



SAN DIEGO
HOUSING
COMMISSION

INFORMATIONAL REPORT

DATE ISSUED: August 18, 2015

REPORT NO: HCR15-073

ATTENTION: Chair and Members of the San Diego Housing Commission
For the Agenda of September 11, 2015

SUBJECT: County of San Diego First Time Homebuyer Program Administration

COUNCIL DISTRICT: Citywide

NO ACTION IS REQUIRED ON THE PART OF THE HOUSING COMMISSION

SUMMARY

In February 2014, the County of San Diego (County) HOME Consortium asked the San Diego Housing Commission (Housing Commission) to administer its First Time Homebuyer (FTHB) Program. The County has operated a FTHB program since 1996 and provided 214 mortgage assistance loans to eligible homebuyers prior to the Housing Commission involvement. Since the Housing Commission's participation, FTHB assistance in the County program area has increased 264 percent. Feedback from both the County program staff and participating lenders has been extremely positive.

The County HOME Consortium was created pursuant to HOME regulations, authorizing contiguous local governments to join together to allow smaller and/or more affluent cities within the County that do not receive an entitlement to participate in the HOME Investment Partnerships Program (HOME). The County HOME Consortium allows eligible buyers to purchase homes located in unincorporated areas of the County or within the cities of Carlsbad, Encinitas, La Mesa, San Marcos, Santee, Vista, Coronado, Del Mar, Imperial Beach, Lemon Grove, Poway or Solana Beach. The County HOME Consortium funds its FTHB Program using a combination of federal HOME funds and state CalHome program funds split equally for each loan.

On August 1, 2014, the Housing Commission Board approved the administration of the County FTHB Program and on August 21, 2014, the Housing Commission entered into a Contract for Management and implementation of a HOME Investment Partnerships Program Grant Project. The Fiscal Year (FY) 2015 County of San Diego FTHB budget included \$1,485,539 in Federal HOME Investment Partnerships funds and \$1,770,000 in State CalHome funds for a total of \$3,255,539.

The Housing Commission received a setup fee of \$25,000 to cover attorney costs to review the Contract for Management and Implementation of a HOME Investment Partnerships Program Grant Project Agreement and other pertinent documents, staff expenses, lender trainings, and marketing of the County HOME Consortium FTHB program. In addition, the Housing Commission receives reimbursement for staff administration, underwriting and processing costs for each loan at \$120 per hour plus a flat fee of \$250.

In September 2014, the Housing Commission launched the County FTHB program. Staff trained 213 loan officers from 42 lending institutions on the program requirements and began accepting applications in October 2014.

In the first nine months of program operation, the Housing Commission committed 88 percent of the initial \$3.2 million fiscal year 2015 budget with assistance to 42 families. Due to the program's success, in June 2015, the County amended the Housing Commission's FY 2015 contract to include an additional \$2 million in HOME funding. All FY 2015 uncommitted funds were carried over to FY 2016. The following table summarizes the FY 2015 and 2016 activities:

FISCAL YEAR 2015					
	FY 2015 Beginning Budget	FY 2015 2 nd Award Jun. 2015	FY 2015 Budget Total	Amount Funded	No. of Loans Funded
COUNTY HOME	\$1,485,539	\$2,000,000	\$3,485,539	\$1,471,604	42
COUNTY CalHOME	\$1,770,000	\$ 0	\$1,770,000	\$1,408,047	
TOTAL	\$3,255,539	\$2,000,000	\$5,255,539	\$2,879,650	

FISCAL YEAR 2016						
	FY 2016 Budget	Amount Funded	No. of Loans Funded	Pending Applications	No. of Pending Applications	FY 2016 Balance
COUNTY HOME	\$3,013,682	\$673,907	11	\$881,327	13	\$1,458,448
COUNTY CalHOME	\$561,312	\$93,031		\$ 0		\$468,281
TOTAL	\$3,574,994	\$766,938		\$881,327		\$1,926,729

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Respectfully submitted,

Carrie Tapia

Carrie Tapia
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Approved by,

Deborah N. Ruane

Deborah N. Ruane
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Hard copies are available for review during business hours in the main lobby of the San Diego Housing Commission offices at 1122 Broadway, San Diego, CA 92101 and at the Office of the San Diego City Clerk, 202 C Street, San Diego, CA 92101. You may also review complete docket materials on the San Diego Housing Commission website at www.sdhc.org.