



SAN DIEGO  
HOUSING  
COMMISSION

## MINUTES

**SAN DIEGO HOUSING COMMISSION  
MINUTES OF THE REGULAR MEETING  
JULY 18, 2025  
SMART CORNER  
4<sup>TH</sup> FLOOR CONFERENCE ROOM  
1122 BROADWAY  
SAN DIEGO, CA 92101**

### **ATTENDANCE**

**Present:**

Vice Chair Ryan Clumpner  
Commissioner Kellee Hubbard  
Commissioner Johanna Hester  
Commissioner Antoine “Tony” Jackson  
Commissioner Stephen P. Cushman  
Deputy Chief Executive Officer Jeff Davis  
General Counsel Chuck Christensen

**Not present:**

President and CEO Lisa Jones  
Chair Eugene “Mitch” Mitchell  
Commissioner Melinda K. Vásquez

### **10      CALL TO ORDER**

Vice Chair Clumpner called the Regular Meeting to order at 9:04 a.m.

Vice Chair Clumpner stated that on Monday, July 14, 2025, a revised agenda for the July 18, 2025, meeting removed an item about the Admissions and Continued Occupancy Policy for Public Housing. This item will be presented to the Board at a future meeting.

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

Joy Sunyata spoke about the progress of the San Diego Housing Commission’s (SDHC) new Strategic Plan; upcoming new water rates; the resilience program; the Regional Task Force on Homelessness’ pilot program on homelessness prevention and diversion strategies, involving philanthropic funds and a cost-effective alternative to sheltering; and inclusion of the pilot program in round six of the state’s Homeless Housing, Assistance and Prevention (HHAP) program application.

Carlos Padial III spoke about homelessness and supporting those in need through his nonprofit organization, The Lids of Encouragement and the Army of Saints, focused on encouraging individuals experiencing challenges in their life. He is interested in collaborating with SDHC on



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future projects, specifically the Homelessness Response Center at the Downtown San Diego Central Library.

### **30      COMMISSIONER COMMENTS**

Vice Chair Clumpner said it is unfortunate when resources intended to benefit the people SDHC serves are diverted to attorneys instead. This includes families on the Section 8 waiting list, residents living in SDHC-owned properties, and unhoused members of the community waiting for a shelter bed to become available. It is especially difficult because the substance of a case against SDHC, for which Deputy CEO Davis provided an update in his report to the Board, was dismissed years ago. Vice Chair Clumpner is further concerned about how this update may affect other jurisdictions. It seems to open the door for serial litigants to pursue cases that have no hope of prevailing at trial but are intended to collect fee awards based on the strategy of preempting foreseeable policy changes that are made by those agencies. The SDHC Board is deeply committed to hardening SDHC's legal defenses and making any changes needed to safeguard these critical resources from predatory attorneys.

This issue relates directly to the pet policy that was previously on the agenda. This policy would create additional flexibilities for SDHC tenants. It would allow them to keep more and different types of pets than the existing policy allowed. It did not apply to service animals. Unfortunately one of the attorneys involved in the previously mentioned cases has focused on this policy. Given SDHC's history with these serial litigants, anything they take an interest in now requires additional review to protect SDHC from further litigation costs, which come at the direct expense of SDHC residents. Vice Chair Clumpner shared his love for animals and deep involvement in dog rescue, including fostering over 50 dogs from local shelters over the past decade and advocating at the state and local level for more flexibility for pets as it relates to tenant protections. Vice Chair Clumpner said he reached out directly to the attorney involved to speak about this policy, and he never heard back. Vice Chair Clumpner said he was disappointed that these changes will not be heard at the July 18 Board meeting, but his highest priority is protecting the resources that thousands of families are counting on SDHC to administer responsibly.

