



# **San Diego Affordable Housing Fund Annual Plan**

Fiscal Year 2006  
(July 1, 2005—June 30, 2006)

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# **SAN DIEGO AFFORDABLE HOUSING FUND**

## **FY 2006 ANNUAL PLAN**

### **INTRODUCTION**

The City of San Diego's Affordable Housing Fund is a permanent, annually renewable source of funds to help meet the housing assistance needs of the city's very low-, low-, and median-income households. The City Council expressed this intent in Municipal Code Sections 98.0501-98.0518. In general, the Affordable Housing Fund's purposes are to:

- 1) Meet a portion of the need for housing affordable to households with very low, low, and median incomes;
- 2) Leverage every one dollar of City funds with two dollars of non-City subsidy capital funds;
- 3) Support the Balanced Communities Policy by fostering a mix of family incomes in projects assisted by the Fund and to disperse affordable housing projects throughout the City;
- 4) Preserve and maintain renter and ownership affordable housing; and
- 5) Encourage private sector activities that advance these goals.

The Annual Plan implements the Council's intent by adopting an overall strategy for use of Affordable Housing Fund moneys. Development of this Annual Plan is guided by the Housing Commission's annual Budget process, as well as the Consolidated Plan, which is required by the federal Department of Housing and Urban Development. The Consolidated Plan identifies priority needs, describes a process to produce coordinated neighborhood and community objectives, establishes the City's housing and community development strategies, and describes specific programs that satisfy federal statutory goals.

The Affordable Housing Fund contains two main revenue accounts: the Housing Trust Fund account and the Inclusionary Housing account. Information for both accounts is provided including revenue forecasts and fund allocation and production.

Allocation of Affordable Housing Fund resources takes into consideration the policy parameters set by the Affordable Housing Fund Ordinance, the availability and requirements of other funding sources, and Housing Commission goals and objectives set forth in the Housing Commission's FY2006 Budget, FY2004-2006 Business Plan and FY2004-2006 Strategic Plan.

The FY2006 Annual Plan includes an estimate of housing needs; the suggested allocation of Housing Trust Fund and Inclusionary Housing Fund forecasted revenues for FY2006; an Ordinance Compliance Analysis for the Housing Trust Fund; and a description of model programs and beneficiaries.

## ESTIMATES OF CURRENT HOUSING NEEDS

The Comprehensive Housing Affordability Strategy (CHAS) developed by the Census for the U.S. Department of Housing and Urban Development provides detailed information on housing needs by income level for different types of households. Detailed CHAS data for the City of San Diego based on the 2000 Census follows:

### Housing Needs of Low and Moderate Income Households in the City of San Diego

Household by Income and Housing Problem	Renters				Owners		Total Hhds
	Elderly	Small Families	Large Families	Total Renters	Elderly	Total Owners	
Ext. Low Income (0-30% MFI)	17%	31%	14%	19%	44%	5%	12%
% with any housing problem	68%	87%	95%	82%	69%	74%	80%
% with cost burden > 50% only	46%	44%	6%	48%	49%	54%	49%
% with cost burden >30% to 50% only	16%	6%	2%	6%	19%	12%	8%
Low Income (31-50% MFI)	15%	35%	18%	16%	48%	6%	11%
% with any housing problem	72%	81%	91%	85%	50%	68%	80%
% with cost burden > 50% only	35%	19%	5%	28%	30%	38%	30%
% with cost burden >30% to 50% only	32%	31%	8%	29%	20%	17%	26%
Moderate Income (51-80% MFI)	9%	34%	14%	21%	39%	12%	17%
% with any housing problem	60%	61%	80%	63%	31%	57%	61%
% with cost burden > 50% only	17%	5%	1%	8%	15%	23%	13%
% with cost burden >30% to 50% only	38%	30%	10%	33%	30%	23%	30%
Total Households	10%	35%	12%	50%	13%	50%	100%
% with any housing problem	55%	51%	80%	52%	26%	34%	43%

Abbreviation: Hhds = Households.

Source: Comprehensive Housing Affordability Strategy (CHAS), 2003.

Housing problems include: 1) units with physical defects (lacking complete kitchen or bathroom); 2) overcrowded conditions (housing units with more than one person per room); 3) housing cost burden, including utilities, exceeding 30 percent of gross income; or 4) severe housing cost burden, including utilities, exceeding 50 percent of gross income. The types of problems vary according to household income, type, and tenure. The data shows that:

- In general, renter households had a higher level of housing problems compared to owner households (52 percent vs. 34 percent).
- Large family households had the highest level of housing problems regardless of income level. Almost all of the extremely low-income (95 percent) and low-income (91 percent) large family renters experienced housing problems. Cost burden was a major housing problem for large families.
- A high percentage of elderly households also experienced housing problems. Approximately 68 percent of the extremely low-income and 72 percent of the low-

income elderly renters experienced a housing problem. Housing issues of elderly households relate more to cost burden issues rather than to overcrowding.

- Extremely low-income households experienced a disproportionate housing need. In this income group, 80 percent of all households had housing problems. Approximately 48 percent of extremely low-income renter households and 54 percent of extremely low-income owner households paid more than 50 percent of their income for housing.
- Approximately 80 percent of all low-income households (31-50 percent of AMI) experienced one or more housing problems. Again, renters experienced a greater need compared to owners, as 85 percent of low-income renters experienced some type of housing problem, compared to 68 percent of low-income owner households in this income group.
- Comprising only 17 percent of the City population, 61 percent of all moderate-income households (51-80 percent AMI) experienced housing problems. Again, renters experienced a greater need compared to owners, as 63 percent of renters experienced some type of housing problem, compared to 57 percent of owner households in this income group. Specifically, moderate-income elderly renter households experienced more housing problems (60 percent) compared to moderate-income elderly owner households (31 percent) in general.

## **SAN DIEGO HOUSING TRUST FUND ACCOUNT**

### Purpose and Use

The San Diego Housing Trust Fund was created by the San Diego City Council on April 16, 1990 pursuant to Ordinance O-17454.

Funds from the Housing Trust Fund account may be used in any manner, through loans, grants, or indirect assistance for the production and maintenance of assisted units and related facilities. To comply with the Ordinance, Housing Trust Fund monies shall be allocated:

- At least 10 percent to Transitional Housing;
- At least 60 percent to very low-income households (defined as households with incomes at or below 50 percent of area median income);
- No more than 20 percent to housing for low-income households (defined as households with incomes between 50 percent and 80 percent of area median income) and
- No more than 10 percent to median income first-time homebuyers.

