

REPORT

DATE ISSUED: March 6, 2009

REPORT NO: HCR 09-030

ATTENTION: Chair and Members of the Housing Commission
For the Agenda of March 20, 2009

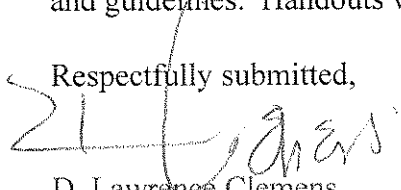
SUBJECT: Workshop Discussion: Neighborhood Stabilization Program Funds
for First Time Homebuyer Programs

BACKGROUND:

Recently the City of San Diego executed the contract to receive \$9.4 million from the federal Neighborhood Stabilization Program (NSP). Pursuant to the regulations, 75 percent of the NSP funds can be used to help first time homebuyers purchase foreclosed properties. Through the fall budget revision, \$6.1 million of the NSP funds were transferred to the Homeownership Program.

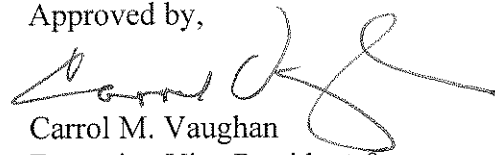
The NSP application submitted by the City stated the homeownership funds would be used to create second trust deed loans and other financing mechanisms for homebuyers whose incomes do not exceed 120 percent area median income for properties which qualify under the NSP guidelines and regulations. The workshop today will include a discussion of the Housing Commission's proposed program terms and guidelines. Handouts will be distributed during the workshop.

Respectfully submitted,



D. Lawrence Clemens
Senior Vice President,
Housing Development & Finance

Approved by,



Carrol M. Vaughan
Executive Vice President &
Chief Operating Officer