Commissioner Cushman seconded Vice Chair Clumpner's comments. He also shared that he has seen frivolous lawsuits during his service on each of numerous other boards. He said a million-dollar fee that SDHC has to pay for nothing is upsetting. Noting his involvement with the food bank, Commissioner Cushman said \$1 million would provide two million meals. To house people, \$1 million would be 5,000 room nights in hotels or some kind of shelter to get them off the streets. In a recent diversion program on which Commission Cushman collaborated with County Supervisor Terra Lawson-Remer, \$1 million would have kept 440 people in their housing for a year. He said enhancing someone else instead of helping those who need help is upsetting.

Vice Chair Clumpner added that there is a role for public interest attorneys, that government agencies need accountability, and that if SDHC had lost the case at trial, the SDHC Board would have a different response. However, of all the agencies, corporations or nonprofits that an attorney could target for the strained catalyst theory of legal fees, SDHC ought to be the last one on the list because these resources are too important to too many people.



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Commissioner Jackson stated that he agreed with Vice Chair Clumpner and Commissioner Cushman and that spending these funds on litigation was an attempt to take money from people experiencing homelessness, and it needs to stop.

Commissioner Hester described the situation as a shameful act of extracting resources from a public agency that serves people in need.

Commissioner Hubbard concurred with all the Commissioners' comments and said having to pay the attorneys' fees in this case is ridiculous and a shame.

Vice Chair Clumpner requested the monthly update regarding homelessness shelter bed availability. Senior Vice President of Homelessness Housing Innovations Casey Snell said 1,242 requests for shelter were received in June, and 233 (19 percent) were placed. This was one of the highest of the year because intakes were paused in May to accommodate the closure of the Rosecrans Shelter. Once it was determined that room was available for each person from the Rosecrans Shelter, beds were released, which was more bed than normally are available. This explains the higher completion rate. Intakes resumed on June 12 for Safe Sleeping and June 23 for the single-adults shelters. The main reasons for being unable to accommodate a shelter referral were a lack of available top beds for males, bottom beds for males, and bottom beds for females. Overall updates for Fiscal Year 2025, 24,389 referrals for shelter were received, and 2,820 (12 percent) were placed. For the fiscal year, more than 54 percent of referrals were not accommodated because beds were not available for males, and 25 percent were not accommodated because beds were not available for females. As a reminder, during Fiscal Year 2025, the shelter at Golden Hall (324 beds) closed, the shelter at the Paul Mirabile Center (350 beds) closed, and intakes were suspended at Veterans Village of San Diego, Rachel's Promise, the transition-age youth shelter from March until June to prepare for the closure of the Rosecrans Shelter (150 beds), which will conclude on July 25. which is another loss of 150 beds. Those contributed to the decrease in the percentage of completed referrals in Fiscal Year 2025 compared to Fiscal Year 2024. Also, the number of referrals for shelter increased in Fiscal Year 2025. Regarding the Rosecrans Shelter, 16 shelter residents remain, so the decision was made to close the shelter on July 25, 2025. Staff has worked hard to make sure all Rosecrans Shelter residents had a place to go. Everyone was offered alternative shelter or housing. The 16 remaining shelter residents already have been offered those resources, and 16 beds continue to be held for them. However, they will choose whether they want to go to the alternative resources or destinations. After the shelter closes July 25, the physical decommissioning of the site will begin. It will conclude no later than August 31, 2025.

#### **40 REPORT BY THE DEPUTY CHIEF EXECUTIVE OFFICER**

Deputy CEO Jeff Davis shared that President and CEO Lisa Jones is in New York for the National Association of Housing and Redevelopment Officials' (NAHRO) summer conference. SDHC's participation with national organizations like NAHRO is valuable, especially in this unique time as federal funding levels of programs are being hotly debated. SDHC is closely monitoring the legislative activity in Washington, D.C., related to the federal budget and appropriations and to join industry partners in advocacy and education efforts about the critical importance of SDHC's programs locally and across the country.

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The next Strategic Plan is in the process of being finalized and is anticipated to be presented for consideration at the September 12, 2025, SDHC Board meeting.