Revenue Forecast

Approximately \$4.7 million is expected to be available in FY2006, consisting of \$3.2 million in new revenue (Housing Impact Fees, HTF CDBG loan repayments, and Housing Rehabilitation Trust Fund loan repayments) and \$1.5 million in estimated carryover.

Fund Allocation and Production

Funding recommendations are made in accordance with established Housing Commission policies and require Housing Commission or Housing Authority approval of specific projects and activities. Some discretionary transfer of funds between eligible activities is permitted, but all funding recommendations must be consistent with the Annual Plan.

The proposed allocation of Housing Trust Fund funds for FY2006 is as follows:

PROGRAM	BUDGET	% OF BUDGET	PRODUCTION
Rental Housing Development New Rental Housing Existing Rental Housing	\$1,021,796	21%	20 units
Special Purpose Rental Housing	\$1,157,000	24%	25 units
Homeownership Shared Equity Program Downpayment/Closing Cost Assistance Pgm Acquisition with Rehabilitation	\$100,000	2%	10 downpayment grants
Rehabilitation Owner-occupied Rehabilitation Nonprofit Owner-Occupied Mobile Home Repair Grant Accessibility Grants for Tenants with Disabilities	\$834,384	18%	150 units
Transitional Housing Operations	\$1,000,000	21%	450 beds
Nonprofit Capacity Building Predevelopment Financial Assistance Emergency Loan Fund Program Nonprofit Technical Assistance Nonprofit Support	\$80,000	2%	4 projects
Reserves & Targets of Opportunity	\$40,000	1%	
Administration	\$441,645	9%	
Legal	\$60,000	2%	
<b>TOTAL</b>	<b>\$4,734,825</b>	<b>100%</b>	

Since the inception of the Housing Trust Fund in 1991, over \$57 million has been invested in San Diego communities, leading to the production of almost 7,000 affordable units and funding an average of approximately 450 transitional housing beds per year.

HTF Ordinance Compliance Tests

Municipal Code Section 98.0504 sets forth the allocation boundaries for the Housing Trust Fund. To comply with the Ordinance, Housing Program Funds must be allocated:

- At least 10 percent to Transitional Housing;
- At least 60 percent to very low-income households (defined as households with incomes at or below 50 percent of area median income);
- No more than 20 percent to housing for low-income households (defined as households with incomes between 50 percent and 80 percent of area median income) and
- No more than 10 percent to median income first-time homebuyers.

Housing Program Funds are defined as those funds allocated to direct investment in housing. Administration, legal expenses, nonprofit capacity building and uncommitted reserves are excluded from the calculation.

For the FY06 Strategy, the calculation would be as follows:

Total Funds		\$4,734,825
Less Administration, Legal		(501,645)
Less Capacity Building		(80,000)
Less Uncommitted Reserves/Targets		<u>( 40,000)</u>
Equals Housing Program Funds (HPF)		\$4,113,180
<u>Program</u>	<u>Allocation</u>	<u>Percent of HPF</u>
Transitional Housing	\$1,000,000	24%
Very Low-Income (Excluding Transitional Housing)		
Rental Housing Development	1,021,796	
Special Purpose Rental	1,157,000	
Rehabilitation	<u>834,384</u>	
	\$3,013,180	73%
Low-Income (estimated)		
Rehabilitation	-0-	
Homebuyers	\$100,000	2%
Median-Income Homebuyers	-0-	

The FY06 HTF proposed allocation meets the ordinance compliance requirements.



## **INCLUSIONARY HOUSING FUND ACCOUNT**

On June 3, 2003, the San Diego City Council adopted an Inclusionary Housing Program, pursuant to Ordinance O-19189.

### Purpose and Use

The purpose of the Inclusionary Affordable Housing Fund is to ensure that housing opportunities are available for households of all income levels while encouraging diverse and balanced neighborhoods.

Per San Diego Municipal Code Section 98.0505, the priority for expenditure of Inclusionary Housing funds shall be for:

1. Construction of new affordable housing.
2. Other programs administered by the Housing Commission if approved by the City Council in the AHF Annual Plan.

The priority for expenditure of FY2006 Inclusionary Housing funds shall be as follows:

1. Construction of new affordable rental housing, including Special Purpose Housing. Rental units shall be affordable at/below 65% of AMI for a minimum of 55 years.
2. Acquisition and rehabilitation of affordable housing.
3. Homeownership Opportunities – either new construction of affordable for-sale housing or financing programs to encourage and increase homeownership opportunities for low or moderate-income households (at/below 100% AMI)

Whenever possible, revenues will be spent in the Community Planning Area from which the funds were collected, in support of the City's goal of providing economically balanced communities. Should no opportunities for development exist in the Community Planning Area from which funds were collected, staff will make every effort to utilize funds in the nearest Community Planning areas. Funds will be utilized in accordance with the Model Programs.

### Revenue Forecast

Approximately \$7.7 million is expected to be available in FY2006, consisting of \$3.6 million in new revenue and \$4.1 million in estimated carryover.

### Fund Allocation and Production

Funding recommendations are made in accordance with established Housing Commission policies and require Housing Commission or Housing Authority approval of specific projects and activities. Some discretionary transfer of funds between eligible activities is permitted, but all funding recommendations must be consistent with the Annual Plan.

The proposed distribution of Inclusionary Housing funds for FY2006 is as follows:

PROGRAM	BUDGET	% OF BUDGET	PRODUCTION
Rental Housing Development New Rental Housing Existing Rental Housing	\$4,756,361	62%	65 units
Special Purpose Rental Housing – new construction	\$1,000,000	13%	15 units
Homeownership Shared Appreciation Program/ Condo Conversion Assistance	\$890,000	11%	60 households
Administration	\$533,266	7%	
Legal	\$60,000	1%	
Reserves	\$461,846	6%	
<b>TOTAL</b>	<b>\$7,701,473</b>	<b>100%</b>	

In FY2006, up to 11 percent of the funds in the Inclusionary Housing Fund will be used by the Housing Commission to cover the costs of administering the Inclusionary Housing Fund. These costs include those associated with investing the funds through loans or grants including project solicitation, underwriting, the preparation of legal documents, and project management.

#### Geographic Distribution

Priority for spending Inclusionary Housing funds shall be given to the Community Planning Area from which the funds were collected, in support of the City’s goal of providing economically balanced communities. Should no opportunities for development exist in the Community Planning Area from which funds were collected, staff will make every effort to utilize funds in the nearest Community Planning Areas.

The Housing Commission maintains records regarding the amount of money collected from each Community Planning Area and is responsible for reinvesting the funds collected. It is recognized that sufficient funds must be collected and investment opportunities generated in specific geographic areas for a precise match between the area of collection and the use of funds to occur in this manner.

