



SAN DIEGO
HOUSING
COMMISSION

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San Diego Housing Commission (SDHC) CalHome Funding Application

Housing Authority Agenda Item #2
January 7, 2020

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SDHC – CalHome Funding Application Staff Recommendations

That the Housing Authority of the City of San Diego (Housing Authority) take the following actions:

- 1) Approve the submission of an application to the California Department of Housing and Community Development (HCD) for up to \$5 million in CalHome funds for the First-Time Homebuyer program;
- 2) Authorize SDHC's President & CEO, or designee, to execute all documents and instruments that are necessary and/or appropriate to implement these approvals, in a form approved by General Counsel, and to take such actions as are necessary and/or appropriate to implement these approvals; and
- 3) Authorize the amendment to the Fiscal Year 2021 budget for the expenditure of up to \$5 million in CalHome Funds for Homeownership, if awarded.





SDHC – CalHome Funding Application Notice of Funding Availability

- The California Department of Housing and Community Development (HCD) issued a Notice of Funding Availability on November 27, 2019.
- Applications are due February 17, 2020 (originally January 27, 2020).
- SDHC intends to apply for an allocation of \$5 million in CalHome state funds, which are made available from the Affordable Housing Bond Act Trust Fund of 2018.
- If awarded, \$5 million would benefit approximately 70 low-income families, based upon the average SDHC first-time homebuyer loan amount in Fiscal Year 2019 (\$63,730).





SDHC – CalHome Funding Application First-Time Homebuyer Program

- Funding under this CalHome award will be deployed through SDHC's existing First Time Homebuyer Program to eligible households earning up to 80 percent of the San Diego Area Median Income (AMI), currently \$85,600/year for a family of four.
- Eligible households will receive a 3 percent simple interest, deferred-payment loan of up to 17 percent of the purchase price (not to exceed \$100,000).
- To be eligible, the property must be located in the City of San Diego and the borrower(s) must meet SDHC's eligibility and underwriting guidelines.
- The loan will be fully deferred with no payment due until the 30-year maturity date or if the borrower sells or rents the property.



SDHC – CalHome Funding Application Previous Funding Awards

- Upon payoff, the principal and interest received is recycled back to the First-Time Homebuyer program and redeployed to assist additional households.
- Since 2001, SDHC has received seven CalHome awards totaling \$8 million, which helped 162 low-income households purchase their first home in the City of San Diego.
- With CalHome loan repayments, SDHC has assisted 28 additional households with \$1.4 million in first-time homebuyer assistance.



Questions & Comments