Vice Chair Clumpner mentioned that the revised agenda for the Board meeting removed an item about updates to SDHC's Admissions and Continued Occupancy Policy. That item included two updates to the current policy. One of those updates related to the pet policy at SDHC's 189 public housing units. That proposed change would apply only to pets, not to service or support animals. SDHC is aware that incorrect information was shared by someone on social media about the policy and what changes were being proposed. It is unfortunate that this misinformed some members of the public about the policy. The proposed update was simply to remove language that currently states that only one of the two allowable pets per unit could be a dog. The new policy would have allowed for both pets to be a dog. The policy change would have given tenants more flexibility—not less. It is important to note that service and support animals—animals deemed necessary by a medical professional—do not count as pets. SDHC's policy clearly states that service animals and support animals are not pets and are not subject to the pet policy. SDHC was never considering and were not proposing any limitations on service and support animals. This item was removed from today's agenda while reviewing whether additional flexibilities may be added to the policy. It will be presented to the Board at an upcoming meeting, likely September.

### **Conclusion of Litigation**

Litigation filed more than six years ago against SDHC—*San Diego Tenants Union v. SDHC*—involved issues related to the payment standards in SDHC's Section 8 Housing Choice Voucher rental assistance program. The payment standard is the dollar value of the voucher. It is the maximum amount the housing voucher will pay toward the contract rent for an apartment or rental home, minus the applicable amount the tenant pays, which is known as the tenant rent portion. SDHC has raised payment standards every year for the past eight years, including 2018—the year before the lawsuit was filed. There was no judgment in this case and no finding against SDHC. In July of 2022, the lawsuit against SDHC was dismissed, and it cannot be refiled. However, early in 2023, the Superior Court awarded attorneys' fees and costs totaling more than \$1 million. SDHC would have to pay that amount to the plaintiffs' attorneys. Earlier this year, the state appellate court in San Diego affirmed the trial court's decision, and the state Supreme Court has declined to hear the case. So SDHC will be required to pay the attorneys' fees awarded to the plaintiffs in this case, plus interest that has accrued while on appeal. Deputy CEO Davis reiterated that this case was dismissed without any kind of judgment against SDHC regarding its payment standards. However, SDHC is now in a position of having to pay the plaintiffs' attorneys more than \$1 million.

### **Transportation, Housing and Urban Development Appropriations Bill**

The House of Representatives' version of the proposed Transportation, Housing and Urban Development appropriations bill was released on Sunday and was considered in committee Thursday, July 17, 2025. It is generally consistent with what President and CEO Lisa Jones said at the June 2025 Board meeting. She had said that federal appropriators were building the federal budget on the foundation of what the current budget looks like. They were not building it based on the administration's budget proposal. The appropriations bill reflects that. It proposes federal funding at levels intended to maintain tenant-based rental assistance for more than two

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million households nationwide that currently receive it. However, it does not address existing funding shortfalls or the rising cost of housing and inflation and their effects on the rental assistance program. The bill includes proposed increases in funding for project-based rental assistance and homelessness grants. However, the proposed bill reduces funding for the costs to administer the rental assistance program and for public housing program. It also does not provide any funding in Fiscal Year 2026 for the HOME Investment Partnerships Program, which is an important funding source for affordable housing development. The appropriations bill is better than expected, but there are still areas of concern. It must still go through the legislative process, which may result in changes either in the House or Senate. A continuing resolution instead of a federal budget also remains a possibility.

