



REPORT

DATE ISSUED: September 6, 2018

REPORT NO: HCR18-079

ATTENTION: Chair and Members of the San Diego Housing Commission
For the Agenda of September 13, 2018

SUBJECT: Appoint Board Members to Housing Development Partners (HDP) and
HDP Mason Housing Corporation

COUNCIL DISTRICT: Citywide

REQUESTED ACTION

Appoint San Diego Housing Commission (Housing Commission) Commissioners Stefanie Benvenuto and Tim Walsh as members of the Boards of Directors of Housing Development Partners (HDP) and HDP Mason Housing Corporation.

STAFF RECOMMENDATION

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

- 1) Appoint Housing Commission Commissioners Stefanie Benvenuto and Tim Walsh as members of the Boards of Directors of Housing Development Partners (HDP) and HDP Mason Housing Corporation.

SUMMARY

HDP is a nonprofit public benefit corporation established by the Housing Commission in 1990. HDP develops and preserves affordable housing for low-income San Diegans through rehabilitation of existing buildings and new construction.

Buildings specially designed for seniors, families, workers and tenants with special needs are among the developments in HDP's real estate portfolio.

A five-member Board of Directors that includes the Housing Commission President and Chief Executive Officer (President & CEO) and two members of the Housing Commission Board of Commissioners governs HDP. The HDP Board of Directors also includes two at-large members who are appointed by the Housing Commission Board of Commissioners.

HDP Mason Housing Corporation is a nonprofit public benefit corporation established by HDP in 2011, with the primary mission of facilitating the acquisition and rehabilitation of The Mason in Downtown San Diego. The rehabilitation of The Mason was completed on September 28, 2012. Located at 1345 Fifth Avenue, San Diego, CA 92101, The Mason provides permanent supportive housing for 16 adults who were homeless or were at risk of homelessness and who need mental health services.

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HDP Mason Housing Corporation also is governed by a Board of Directors that consists of the Housing Commission President & CEO; two members of the Housing Commission Board of Commissioners; and two at-large members appointed by the Housing Commission Board of Commissioners.

Housing Commission staff recommends that Commissioners Stefanie Benvenuto and Tim Walsh be appointed to the HDP Board of Directors and to the HDP Mason Housing Corporation Board of Directors.

Commissioner Benvenuto was appointed to the Housing Commission Board of Commissioners by Mayor Kevin L. Faulconer and was confirmed by the City Council on April 11, 2017. She has served as the Public Policy Manager with the San Diego Regional Chamber of Commerce since 2015, managing the Chamber's Infrastructure, Housing & Land Use Committee, where she has led efforts on housing affordability and availability. She is also a member of the Executive Committee of Housing You Matters, a broad-based coalition that convenes, advocates, and educates around solutions for increasing housing supply and lowering the cost of building new homes. The Housing Commission is a member of Housing You Matters. Before joining the Chamber, she served as Director of Public Policy and Advocacy for Crittendon Services for Children & Families, a nonprofit organization that specializes in foster youth. She also worked as a District Director, Communications Director, and Field Representative for a former California State Assemblymember.

Commissioner Walsh was appointed to the Housing Commission Board of Commissioners by Mayor Kevin L. Faulconer and was confirmed by the City Council on April 11, 2017. As Chief of Staff to a Member of the U.S. House of Representatives since 2013, he manages the Member's daily, political, media and legislative affairs. He also leads congressional staff offices in Washington, D.C., Chula Vista, and El Centro. Before joining the staff of the U.S. House of Representatives, he worked as a campaign manager and consultant on federal, state and local campaigns and as an adjunct instructor of political science at Palomar College. He also co-founded two private sector businesses – a consulting firm and a renewable energy finance company – and previously worked for the cities of Temecula and Palmdale.

FISCAL CONSIDERATIONS

The proposed action has no fiscal impact.

KEY STAKEHOLDERS and PROJECTED IMPACTS

The key stakeholders of this action are the Board of Directors of HDP, the Board of Directors of HDP Mason Housing Corporation, the Housing Commission Board of Commissioners and the ownership partners and residents of HDP affordable housing developments.

