



SAN DIEGO  
HOUSING  
COMMISSION

## INFORMATIONAL REPORT

**DATE ISSUED:** September 8, 2017

**REPORT NO:** HCR17-074

**ATTENTION:** Chair and Members of the San Diego Housing Commission  
For the Agenda of October 6, 2017

**SUBJECT:** County of San Diego First Time Homebuyer Program Administration Informational Report

**COUNCIL DISTRICT:** County of San Diego

### **NO ACTION IS REQUIRED ON 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. On August 1, 2014, the Housing Commission Board approved the administration of the County FTHB Program (HCR14-057), and on August 21, 2014, the Housing Commission entered into a Contract for Management and Implementation of a HOME Investment Partnerships Program Grant Project (Contract). The Contract shall remain in effect until terminated by either party and is renewed each Fiscal Year with a new program budget.

The Housing Commission received a setup fee of \$25,000 to cover attorney costs to review the Contract and additional pertinent documents, staff expenses, lender trainings, and marketing of the County FTHB program. In addition, the Housing Commission receives reimbursement for staff administration, underwriting and processing costs for each loan.

The County FTHB program offers eligible households earning up to 80 percent of San Diego's Area Median Income (currently \$72,750 per year for a family of 4) a down payment and closing cost assistance loan to help with the purchase of a single-family home, condominium or townhome located in an unincorporated area 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's loan has a 30-year term, accrues 3 percent simple interest, and is fully deferred until the end of the term or upon sale, non-owner occupancy or cash out refinance.

Housing Commission staff administers all aspects of the new loan production with the exception of loan funding, which is handled by the County. Staff is responsible for processing, underwriting, document preparation, coordinating the funding and loan closing, and file closeout. The Housing Commission does not manage the funds or provide loan servicing for the County loans.

During fiscal years 2015, 2016 and 2017, the Housing Commission committed \$9,355,547 with assistance to 134 families. The following table summarizes the County FTHB activities over the three years of program operations:

	FY 2015	FY 2016	FY 2017
No. Assisted	42	48	44
Budget	\$ 5,255,539	\$ 4,532,712	\$ 4,971,999
Assistance to Buyers	\$ 2,804,453	\$ 3,292,123	\$ 3,039,881
Administrative Reimbursement	\$ 100,660	\$ 87,380	\$ 77,780
Balance / Carryforward	\$ 2,350,426	\$ 1,153,209	\$ 1,854,338

\*The “Balance/Carryforward” is not cumulative with previous years. The balance from one year is added to the new contract amount for the next fiscal year and is expended during that fiscal year, which results in a new “balance/carryforward” amount for only that year.

Respectfully submitted,

*Carrie Tapia*

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 Real Estate Division

Approved by,

*Deborah N. Ruane*

Deborah N. Ruane  
 Executive Vice President & Chief Strategy Officer  
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