#### **“One Big Beautiful Bill” Act Signed Into Law**

On the Fourth of July, the President signed into law the legislation known as the “One Big Beautiful Bill Act.” Several provisions of this law will affect families SDHC serves. However, the law does not have any direct impact on our housing and homelessness programs or U.S. Department of Housing and Urban Development (HUD) programs. The National Low Income Housing Coalition noted in its analysis that the complicated rules for the reconciliation process that Congress used for this bill meant that HUD housing assistance was not impacted. The bill did include an expansion of Low-Income Housing Tax Credits that support affordable housing development. This includes a 12 percent increase in the allocation to states for 9 percent tax credits. For projects financed with 4 percent tax credits, this legislation requires 25 percent of financing to be from Multifamily Housing Revenue bonds instead of the current 50 percent. That applies to bonds issued before 2030. The bill also establishes permanent policy for Opportunity Zones. These are census tracts that historically have experienced underinvestment for many years. There are several Opportunity Zone areas in San Diego. Opportunity Zone designations seek to increase investment in these areas by providing preferential treatment in terms of taxes. SDHC is preparing to advocate at the state for Opportunity Zone designations that align with the city’s housing production goals. The families served are likely to experience impacts from the federal legislation’s provisions about other, non-housing programs. The new law includes funding cuts for Medicaid and the Supplemental Nutrition Assistance Program, which is sometimes referred to as food stamps. This is concerning for the families SDHC serves that may be impacted by these cuts and for the future of the state budget. If the state must take action to attempt to bridge some of these gaps, future funding for other discretionary activities, such as affordable housing development or addressing homelessness, could be impacted. The federal budget is separate from this recently approved federal legislation. SDHC will continue to engage with federal lawmakers and national groups.

#### **Advocacy for Federal rental Assistance Funding**

SDHC’s advocacy included the publication of an opinion piece in the *San Diego Union-Tribune* on June 26, 2025. In this piece, President and CEO Lisa Jones made the case for Congress to act now to protect vulnerable families in San Diego and communities across the country by fully funding the Section 8 Housing Choice Voucher rental assistance program. She described two crises that could occur if federal rental assistance funding is cut. One is that many families with low income who depend on rental assistance would experience housing instability could become homeless. The second is a potential mortgage crisis for “mom and pop” landlords who rent to Housing Choice Voucher families and may struggle to pay their mortgages if they are not receiving the rental assistance payments that public housing authorities administer. To view this



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publication, a copy is available on SDHC's website, in the "Media Center" in the section for "CEO Published Articles and Commentaries."

### **SDG&E Approval of CARE Applications**

San Diego Gas & Electric has approved the applications for two of SDHC's properties—Kearny Vista and Valley Vista—to receive discounts on gas and electricity costs through the California Alternative Rates for Energy (CARE) program. The program will provide a 30 percent discount on energy costs at these properties. That is a savings of about \$33,700 per month at Valley Vista and \$28,600 per month at Kearny Vista. The CARE program provides energy discounts for households with low income. Last year, SDHC sponsored Assembly Bill 2672, which extended the program's eligibility for discounts to master-metered properties that received state Homekey funds. The state awarded Homekey funds to SDHC for acquisition and rehabilitation of both Kearny Vista and Valley Vista. Together, these properties provide 332 affordable housing units with supportive services for people who experienced homelessness. SDHC pays all utilities at these properties on behalf of the residents. SDHC has also submitted an application for CARE discounts for the Presidio Palms property, which consists of 161 affordable housing units with supportive services for people who experienced homelessness. Extending CARE discounts to Homekey-funded properties was an idea Chair Mitchell proposed. SDHC thanks Chair Mitchell for leading, engaging and advocating for this expansion of the CARE program.

### **California State Budget**

The state budget adopted at the end of June did not include any changes to previous budget proposals, so there were no state funding increases for existing housing programs. The approval of the budget also came with the approval of additional housing legislation. One of the more significant laws reforms the California Environmental Quality Act to encourage more housing development throughout the state. Urban infill developments are now exempt from CEQA. The state is also expanding efforts to provide for faster permitting and approvals for housing. Also, the renters tax credit will double to up to \$500 for qualified tax filers. SDHC will continue to work with its state consultant, state lawmakers and state housing organizations to engage on a variety of legislation that may impact SDHC's programs and the people SDHC serves.

### **Take Our Children to Work Day**

SDHC held a Take Our Children to Work Day event here at SDHC's offices on July 12, 2025. This was an opportunity for SDHC staff to bring their kids, grandkids, nieces, nephews or other relatives to work and learn more about what SDHC does. The national event typically occurs in April, but SDHC scheduled its event to occur during the summer when most local school districts are on breaks to make it possible for more kids to participate. Including SDHC staff and the children who came with them, more than 100 people participated in this event. This was SDHC's first observance of Take Our Children to Work Day since before the COVID pandemic.