As of April 25, 2005, the Housing Commission has received \$3,230,637. The total amount of In-Lieu Fees collected by Community Planning Area as well as project commitments made to date are shown in the following table. The community areas with the largest collections, and thus the greatest potential for investment, are Carmel Valley, Centre City, La Jolla, Mission Valley, and Uptown.

COMMUNITY PLAN AREA	TOTAL
Barrio Logan	\$25,454
Carmel Mountain Ranch	\$2,165
Carmel Valley	\$490,697
Centre City	\$1,280,403
Clairemont Mesa	\$2,197
Golden Hill	\$5,174
La Jolla	\$232,195
Linda Vista	\$5,722
Mid-City	\$20,116
Mission Beach	\$45,951
Mission Valley	\$673,736
North Park	\$9,516
Ocean Beach	\$2,370
Otay Mesa	\$23,181
Otay Mesa/Nestor	\$69,774
Pacific Beach	\$71,249
Peninsula	\$10,664
Rancho Penasquitos	\$2,040
San Ysidro	\$1,276
Skyline/Paradise Hills	\$1,164
Southeastern San Diego	\$4,244
Uptown	\$251,349
TOTAL	\$3,230,637

For the FY2006 Plan Year, to ensure that funds are available to assist with condo conversion where they occur, investment in affordable housing outside the community planning area of origin is likely to occur; however the location of investments will not significantly adversely impact the City's geographic balanced community objectives.

### **MODEL PROGRAMS OVERVIEW**

Funding is allocated on an annual basis among the various activities authorized by Chapter 9, Article 8, Division 5 of the San Diego Municipal Code.

To assure that the City serves its residents in the best possible manner, the Housing Commission continues to solicit ideas for improving the Model Programs to better respond to community needs for affordable housing and quality neighborhoods. As such, Model Programs may change from time to time; they are not intended to preclude investment in an opportunity that is not specifically described in the Model Programs Section.

The following is a general description of the possible investment activities planned for FY2006. All but Rental Assistance are proposed for funding in this plan. These activities are described more fully in Attachment A.

### Rental Housing Development

Advantageous financing to developers of units with below-market rents. Program includes deferred loans, below market interest rates, and matching funds for State, Federal, and private financing. Housing Commission Policy PO600.301 contains additional information regarding the Housing Commission's financial participation in housing development, acquisition with rehabilitation, and large rehabilitation projects.

### Special Purpose Rental Housing

Advantageous financing to developers of transitional housing or affordable units with related services that serve persons qualifying under federally or locally determined Special Needs or Special Purpose categories. Program includes deferred loans, below market interest rates, revocable grants, land banking, matching funds for State, Federal and private financing. Housing Commission Policy PO600.301 contains additional information regarding the Housing Commission's financial participation in housing development, acquisition with rehabilitation, and large rehabilitation projects.

### First-Time Homebuyers

Junior loan/grant and new construction programs targeted toward first-time homebuyers with the ultimate goal of neighborhood stabilization and revitalization.

### Housing Rehabilitation

Rehabilitation programs that provide below-market interest rate amortizing loans for the rehabilitation of deteriorated or functionally obsolete units. Units must be owner-occupied, single family to four-plex or mobile home.

### Transitional Housing Operations

Grants and loans to nonprofit agencies for operation of transitional housing, acquisition or leasing of facilities, or improvements to facilities. No more than 25 percent of Transitional Housing Program funds may be used for administration and supportive services. At least 10 percent of Housing Trust Fund program funds must be dedicated to Transitional Housing activities (operations and development).

### Nonprofit Capacity Building

Programs for nonprofit developers include project-based financial assistance and technical assistance.

### Rental Assistance

A program designed to assist low-income residents achieve self-sufficiency by providing limited amounts of rental assistance.

### Reserves and Targets of Opportunity

A reserve fund that provides flexibility to transfer resources among eligible activities and to take advantage of low-income housing opportunities that present themselves during the course of the year. The reserve fund also provides for a contingency reserve and allows for reimbursement of housing impact fees when building permits expire without the commencement of work.

### Administration

Funds to provide reasonable compensation to the City of San Diego and the Housing Commission for services related to the administration of the Affordable Housing Fund and related housing programs.

### Legal

Expenses to obtain legal services and prepare loan and grant agreements and related documents.

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**SAN DIEGO AFFORDABLE HOUSING FUND**

**MODEL PROGRAMS**

**Fiscal Year 2006  
(July 1, 2005 - June 30, 2006)**

# MODEL PROGRAMS

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## RENTAL HOUSING DEVELOPMENT PROGRAMS

New Rental Housing Production Program		HTF	INCL	HOME	REDEV	STATE
Scope:	Below-market interest rate, deferred payment junior mortgage and construction loan program to increase the stock of <b>affordable</b> <del>lower income</del> rental units <b>in the City of San Diego</b> <del>in non-impacted neighborhoods</del> . Loans to be made to developments wherein at least 20 percent of the units are affordable to households at or below 80 percent of median income. Proposals with rents affordable to households with incomes at or below 50 percent of median family income will receive a preference. <del>Proposals accepted from impacted areas only with demonstrated community support.</del>	●	●	●		●
Target Population / Beneficiaries	Very low- and low-income households					
Loan Terms	<b>Maximum</b> term to maturity is 55 years. Repayment of principal and interest is amortized or due and payable as a balloon payment or as residual receipts, due and payable at maturity. Loan may be originated as a construction loan and converted into long term financing.					
Loan Underwriting	Subject to loan policies of the San Diego Housing Commission unless specific exception as authorized by the Housing Commission.					
Application Method	Funds for program to be made available through RFPs or Notice of Funding Availability (NOFA). RFP/NOFA requires applicant to stipulate the rent schedule for the project.					

Existing Rental Housing Program: With and Without Rehabilitation		HTF	INCL	HOME	REDEV	STATE
Scope	<p>An acquisition/rehabilitation and refinancing program providing below-market-rate, deferred payment junior mortgages to increase <b>or preserve the supply of affordable housing in the City of San Diego.</b> <del>stock of lower income rental units in non-impacted neighborhoods.</del></p> <p>Loans are made to owners of existing developments in return for (at least) 20 percent of the units being made affordable to households at or below 80 percent of median income. Proposals with rents affordable to households with incomes at or below 50 percent of median family income will receive a preference. <del>Proposals accepted from impacted areas only with demonstrated community support. Proposals may not result in significant displacement of moderate income households.</del></p>	●	●	●		●
Target Population/ Beneficiaries	Very low- and low-income households who pay more than 30 percent of income in rent.					
Loan Terms	<p><b>Maximum</b> term to maturity is 55 years. Repayment of principal and interest is amortized or due and payable as a balloon payment or as residual receipts, <del>due and payable at maturity.</del></p> <p>Loan may be originated as a rehabilitation loan and converted into long term financing.</p>					
Loan Underwriting	Subject to loan policies of the San Diego Housing Commission unless specific exception as authorized by the Housing Commission.					
Application Method	Funds for program to be made available through RFPs or Notice of Funding Availability (NOFA). RFP/NOFA requires applicant to stipulate the rent schedule for the project.					

