Apartments at 4802-4890 Logan Avenue in the Chollas Valley Neighborhoods Community Plan Group, which consists of 266 units affordable for 55 years for families earning 30 percent to 60 percent of San Diego's Area Median Income (AMI), one of which is a restricted manager's unit, and two unrestricted managers' units:
  - a. Issue a bond inducement resolution (Declaration of Official Intent) to issue a supplemental allocation of up to \$7,500,000 in tax-exempt Multifamily Housing Revenue Bonds supporting the rehabilitation of Sea Breeze Gardens Apartments by Sea Breeze Gardens Preservation LP;
  - b. Authorize an application (and subsequent applications, if necessary) to the California Debt Limit Allocation Committee (CDLAC) for an allocation of authority to issue tax-exempt private activity bonds in an amount up to \$7,500,000 for Sea Breeze Gardens Apartments; and
  - c. Approve the financing team of Jones Hall as the Bond Counsel and Public Financial Management (PFM) as the Financial Advisor.
- 2) Authorize SDHC's President and Chief Executive Officer (President and CEO), or designee, to execute any and all documents that are necessary to effectuate the transaction and implement these approvals in a form approved by General Counsel and Bond Counsel and to take such actions as are necessary, convenient, and/or appropriate to implement these approvals upon advice of General Counsel and/or the Bond Counsel.
- 3) Hold a Tax Equity and Fiscal Responsibility Act (TEFRA) public hearing regarding the Housing Authority's issuance of tax-exempt Multifamily Housing Revenue Bonds in an amount up to \$7,500,000 to facilitate the development of Sea Breeze Gardens Apartments.

**106 HCR25-016 Loan Recommendation for Avanzando San Ysidro**

Colin Miller, Senior Vice President of Real Estate Development, and Michelle Muniz, Director of Multifamily Loan Underwriting & Special Assets, Real Estate Division, presented the request for approval.





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Public testimony by Georgette Gomez.

Motion by Commissioner Hester to approve staff's recommendation. Seconded by Vice Chair Clumpner and passed by a vote of 7-0.

That the San Diego Housing Commission (SDHC) Board of Commissioners (Board), take the following actions as described in this report:

- 1) Approve a proposed residual receipts loan in an amount not to exceed \$4,120,000 to Avanzando San Ysidro, LP, a California limited partnership, to facilitate the new construction of Avanzando San Ysidro, a scattered-site development, consisting of two properties located 0.5 of a mile apart, at site 1: 317 Cottonwood Road and 210-240 South Vista Avenue, and site 2: 125 Cypress Drive, in the San Ysidro neighborhood of San Diego, which will consist of 101 affordable rental units that will remain affordable for 55 years for individuals and families with incomes from 30 percent to 60 percent of San Diego's Area Median Income (AMI), plus two unrestricted managers' units.

SDHC's proposed loan will be contingent upon the developer receiving all necessary third-party funding commitments as described in this report. Such third-party funding commitments will be subject to the SDHC General Counsel's approval.

- 2) Authorize the President and Chief Executive Officer (President and CEO), or designee to:
  - a. Execute any and all documents necessary to effectuate the transaction and implement the project in a form approved by the General Counsel, and to take such actions as are necessary, convenient, and/or appropriate to implement the approvals upon advice of the General Counsel, provided that a copy of the documents, signed as to form by General Counsel, is submitted to each Housing Commissioner.
  - b. Adjust financing terms/conditions, as necessary, for consistency with requirements of other funding sources or to accommodate market changes that may occur, provided that the proposed \$4,120,000 maximum loan amount may not increase.
  - c. Substitute approved funding sources with any other available funds as deemed appropriate, 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 this approval and delegation of authority by SDHC upon advice of the General Counsel.

#### **107 HCR25-017 Workshop & Discussion: Studies of the Cost to Develop Affordable Housing**

Lisa Jones, President & CEO, San Diego Housing Commission; Arron Barker and Jacob Ritchie, BAE Urban Economics; and Colin Miller, Senior Vice President of Real Estate Development, San Diego Housing Commission, presented an informational workshop regarding studies of the cost to develop affordable housing. The San Diego Housing Commission (SDHC) engaged BAE Urban Economics for a comprehensive study of the cost of developing affordable housing, what drives it and how to mitigate it. The study has identified factors that contribute to rising costs and strategies that policymakers may want to consider to address these issues. Additionally, RAND recently published a study of the high cost of producing multifamily housing, which also included recommendations for consideration.



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**108 HCR25-022 Workshop & Discussion: San Diego Housing Commission Proposed Fiscal Year 2026 Budget**

Lisa Jones, President & CEO, San Diego Housing Commission, and Suket Dayal, Executive Vice President of Business Administration and Chief Financial Officer, presented an informational workshop regarding the San Diego Housing Commission's proposed Fiscal Year 2026 Budget.

Chair Mitchell adjourned the Regular Meeting at 11:35 a.m.

Respectfully submitted,

*Scott Marshall*

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

Approved by,

*Lisa Jones*

Lisa Jones  
President and Chief Executive Officer  
San Diego Housing Commission