

## **SAN DIEGO AFFORDABLE HOUSING FUND**

### **FY05 Annual Plan**

#### ***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. Funds will be utilized in accordance with the program guidelines outlined in the Model Programs. 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 \$2.5 million is expected to be available in FY05, consisting of \$500,000 in estimated carryover and \$2 million in revenue (Housing Impact Fees, CDBG loan repayments, and Housing Rehabilitation Trust Fund loan repayments).

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.

## ***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**

Uses eligible for Inclusionary Housing Fund monies are rental housing development, including construction of new housing units and acquisition and rehabilitation of multifamily rental projects, first-time homebuyer assistance and related programs. Funds may not be used for rental assistance. Seventy-five percent of program revenues will be targeted to the construction of new affordable units. Funds will be leveraged so that affordable units are provided at the lowest possible cost to the City of San Diego.

Funds shall be used to promote and support the City's Balanced Communities Policy pursuant to Council Policy 600-19. Where possible, funds will be allocated to the Community Planning Area from which the funds originated. To accomplish this, sufficient funds must be collected and development opportunities generated in specific geographic areas. 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. Development of affordable units outside the geographic areas from which funds have been collected will be allowed if approved by Council.

Funds will be utilized in accordance with the program guidelines outlined in the Model Programs.

### **Revenue Forecast**

Approximately \$2.8 is expected to be available in FY05, consisting of \$200,000 in estimated carryover and \$2.6 million in new revenue (Inclusionary Housing In Lieu payments). No revenues from shared equity are anticipated during FY05.

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.