## **50 APPROVAL OF THE MINUTES**

The minutes of the June 20, 2025, Regular Meeting of the SDHC Board of Commissioners were approved on a motion by Commissioner Jackson, seconded by Commissioner Hester and passed by a vote of 5-0, with Chair Mitchell and Commissioner Vásquez not present.



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### **CONSENT AGENDA**

Motion by Commissioner Hester to approve Items 100, 101 and 102 on consent. Seconded by Commissioner Cushman and passed by a vote of 5-0, with Chair Mitchell and Commissioner Vásquez not present.

Public comments by Gil Vera, Rosanna Kendricks-Sanders, Joy Sunyata and Natalie Raschke on Item 101.

Public comment by Joy Sunyata on Item 102.

#### **100 HCR25-050 Award of a Contract for Parking Management Services at the San Diego Housing Commission's Headquarters Office Building at 1122 Broadway, San Diego, CA 92101**

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

- 1) Authorize SDHC to enter into an agreement with ACE Parking III, LLC (ACE Parking) for parking operator services at SDHC's headquarters office building at 1122 Broadway, San Diego, CA 92101, which SDHC owns, for a one-year term from August 1, 2025, through July 31, 2026, with four one-year options to renew for a total contract cost of \$1,592,215 if all options are exercised. A 3 percent increase in the yearly contract amount would apply for each renewal option the year SDHC chooses to exercise.
- 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 be to the benefit of 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.

#### **101 HCR25-055 Approval of the Revised Fiscal Year 2026 Section 8 Housing Choice Voucher Administrative Plan**

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

- 1) Approve the revised Fiscal Year (FY) 2026 Section 8 Housing Choice Voucher Administrative Plan.



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- 2) Authorize the President and Chief Executive Officer, or designee, to execute all documents and instruments 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    HCR25-046    Approval of the Contract Amendment between the San Diego Housing Commission and People Assisting the Homeless (PATH) to Operate the Connections Housing Interim Shelter Program at 1250 Sixth Ave., San Diego, CA 92101**

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

- 1) Authorize the amendment to operating agreement HHI-23-35.2 between SDHC and People Assisting the Homeless (PATH) to increase funding for the Connections Housing Interim Shelter Program at 1250 Sixth Ave., San Diego, CA 92101 in Fiscal Year (FY) 2026 by \$710,036 for a revised total of \$1,840,878. FY 2026 Funding sources are expected to be City of San Diego (City) General Funds and federal Emergency Solution Grant (ESG) funds.
- 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    HCR25-001    Authorization to Enter into the First Amendment to The Second Amended and Restated Lease and Require the Recommencement and Completion of the Minimum Capital Improvements per the Second Amended and Restated Lease and Cease Negotiations Regarding a Non-binding Letter of Intent for the Redevelopment of Mariner's Cove, 4392 West Point Loma Boulevard, San Diego, 92107**

Jennifer Kreutter, Vice President of Multifamily Housing Finance, Real Estate Division, presented the request for approval.

Public testimony by Joy Sunyata, Joni Halpern, and Dan Dore.





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Motion by Commissioner Cushman to approve staff's recommendation. Seconded by Commissioner Jackson and passed by a vote of 5-0, with Chair Mitchell and Commissioner Vásquez not present.

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

- 1) Authorize SDHC, as administrative agent of the Housing Authority of the City of San Diego (Housing Authority), to enter into the First Amendment to the Second Amended and Restated Lease (SARL) require the recommencement and completion of the Minimum Capital Improvements as described in the Second Amended and Restated Lease (SARL) with Lincoln Mariners Associates Limited (Lessee) for Mariner's Cove at 4392 West Point Loma Boulevard, San Diego, 92107, at the terms and conditions listed within the report.