ENVIRONMENTAL REVIEW

This activity is not a project as defined by the California Environmental Quality Act Section 21065 and State CEQA Guidelines Section 15378(b)(5), as it is an administrative activity of government that will not result in direct or indirect physical changes in the environment. The determination that this activity is not subject to CEQA, pursuant to Section 15060(c)(3), is not appealable and a Notice of Right to Appeal the Environmental Determination (NORA) is not required. Processing under the National Environmental Policy Act is not required as no federal funds are involved in this action.

CONFLICT DISCLOSURE:

HDP and HDP Mason Housing Corporation are 501(c)(3) nonprofit corporations, created to support the functions of the Housing Commission in developing affordable housing in the City of San Diego. Upon the approval of the recommended appointments, Housing Commission Commissioners Stefanie Benvenuto and Tim Walsh, and Housing Commission President & CEO Richard C. Gentry, will serve as non-compensated Directors of HDP and HDP Mason Housing Corporation. Commissioners Benvenuto and Walsh are not compensated for their service on the Housing Commission Board of Commissioners. Commissioners Benvenuto and Walsh and President & CEO Gentry are subject to certain federal, state and local conflict of interest regulations that govern decisions and contracts made by public officials.

The California Political Reform Act (Government Code §87100 et seq.) generally prohibits public officials from making governmental decisions in which they have certain enumerated financial interests. No member of the HDP Board of Directors, the HDP Mason Housing Corporation Board of Directors, or the Housing Commission Board of Commissioners is financially interested in HDP or HDP Mason Housing Corporation as defined in the Political Reform Act, because they are not compensated for their service to these bodies and because HDP and HDP Mason Housing Corporation are not operated for-profit. (Gov. C. §87103(d); §82005.)

California Government Code §1090 generally prohibits a public official from being financially interested in any contracts made in his/her official capacity, or by anybody or board of which he/she is a member. Even though no contract is contemplated by this action, the activities of the Commissioners and President & CEO are not prohibited under Section 1090. The California Legislature has recognized certain situations in which the public official is not deemed interested in a contract. (Gov. C. §1091.5.) When the public official's only interest in a contract is that of a non-compensated member of a nonprofit organization involved in the contract, the public official is deemed not to be interested in the contract, provided that the interest is disclosed in the official records. (Gov. C. §1091.5(a)(7) and (a)(8).) Commissioners Benvenuto and Walsh will serve HDP and HDP Mason Housing Corporation as members of HDP's and HDP Mason Housing Corporation's governing boards, which interest is considered a "non-interest" for purposes of §1090. Commissioners Benvenuto and Walsh are not prohibited from making any contract between the Housing Commission and HDP or HDP Mason Housing Corporation in their official capacity as Commissioners. Mr. Gentry has the same non-interest in HDP and HDP Mason Housing Corporation pursuant to §1091.5(a)(7) and (a)(8) as a non-compensated director of HDP and HDP Mason Housing Corporation.

No Commissioner has a prohibited financial interest in HDP or HDP Mason Housing Corporation that would legally preclude their participation in a hearing on the matters presented in this Report, under the provisions of federal, state and local conflict of interest law. Furthermore, Commissioners Benvenuto and Walsh are legally entitled to vote and be counted for quorum purposes at any meeting of the Housing Commission Board of Commissioners discussing HDP or HDP Mason Housing Corporation. President & CEO Gentry does not vote on matters before the Housing Commission Board of Commissioners, although he too has no conflict of interest under federal, state or local law.

In addition, the local Ethics Ordinance mirrors the provision of state law, as it affects Commissioners Benvenuto and Walsh and the President & CEO of the Housing Commission. None of them has any conflict of interest in connection with this matter.

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It is requested by General Counsel that this disclosure be included within the official minutes of the action by the Board of Commissioners concerning this matter in accordance with the provisions of applicable law.

Respectfully submitted,

Charles B. Christensen

Charles B. Christensen
General Counsel
San Diego Housing Commission

Approved by,

Jeff Davis

Jeff Davis
Executive Vice President & Chief of Staff
San Diego Housing Commission

Hard copies are available for review during business hours at the security information desk in the main lobby and the fifth floor reception desk of the San Diego Housing Commission offices at 1122 Broadway, San Diego, CA 92101 and at the Office of the San Diego City Clerk, 202 C Street, San Diego, CA 92101. You may also review complete docket materials in the "Public Meetings" section of the San Diego Housing Commission website at www.sdhc.org.