<b>Special Purpose Rental Housing</b>		HTF	INCL	HOME	REDEV	STATE
Scope	A loan and grant program for nonprofit developers of transitional housing and developers of permanent housing provided in conjunction with appropriate supportive services designed to maximize the ability of persons with disabilities to live independently. Loans and grants may be used for the development, acquisition or long-term leasing of housing facilities as well as improvements to existing facilities.	●	●	●		●
Target Population/ Beneficiaries	Very low and low-income populations identified as needing permanent housing in a service-enhanced environment; selection of populations to be generally compatible with requirements of federal funding sources.					
Loan Terms	<b>Maximum</b> term to maturity is 55 years. Payment of loan principal and interest is due and payable as a residual receipts loan or as a balloon payment at maturity but may be forgiven upon extension of affordability requirements. Loan may be originated as a rehabilitation loan and converted into long term financing.					
Loan Underwriting	Subject to loan policies of the San Diego Housing Commission unless specific exception as authorized by the Housing Commission.					
Grant Terms	Grant Terms: Subject to revocation/repayment for nonperformance.					
Application Method	Funds for program to be made available through RFPs or Notices of Funding Availability (NOFA).					

<b>Bridge Financing</b>		HTF	INCL	HOME	REDEV	STATE
Scope	A short-term loan program for developers of permanent multifamily rental housing to pay for property acquisition and construction.					●
Target Population/ Beneficiaries	Very-low and low-income households earning ≤ 60% AMI.					
Loan Terms	Repayment of loan principal and three percent simple interest is due upon permanent financing.					
Loan Underwriting	Subject to loan policies of the San Diego Housing Commission unless specific exception as authorized by the Housing Commission.					
Application Method	Funds to be made available through the Rental Housing Development Notice of Funding Availability (NOFA).					

## HOMEOWNERSHIP PROGRAMS

<b>Shared <span style="color: blue;">Equity</span> <span style="color: red;">Appreciation</span> Loan Program / <span style="color: red;">Condo Conversion</span> <span style="color: red;">80% AMI Loan Program / CalHome Mortgage Assistance Program</span></b>		HTF	INCL	HOME	REDEV	STATE
Scope	A second trust deed loan program for low-income first-time homebuyers that bridges the gap between what households earning 80 percent of median income or less can afford and the actual cost of acquiring a home. (Second trust deed not to exceed the lesser of 25 percent of the purchase price <span style="color: red;"><b>or appraised value. Loans using federal funds have maximum purchase price limits as established by HUD</b></span> <span style="color: blue;">or \$72,580.</span> )	●		●		●
Target Population/ Beneficiaries	Households earning less than 80 percent of median income that meet usual bank underwriting criteria for first mortgages.					
Loan Terms	The loans are zero percent interest and require no monthly payments of principal. The loan term is 30 years; <del>however, if the property is sold within the first 15 years, the equity in the property is shared with the Housing Commission. Pre-a</del> <span style="color: red;"><b>When a property is sold or transferred or at the end of the loan term, buyer must pay the Housing Commission a net share of the appreciation.</b></span> Approval from institutional lender required.					
Loan Underwriting:	Subject to loan policies of the San Diego Housing Commission unless specific exception as authorized by the Housing Commission.					
Application Method	Purchasers apply through participating Lenders. <span style="color: blue;"><u>Lenders to be selected through an RFP.</u></span>					

<b>Condo Conversion Shared Equity Appreciation 100% AMI Loan Program</b>		HTF	INCL	HOME	REDEV	STATE
Scope	A second trust deed loan program <i>for existing tenants of rental units being converted to</i> condominiums. <del>conversion units</del> . Second trust deed not to exceed \$15,000.		●			
Target Population/Beneficiaries	Households earning <del>80-81</del> to 100 percent of median income that meet usual bank underwriting criteria for first mortgages.					
Loan Terms	The loans are zero percent interest and require no monthly payments of principal. The loan is due at the end of 30 years or upon resale; however, if the property is sold within the first 15 years, the <i>equity appreciation</i> in the property is shared with the Housing Commission. <del>Pre-a</del> Approval from institutional lender required.					
Loan Underwriting	Subject to loan policies of the San Diego Housing Commission unless specific exception as authorized by the Housing Commission.					
Application Method	Purchasers apply through participating Lenders. <del>Lenders to be selected through an RFP.</del>					
<b>Downpayment/Closing Cost Assistance Program 80% AMI</b>		HTF	INCL	HOME	REDEV	STATE
Scope	A revocable grant program for first-time homebuyers that pays up to <del>six four</del> percent of the purchase price (not to exceed <del>\$15,000 \$7,500</del> ) towards down payment and/or closing costs). <del>The four percent assistance will be comprised of two percent for the down payment with the balance used for closing costs.</del>	●				
Target Population/Beneficiaries	Households earning less than <del>80 100</del> percent of median income that meet usual bank underwriting criteria for first mortgages.					
Grant Terms	Repayment is required if the home is sold or transferred within the first six years of ownership. Program is used with conventional loans.					

<b>Downpayment/Closing Cost Assistance Program 100% AMI</b>		HTF	INCL	HOME	REDEV	STATE
<b>Scope</b>	<i>A revocable grant program for first-time homebuyers that pays up to four percent of the purchase price (not to exceed \$10,000) towards down payment and/or closing costs).</i>		●			
<b>Target Population/ Beneficiaries</b>	<i>Households earning 81-100 percent of median income that meet usual bank underwriting criteria for first mortgages.</i>					
<b>Grant Terms</b>	<i>Repayment is required if the home is sold or transferred within the first six years of ownership. Program is used with conventional loans.</i>					
<b>Centre City Development Corporation's Downtown First Time Homebuyer Program</b>		HTF	INCL	HOME	REDEV	STATE
<b>Scope</b>	<i>A second trust deed loan program for moderate-income first time homebuyers that bridges the gap between what households earning 120% of AMI or less can afford and the actual cost of acquiring a home. (Second trust deed loans cannot exceed \$75,000. Maximum purchase price limits are formula based).</i>				●	
<b>Target Population/ Beneficiaries</b>	<i>Households earning 120% or less of AMI that meet usual bank underwriting criteria for first mortgages.</i>					
<b>Loan Terms</b>	<i>The loan term is 30-years at zero percent interest. Payments are deferred for the first 5 years, then buyer is to make level monthly principal payments beginning year six. Approval from intuitional lender required.</i>					
<b>Loan Underwriting</b>	<i>Subject to loan policies of the San Diego Housing Commission unless specific exceptions as authorized by the Housing Commission or Centre City Development Corp.</i>					
<b>Application Method</b>	<i>Buyers apply through participating lenders.</i>					
<b>Moving On</b>		HTF	INCL	HOME	REDEV	STATE
<b>Scope</b>	<i>A program to provide homebuyer education and financial counseling, savings accounts, and other assistance to potential homebuyers (including access to current Housing Commission programs).</i>	●				
<b>Target Population/ Beneficiaries</b>	<i>Households residing in <b>rent-restricted units</b>. <a href="#">properties owned by nonprofit developers</a>.</i>					