Authorization to extend the deadline shall not constitute a waiver of the Ground Lease's requirements regarding the sale, transfer or assignment of the leasehold. The terms of the Ground Lease, which shall remain in effect, state that the leasehold may not be sold, transferred or assigned without the express written consent of SDHC on behalf of the Housing Authority and that the required improvements of the property must be completed before any sale, transfer or assignment may be approved.

- 2) Authorize SDHC, as administrative agent of the Housing Authority of the City of San Diego, to cease negotiations regarding a non-binding Letter of Intent (LOI) to enter into an Amendment to the Second Amended and Restated Lease (SARL) with Lincoln Mariners Associates Limited (Lessee) for Mariner's Cove at 4392 West Point Loma Boulevard, San Diego, 92107.
- 3) Authorize Lisa Jones, SDHC's President and Chief Executive Officer, or designee, to execute all necessary 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, including an amendment to the Ground Lease, provided that a copy of the documents, signed as to form by General Counsel, is submitted to each SDHC Commissioner.

**104    HCR25-051    Preliminary Bond Authorization, Tax Equity and Fiscal Responsibility Act (TEFRA) Hearing, Demolition and Loan Modification for Mercado Apartments**

Jennifer Kreutter, Vice President of Multifamily Housing Finance, Real Estate Division, and Michelle Muniz, Director of Multifamily Loan Underwriting and Special Assets, Real Estate Division, presented the request for approval.

Public testimony by Oscar Del Toro and Joy Sunyata.



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Motion by Commissioner Cushman to approve staff's recommendation. Seconded by Commissioner Jackson and passed by a vote of 5-0, with Chair Mitchell and Commissioner Vásquez not present.

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

- 1) Approve the owner's request to perform the following at Mercado Apartments, an affordable housing development at 2001 Newton Ave. in the Barrio Logan neighborhood:
  - a. Demolish 12 of the 144 existing housing units (11 deed-restricted affordable housing units and one unrestricted manager's unit)
  - b. Build 91 new deed-restricted affordable housing units and one unrestricted manager's unit, for a net increase of 80 housing units at the property.
  - c. Rehabilitate 131 existing deed-restricted affordable units and one unrestricted manager's unit
- 2) Recast certain existing SDHC loan terms as described in this report.
- 3) Approve the following steps to issue \$75,000,000 in Housing Authority of the City of San Diego tax-exempt Multifamily Housing Revenue Bonds and \$5,000,000 in taxable bonds to facilitate the acquisition and new construction of 92 housing units and rehabilitation of 132 existing housing units at Mercado Apartments, an affordable housing development at 2001 Newton Ave. in the Barrio Logan Neighborhood, which, upon completion, will consist of 224 housing units, of which 222 will remain affordable for 55 years for households earning 30 percent to 60 percent of San Diego's Area Median Income (AMI) and two will be unrestricted manager units:
  - a. Issue a bond inducement resolution (Declaration of Official Intent) for up to \$75,000,000 in Multifamily Housing Revenue Bonds for the development of Mercado Apartments by MAAC Mercado L.P., a California limited partnership formed by Metropolitan Area Advisory Committee on Anti-poverty of San Diego County Inc. (MAAC).
  - 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 \$75,000,000 for Mercado Apartments; and
  - c. Approve the bond financing team of Anzel Galvan LLP as the Bond Counsel and Ross Financial as the Financial Advisor.
- 4) 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.

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- 5) Hold a Tax Equity and Fiscal Responsibility Act (TEFRA) public hearing regarding the Housing Authority's issuance of Multifamily Housing Revenue Bonds in an amount up to \$75,000,000 to facilitate the acquisition, new construction, and rehabilitation of Mercado Apartments.

**105 HCR25-053 Loan Recommendation, Preliminary Bond Authorization, and Tax Equity and Fiscal Responsibility Act (TEFRA) Hearing for 73rd Street Apartments**

Jennifer Kreutter, Vice President of Multifamily Housing Finance, Real Estate Division, and Michelle Muniz, Director of Multifamily Loan Underwriting and Special Assets, Real Estate Division, presented the request for approval.

