



## San Diego Housing Commission Compliance Monitoring Department

The San Diego Housing Commission's (SDHC) Compliance Monitoring Department (CMD) verifies that housing units designated as affordable are occupied by qualified low- and moderate-income tenants.

The CMD monitors more than 375 properties with approximately 20,500 affordable rental housing units.

### Federal & Local Affordable Housing Rules

SDHC's CMD tracks tenant and landlord compliance with affordability requirements resulting from:

- SDHC financial support
- City of San Diego Inclusionary Housing law
- Density Bonus land-use regulations
- State and federal Multifamily Housing Revenue Bond tax credits
- Financial support from the City of San Diego's former Redevelopment Agency

CMD also confirms that properties comply with the federal Fair Housing Act, which prohibits discrimination against any tenant or prospective tenant based on race, age, sexual orientation, marital status, color, religion, sex, disability, or national origin.

SDHC loans usually consist of federal or local funding sources SDHC administers, such as:

- HOME Investment Partnerships Program funds that the U.S. Department of Housing and Urban Development (HUD) awards to the City of San Diego;
- Community Development Block Grant Affordable Housing Revolving Loan Funds that HUD awards to the City of San Diego; and
- The City of San Diego Affordable Housing Fund

HUD's 4350.3 Occupancy Requirements of Subsidized Multifamily Programs handbook and the SDHC Rental Assistance Division's Section 8 Administrative Plan provide additional guidance for compliance enforcement.

### Legal Documentation Processes

Affordability agreements, also known as Covenants, Conditions and Restrictions, are recorded on developments in the City that are subject to any of the policies and programs previously described.

These agreements state the terms with which the development must comply for a set time period, typically 55 years.

An SDHC Compliance Monitoring Supervisor (Monitoring Supervisor) receives copies of all pertinent documentation and is responsible for:

- Drafting and distributing legal documents to all parties involved for review and feedback, particularly areas that pertain to income levels, rent, occupancy and affordability restrictions.
- Comparing legal documents to the corresponding SDHC Board of Commissioners/Housing Authority of the City of San Diego reports, as applicable, to ensure compliance with the original intended agreements and provisions (e.g., number of units, income limits, etc.).
- Securing documentation and/or requesting clarification from the development representative about inconsistencies.
- Executing and recording of documents upon completion of review by all parties.

Before a property begins leasing or its units are certified, the SDHC Monitoring Supervisor will create an "owner packet" that includes a summary of the terms of the affordability agreement, the "Compliance Monitoring Requirements," tenant forms, and maximum income and rent chart.

Shortly thereafter, CMD commences review of tenant rental applications to ensure eligibility. Owner/manager training is provided as a courtesy.

CMD charges a fee for initial and annual reviews of tenant eligibility to cover the costs of this service.

This fee schedule is available on the SDHC website:

<https://www.sdhc.org/feeschedule-new/>

For more information about compliance monitoring, please contact Maurcell Gresham at [maurcell@sdhc.org](mailto:maurcell@sdhc.org) or visit <https://www.sdhc.org/about-us/compliance-monitoring/>