<b>First-Time Homebuyers: Acquisition with Rehabilitation</b>		HTF	INCL	HOME	REDEV	STATE
Scope	A silent second mortgage program for first-time homebuyers purchasing homes in need of rehabilitation or modernization. Second mortgage bridges the gap between what households earning less than 80 percent of median income can afford and the actual cost of acquiring and rehabilitating a home. All or part of the second mortgage is funded into a rehabilitation fund control. Funds may not be released from the fund control without authorization from the agency responsible for completion of rehabilitation (Nonprofit or Housing Commission).	●		●		
Target Population/ Beneficiaries	Households earning less than 80 percent of median area income that meet other usual bank underwriting criteria for first mortgages.					
Loan Terms	Payment of principal and interest is deferred; due and payable at resale or maturity. Pre-approval from institutional lender required.					
Loan Underwriting	Subject to loan policies of the San Diego Housing Commission unless specific exception as authorized by the Housing Commission.					
Application Method	Applications for purchase plus rehabilitation loans to be accepted on an ongoing basis after initial Notice of Funding Availability (NOFA).					



<b>Limited Equity Cooperatives</b>		HTF	INCL	HOME	REDEV	STATE
Scope	An acquisition/new construction program for nonprofit corporations wishing to sponsor the creation of limited equity cooperatives and for limited equity cooperatives positioned to acquire or construct cooperative housing.					
Target Population/ Beneficiaries	Households earning less than 80 percent of median income; a minimum of 20 percent of the units must be affordable to households earning less than 50 percent of median income as adjusted by household size. All initial and subsequent members of cooperatives developed with assistance from the Housing Trust Fund must be first-time homebuyers as defined in the Housing Trust Fund Ordinance.					
Loan Terms	Term to maturity is 55 years. Compliance with all applicable provisions of state law regarding limited equity housing cooperatives including Section 1.25 of California Condominium and Planned Development Practice as amended, Health and Safety Code Section 33007.5 and Business and Professions Code Section 1103.4. Resale restrictions that maintain affordability for subsequent buyers are required.					
Loan Underwriting	As required by the policies of the San Diego Housing Commission.					
Leveraging	Preference given to projects receiving subsidy from other funding sources.					
Requests for Proposals (RFPs)	Funds for program to be made available through RFPs. RFP requires applicant to stipulate the number of units for each tier and the level of subsidy. Applications may also be submitted under the Targets of Opportunity Program.					

<b>Resident Ownership: Mobile Home Parks</b>		HTF	INCL	HOME	REDEV	STATE
Scope	<p>A "junior mortgage" program which bridges the gap between what a lower income mobile home coach owner can afford using normal bank underwriting criteria and the actual cost of acquiring the mobile home pad;</p> <p style="text-align: center;">or</p> <p>A "land trust" program that bridges the gap between what mobile home coach owners can collectively afford and the actual cost of acquiring the mobile home park. A contingency of Housing Trust Fund financing is that land acquired with Housing Trust Fund assistance would be established as a trust for low-income coach owners or low-income housing.</p>	●				
Target Population/ Beneficiaries	Very low- and low-income residents of mobile home parks wherein over 66 percent of all park residents have expressed an interest in resident ownership.					
Loan Terms	Term to maturity is the earlier of 55 years or sale, conveyance, alienation or transfer of the property. Payment of principal and contingent interest is due and payable as a balloon payment at the end of the term or according to an amortization schedule. Loan funding depends on financial feasibility.					
Application Method	Funds for conversion to resident ownership will be distributed through RFPs that specify a deadline for submission of proposals. Applications will be rated and ranked. Applications may also be submitted under the Targets of Opportunity Program.					

## REHABILITATION PROGRAMS

<b>Owner-Occupied Rehabilitation Program</b>		HTF	INCL	HOME	REDEV	STATE
Scope	<p><b><u>CITYWIDE PROGRAMS</u></b></p> <p>Below-market interest rate (BMIR) rehabilitation loans for lower income homeowners (one to four units, owner-occupied) throughout San Diego.</p> <p>Current loan products include:</p> <ul style="list-style-type: none"> <li>➤ A three percent amortizing (fifteen year) loan; or</li> <li>➤ A partially deferred three percent amortizing (fifteen year) loan; and</li> <li>➤ No-interest, fully deferred loans (maximum amount \$10,000) available to eradicate health and safety hazards for very low income owner-occupied (&lt;60% AMI), one-unit properties.</li> <li>➤ Lead paint reduction no-interest, fully deferred loans at \$5,000 per unit up to \$15,000 per multifamily property.</li> </ul>	●		●		
Target Population/ Beneficiaries	Low- and very low-income borrowers throughout the City of San Diego.					
Loan Terms and Underwriting	Three percent loans have a maximum of \$35,000 for single unit properties and \$50,000 for 2-4 unit properties is established. At a minimum, terms should meet Housing Commission Rehabilitation Program standards; minor modifications to terms may be approved by a loan committee appointed by the Housing Commission Board.					
Application Method	Applications for rehabilitation loans to be accepted by program sponsor on an ongoing basis after an initial Notice of Funding Availability (NOFA).					