Public testimony by Chris Arthur and Joy Sunyata.

Motion by Commissioner Cushman to approve staff's recommendation. Seconded by Commissioner Hester and passed by a vote of 5-0, with Chair Mitchell and Commissioner Vásquez not present.

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

- 1) Approve a SDHC residual receipts loan in an amount not to exceed \$4,000,000 to 73rd Street Apartments, LP, a California limited partnership, to facilitate the acquisition and new construction of 73rd Street Apartments at 5001 73rd St., in the College Area neighborhood, which will consist of 119 affordable rental housing units that will remain affordable for 55 years for households with income of 30 percent to 50 percent of San Diego's Area Median Income (AMI), of which 30 units will be permanent supportive housing for households experiencing homelessness, and one unrestricted manager's unit.

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 SDHC General Counsel's approval.

- 2) Authorize SDHC's President and Chief Executive Officer (President and CEO), or designee, to:
  - a. Execute all necessary documents and instruments 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 \$4,000,000 maximum SDHC loan amount may not increase.



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- 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 the SDHC Board upon advice of the General Counsel.
- 3) Approve the following steps to issue up to \$47,000,000 of Housing Authority of the City of San Diego tax-exempt Multifamily Housing Revenue Bonds and \$15,900,000 of taxable bonds for 73<sup>rd</sup> Street Apartments:
  - a. Issue a bond inducement resolution (Declaration of Official Intent) for up to \$47,000,000 in tax-exempt Multifamily Housing Revenue Bonds for the acquisition and new construction of 73rd Street Apartments by 73rd Street Apartments L.P.
  - 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 \$47,000,000 for 73rd Street Apartments.
  - c. Approve the bond financing team of Hawkins, Delafield & Wood as Bond Counsel and CSG Advisors as Bond Financial Advisor.
- 4) Authorize SDHC's 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 the General Counsel and the Bond Counsel, and to take such actions as are necessary, convenient, and/or appropriate to implement these approvals upon advice of the General Counsel and/or the Bond Counsel.
- 5) 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 \$47,000,000 to facilitate the acquisition and new construction of 73<sup>rd</sup> Street Apartments.

**106 HCR25-052 Preliminary Bond Authorization and Tax Equity and Fiscal Responsibility Act (TEFRA) Hearing for Fourth and Penn**

Jennifer Kreutter, Vice President of Multifamily Housing Finance, Real Estate Division, and Michelle Muniz, Director of Multifamily Loan Underwriting and Special Assets, Real Estate Division, presented the request for approval.

Public testimony by Joy Sunyata.

Motion by Commissioner Jackson to approve staff's recommendation. Seconded by Commissioner Cushman and passed by a vote of 5-0, with Chair Mitchell and Commissioner Vásquez not present.

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



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- 1) Approve the following steps to issue up to \$30,000,000 in Housing Authority of the City of San Diego (Housing Authority) tax-exempt Multifamily Housing Revenue Bonds to facilitate the construction of a new affordable housing development at 3703 Fourth Ave. and 412-414 Pennsylvania Ave. (Fourth and Penn) in the Uptown Community area, which will consist of 53 units affordable for 55 years for individuals and families earning 30 percent to 50 percent of San Diego's Area Median Income (AMI), and one unrestricted manager's unit:
  - a. Issue a bond inducement resolution (Declaration of Official Intent) for up to \$30,000,000 in tax-exempt Multifamily Housing Revenue Bonds supporting the development of 4<sup>th</sup> & Penn by a to-be-formed California limited partnership.
  - 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 \$30,000,000 for 4<sup>th</sup> & Penn.
  - c. Approve the financing team of Orrick, Herrington & Sutcliffe LLP as the Bond Counsel and Public Financial Management, Inc 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 \$30,000,000 to facilitate the development of Fourth and Penn.

Public comment by Natalie Raschke on informational report, HCR25-047 Investment Report – Third Quarter Fiscal Year 2025.

Vice Chair Clumpner adjourned the Regular Meeting at 11:06 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