<b>Owner-Occupied Rehabilitation Program (continued)</b>		HTF	INCL	HOME	REDEV	STATE
<b>Scope</b>	<p><b><u>SPECIAL TARGET AREA PROGRAMS:</u></b></p> <p><b><u>Conditional Grants:</u></b></p> <ul style="list-style-type: none"> <li>➤ \$5,000 Exterior Enhancement Grant. 20% of principle forgivable per year over five years to 1- and 2-unit owner-occupants &lt;100% AMI.</li> <li>➤ \$5,000 Home Repair Grant. 20% of principle forgivable per year over five years to 1- and 2-unit owner occupants &lt;80% AMI.</li> </ul> <p><b><u>Deferred or Amortized loans:</u></b></p> <ul style="list-style-type: none"> <li>➤ Three percent loans up to \$35,000 fully deferred for 15 years, or if owner desires and qualifies for a zero interest, principal only payment loan for 15 years.</li> </ul>				•	
<b>Target Population/ Beneficiaries</b>	Low and Moderate income owner-occupants of 1- and 2-unit properties in the Mt. Hope and Southcrest Redevelopment Areas.				•	
<b>Scope</b>	<p><b><u>Forgivable Loans:</u></b></p> <ul style="list-style-type: none"> <li>➤ Three percent Exterior Enhancement Loan up to \$5,000. 20 percent of principal forgiven per year over 5 years.</li> <li>➤ Three percent Home Repair Loan up to \$10,000. Repay 100% of principal plus 3% interest if sold within first five years. Beginning sixth year through tenth year 20 percent of principal forgiven per year.</li> </ul>				•	
<b>Target Population</b>	Low and Moderate Income (<100% AMI) owner-occupants of 1- and 2-unit properties in City Heights Redevelopment Area.				•	
<b>Application Method</b>	Applications for rehabilitation loans to be accepted by program sponsor on an ongoing basis after an initial Notice of Funding Availability.					
<b>Scope</b>	<p><b><u>Forgivable Loans:</u></b></p> <ul style="list-style-type: none"> <li>➤ <b><i>Three percent Housing Enhancement Loan Program (“H.E.L.P.”) up to \$15,000. Repay 100% of principal plus 3% interest if sold</i></b></li> </ul>					

	<i>within first seven years. Beginning eighth year through twelfth year 20% of principal forgiven each year.</i>					
<b>Target Population</b>	<i>Low and Moderate Income (&lt;100% AMI) owner-occupants of 1- and 2-unit properties in Crossroads Redevelopment Area.</i>					
<b>Application Method</b>	<i>Applications for rehabilitation loans to be accepted by program sponsor on an ongoing basis after an initial Notice of Funding Availability.</i>					
<b>Scope</b>	<i><u>Lead Paint Remediation Grant:</u></i>					
	<i>➤ Non-repayable grant up to \$12,500 for a Single Family Residence and up to \$7,500 per unit plus \$10,000 for common areas in multi-family property for the remediation of lead based paint hazards.</i>					
<b>Target Population</b>	<i>Low Income (&lt;80% AMI) owner and tenant occupants of residential property in eight contiguous communities in Southeast San Diego: Sherman Heights, Grant Hill, Stockton, Memorial, Logan Heights, Barrio Logan, Southcrest and Shell Town. Also available citywide for cases of children under six years old with Elevated Blood Lead Level (EBLL).</i>					
<b>Application Method</b>	<i>Applications for grants come from referrals of County Health Dept. of children under six with high EBLL readings and from door to door marketing and educational meetings from the Environmental Health Coalition in the targeted area.</i>					

<b>Nonprofit Corporations: Owner-Occupied Rehabilitation</b>		HTF	INCL	HOME	REDEV	STATE
Scope	A flexible program developed to allow nonprofit corporations to operate rehabilitation loan programs. Program provides funding for rehabilitation, administrative support and technical assistance. Levels of funding within eligible activities are established by proposals submitted by nonprofit corporations. Proposals must leverage other funding sources.	●				
Target Population/ Beneficiaries	Very low and low-income homeowners either residing in substandard housing or desiring to acquire and rehabilitate substandard housing; nonprofit and community development corporations.					
Application Method	Funds for program to be made available through RFPs. RFP to require that applicants indicate the type and level of assistance requested, the structure of proposed program, and how assistance will be utilized in a timely manner.					
<b>Mobile Home Rehabilitation Loan Program</b>		HTF	INCL	HOME	REDEV	STATE
Scope	A partially deferred no-interest rehabilitation loan program to allow low-income mobile home coach owners to reside in safe, sanitary, and decent housing. <b>This program is currently dormant and has not been marketed since 1996. It will be used under special circumstances as directed by Council.</b>	●				
Target Population	Owner-occupants of older mobile home coaches at or below 60 percent of median income.					
Loan Terms	Mobile home owners are offered interest-free partially deferred loans up to a maximum of \$12,000 for rehabilitation or up to \$15,000 for purchase and rehabilitation of a replacement mobile home. Loans are due on sale, transfer of title, or fifteen years after the loan date. Minimum monthly payment is \$25.					
Notice of Funding Availability (NOFA)	Applications for mobile home rehabilitation loans to be accepted on an ongoing basis after an initial NOFA.					

<b>Mobile Home Repair Grant Program</b>		HTF	INCL	HOME	REDEV	STATE
Scope	A small repair grant program to allow very low-income households permanently residing in mobile homes to address “health and safety” issues.	●				
Target Population/ Beneficiaries	Very low-income (<60% AMI) owner-occupants of mobile homes within the City of San Diego.					
Grant Terms	A maximum of \$3,500 except in a designated Distressed Park (\$5,000 maximum).					
Application Method	Applications for mobile home repair grants to be accepted on an ongoing basis after an initial NOFA until all funds are exhausted.					
<b>Accessibility Grant for Tenants with Disabilities</b>		HTF	INCL	HOME	REDEV	STATE
Scope	A small grant program to rental tenants with disabilities to allow modifications or repairs to their rental unit to make it more accessible and improve their quality of living.	●				
Target Population/ Beneficiaries	Very low-income (<50% AMI) tenants with disabilities living in rental units within the City of San Diego.					
Grant Terms	A one-time only non-repayable grant to a maximum of \$1,000 toward costs of material and labor for accessibility modifications.  The ACCESS Center of San Diego refers tenant applicants.					
<b>Exterior Accessibility Grant for Renters with Disabilities</b>		HTF	INCL	HOME	REDEV	STATE
Scope	Grant program to provide exterior accessibility improvements to rental property occupied by low-income tenants with disabilities or to landlords with vacant units desiring to rent to tenants with disabilities.					●
Target Population/ Beneficiaries	Low-income tenants (<80% AMI) with disabilities renting private property citywide, or landlords with vacant units desiring to rent to tenants with disabilities.					
Grant Terms	Grant up to \$3,000 per unit and \$7,000 for common areas up to a maximum of \$25,000 per multifamily project.					

## TRANSITIONAL HOUSING

Operations Program		HTF	INCL	HOME	REDEV	STATE
Scope	A grant and loan program for nonprofit operators of transitional housing. Grants and loans may be used for the short-term leasing or operation of transitional housing facilities as well as improvements to existing leased facilities. No more than 25 percent of grant funds may be used for administration and support services.	●				
Target Population/ Beneficiaries	Very low-income homeless families and individuals who, through temporary residency in a service-enhanced housing environment, are expected to be able to move into permanent housing.					
Grant Terms	A maximum grant of \$15 per bed/night.					
Application Method	Funds for program to be made available through RFPs or NOFA.					



## NONPROFIT CAPACITY BUILDING PROGRAMS

Project-Based Predevelopment Financial Assistance		HTF	INCL	HOME	REDEV	STATE
Scope	<p>Predevelopment Financial Assistance includes the following:</p> <ol style="list-style-type: none"> <li>1. <u>Early Assistance Loans to Nonprofit Developers</u>: A maximum of \$ <del>10,000</del> <b>15,000</b> is available for preliminary feasibility activities such as appraisal, site control, and Phase I environmental studies. Early Assistance loans can be considered for forgiveness if the project does not proceed. The total of all outstanding Early Assistance Loans cannot exceed \$50,000 at any time.</li> <li>2. <u>Project Support Grants</u>: When the Early Assistance due diligence has been completed, funds may be available for paying predevelopment costs (staff and consultant or administrative expenses) for an identified project through a Project Support Grant. Minimum grant is \$10,000; grant requests of \$15,000 or less will be approved by the Loan Committee; grant requests over \$15,000 will be approved by the Housing Commission.</li> <li>3. <u>Predevelopment Loans</u>: If approved, the Early Assistance Loan can be incorporated into a Predevelopment Loan to include additional predevelopment expenses, i.e., architectural, engineering, consultant and legal fees, site preparation, environmental assessments, purchase options, long-term escrow earnest money and project-specific professional housing development staff time. A Predevelopment Loan without Early Assistance may be appropriate in some cases. Typically, the Predevelopment Loan is repaid out of a project's permanent financing. <b><i>Loan amount based on project's financial feasibility and available funding.</i></b></li> </ol>	●				
Target Population/ Beneficiaries	<p>Nonprofit corporations and limited equity cooperatives (<b><i>unsecured loans</i></b>), <b><i>For-profit corporations (secured loans)</i></b>, whose express purpose is the development, acquisition, or rehabilitation of housing that will be predominately occupied by very low- and low-income households.</p>					
Loan Underwriting	<p>No specified underwriting criteria. Proposals to be</p>					

Application Method	considered on an ongoing basis. Generally, applicants must: 1) have been in existence for two years; 2) provide evidence of multi-year organizational ability or that principals have suitable experience to complete the project; 3) develop a feasible work program which identifies how the organization will reach its objective; 4) meet the Housing Commission Minimum Organization Standards for Nonprofit Loan Applicants; and 5) and be expected to complete the project.  Applications for predevelopment loans to be accepted on an ongoing basis after an initial NOFA.					
<b>Emergency Loan Fund Program</b>		HTF	INCL	HOME	REDEV	STATE
Target Population/Beneficiaries	The target populations and loan underwriting conditions of Project-Based Predevelopment Financial Assistance apply.  In addition, the following eligibility restrictions apply: 1) applicant has a demonstrated pipeline of development projects located in the City; 2) applicant has not received an emergency loan from the Trust Fund within the past three years, or has repaid such loan(s) in full; 3) applicant's need for emergency loan is based on a cash flow problem where funds anticipated to repay the loan can be identified.  Borrowers are required to demonstrate ability to repay.	●				
<b>Nonprofit Technical Assistance Program</b>		HTF	INCL	HOME	REDEV	STATE
Scope	A technical assistance program that will assist nonprofit corporations and limited equity cooperatives in developing affordable housing. Program to provide "hands on" technical assistance in such areas as concept development, site assessment and acquisition, feasibility analysis, specification writing, bid packaging and review, permit procedures, construction oversight, grants and application preparation, and record keeping required by funding sources.	●				
Target Population/Beneficiaries	Nonprofit corporations and limited equity cooperatives with limited housing experience.					
Grant Terms	Grant is for the delivery of technical assistance services to nonprofit housing developers. Scope of work will be articulated in contract documents.					
Application Method	Funds to be made available through RFP or Housing Commission contract policy.					

<b>Nonprofit Support Program</b>		HTF	INCL	HOME	REDEV	STATE
Scope	A multi-year operating support program for nonprofit corporations attempting to acquire, rehabilitate or develop affordable housing for low-income households. Program provides annual grants for administrative costs, including compensation and proportional overhead of staff directly assigned to expanding housing opportunities such as housing construction, acquisition, rehabilitation, transitional housing development, or shared housing programs. Program is intended to build the capacity of nonprofit corporations to both develop affordable housing and identify administrative support for this purpose.	●				
Target Population/ Beneficiaries	Nonprofit corporations and community based organizations, the purposes of which include the provision of affordable housing to very low- and low-income households.					
Selection Criteria	<p>As funding permits, a Notice of Funding Availability (NOFA) will be issued inviting applications. Applicants will be selected based upon criteria which includes the following:</p> <ul style="list-style-type: none"> <li>➤ the ability of the applicant's personnel to perform the administrative, managerial and operational functions necessary to develop and support a housing program;</li> <li>➤ the applicant's past experience and success in developing and operating non-housing programs;</li> <li>➤ the applicant's work program which includes specific management and fund development and production activities, objectives, and projected accomplishments.</li> </ul>					

## MISCELLANEOUS PROGRAMS

<b>TARGETS OF OPPORTUNITY PROGRAM</b>		HTF	INCL	HOME	REDEV	STATE
Scope	A program developed to allow the Board the flexibility to take advantage of opportunities for affordable housing that cannot be funded through other Housing Trust Fund programs.	●				
Target Population/ Beneficiaries	Very low- and low-income households that will reside in housing made available through this program.					
Loan Terms	For acquisition, <i>maximum</i> term to maturity is 55 years. Payment of principal and interest due to be determined.					
Loan Underwriting	Subject to loan policies of the San Diego Housing Commission unless specific exception as authorized by the Housing Commission.					
Application Method	Project selection for this program will be on a case-by-case basis subsequent to an initial NOFA advising that applications will be accepted at any time for projects that do not qualify under other Housing Trust Fund programs or that have time constraints that preclude following the RFP calendar.					
<b>PROJECT-BASED RENTAL ASSISTANCE PROGRAM</b>		HTF	INCL	HOME	REDEV	STATE
Scope	A small rental assistance program for working households in non-impacted communities. The program utilizes Housing Trust Fund earnings and interest to lease units in existing buildings for an intermediate term. Units are then subleased to working households whose income is anticipated to increase as a result of job training. Enrollment in job training program to the point where the household may assume the master lease.	●				
Target Population/ Beneficiaries	Households earning between 50 percent and 80 percent of median income with an expectation of income increases. Applicants to be drawn from a pool of applicants established by the Housing Commission of households that do not meet the federal criteria of paying more than 50 percent of income in rent.					
Application Method	Proposals to be received from owners of rental units on an ongoing basis after an initial NOFA.					

Legend: HTF: Housing Trust Fund  
INCL: Inclusionary Housing Fund  
HOME: HOME Investment Partnerships  
REDEV: Redevelopment  
STATE: State of California Housing & Community Development

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**SAN DIEGO HOUSING COMMISSION INCOME AND RENT CALCULATIONS**

**U.S. Department of Housing and Urban Development 2005 SAN DIEGO MEDIAN INCOME:**

**\$63,400**

Note: The table contains income limits for extremely low, very low and low income, as adjusted for family size and other factors adopted and amended from time to time by the U.S. Department of Housing and Urban Development (HUD). In 2005, HUD adjusted San Diego Very Low Income limits for a "high housing cost area" factor.

Family Size	Unit Size	30% AMI (Adjusted by HUD)			Extremely Low Income 35% AMI (Adjusted by HUD)			40% AMI (Adjusted by HUD)			Very Low Income 50% AMI (Adjusted by HUD)		
		ANNUAL INCOME <sup>1</sup>	GROSS RENT <sup>2</sup>	TCAC <sup>3</sup>	ANNUAL INCOME <sup>1</sup>	GROSS RENT <sup>2</sup>	TCAC <sup>3</sup>	ANNUAL INCOME <sup>1</sup>	GROSS RENT <sup>2</sup>	TCAC <sup>3</sup>	ANNUAL INCOME <sup>1</sup>	GROSS RENT <sup>2</sup>	TCAC <sup>3</sup> / "Low HOME" <sup>3</sup>
ONE	STUDIO	\$ 14,500	\$363		\$16,900	\$423	\$ 422	\$19,300	\$483	\$ 483	\$24,150	\$604	\$603
TWO	1-BR	\$ 16,550	\$414		\$19,300	\$483	\$ 452	\$22,100	\$553	\$ 517	\$27,600	\$690	\$646
THREE	2-BR	\$ 18,650	\$466		\$21,750	\$544	\$ 543	\$24,850	\$621	\$ 621	\$31,050	\$776	\$776
FOUR	3-BR	\$ 20,700	\$518		\$24,150	\$604	\$ 627	\$27,600	\$690	\$ 717	\$34,500	\$863	\$896
FIVE	4-BR	\$ 22,350	\$559		\$26,100	\$653	\$ 700	\$29,800	\$745	\$ 800	\$37,250	\$931	\$1,000
SIX	5-BR	\$ 24,000	\$600		\$28,000	\$700	\$ 773	\$32,000	\$800	\$ 883	\$40,000	\$1,000	\$1,104
SEVEN	6-BR	\$ 25,650	\$641		\$29,950	\$749		\$34,200	\$855		\$42,800	\$1,070	\$1,207
EIGHT		\$ 27,300			\$31,900			\$36,450			\$45,550		

Family Size	Unit Size	60% AMI (Adjusted by HUD)			65% AMI (Adjusted by HUD)			70% AMI (Adjusted by HUD)		Low Income 80% AMI (Adjusted by HUD)	
		ANNUAL INCOME <sup>1</sup>	GROSS RENT <sup>2</sup>	TCAC <sup>3</sup>	ANNUAL INCOME <sup>1</sup>	GROSS RENT <sup>2</sup>	"High HOME" <sup>3</sup>	ANNUAL INCOME <sup>1</sup>	GROSS RENT <sup>2</sup>	ANNUAL INCOME <sup>1</sup>	GROSS RENT <sup>2</sup>
ONE	STUDIO	\$29,000	\$725	\$724	\$31,400	\$785	\$765	\$33,800	\$845	\$38,650	\$966
TWO	1-BR	\$33,100	\$828	\$776	\$35,900	\$898	\$821	\$38,650	\$966	\$44,150	\$1,104
THREE	2-BR	\$37,250	\$931	\$931	\$40,350	\$1,009	\$987	\$43,450	\$1,086	\$49,700	\$1,243
FOUR	3-BR	\$41,400	\$1,035	\$1,076	\$44,850	\$1,121	\$1,132	\$48,300	\$1,208	\$55,200	\$1,380
FIVE	4-BR	\$44,700	\$1,118	\$1,200	\$48,450	\$1,211	\$1,244	\$52,150	\$1,304	\$59,600	\$1,490
SIX	5-BR	\$48,000	\$1,200	\$1,325	\$52,050	\$1,301	\$1,353	\$56,050	\$1,401	\$64,050	\$1,601
SEVEN	6-BR	\$51,350	\$1,284		\$55,600	\$1,390	\$1,464	\$59,900	\$1,498	\$68,450	\$1,711
EIGHT		\$54,650			\$59,200			\$63,750		\$72,850	

Family Size	Unit Size	100% Area Median Income (No HUD adjustment)		120% AMI (No HUD adjustment)	
		ANNUAL INCOME <sup>1</sup>	GROSS RENT <sup>2</sup>	ANNUAL INCOME <sup>1</sup>	GROSS RENT <sup>2</sup>
ONE	STUDIO	\$44,400	\$1,110	\$53,250	\$1,331
TWO	1-BR	\$50,700	\$1,268	\$60,850	\$1,521
THREE	2-BR	\$57,050	\$1,426	\$68,450	\$1,711
FOUR	3-BR	<b>\$63,400</b>	\$1,585	\$76,100	\$1,903
FIVE	4-BR	\$68,450	\$1,711	\$82,150	\$2,054
SIX	5-BR	\$73,550	\$1,839	\$88,250	\$2,206
SEVEN	6-BR	\$78,600	\$1,965	\$94,350	\$2,359
EIGHT		\$83,700		\$100,450	

\* TCAC = Tax Credit Allocation Committee

1. Annual Income = Gross annual income adjusted by family size for Area Median Income (AMI) level. May contain additional adjustments as determined annually by HUD.
2. Gross Rent = cash rent plus the tenant-paid utilities (the "utility allowance"). See the "San Diego Housing Commission Utility Allowance Schedule" on the reverse side to calculate the utility allowance based on the project's actual utilities mix. Gross rent minus utility allowance = maximum cash rent.
3. For projects with multiple funding sources, use the lowest rents applicable.

"Low HOME" and "High HOME" rents effective March 31, 2005

**This general income and rental rate information is derived from the U.S. Department of Housing and Urban Development (HUD) very low income figures published on February 11, 2005 and TCAC Maximum Rents published February 11, 2005.**