



SAN DIEGO
HOUSING
COMMISSION

INFORMATIONAL REPORT TO CITY COUNCIL

DATE ISSUED: September 4, 2014

REPORT NO: CCR14-004

ATTENTION: Chair and Members of the San Diego City Council
For the Agenda of September 30, 2014

SUBJECT: San Diego Affordable Housing Fund Fiscal Year 2014 Annual Report

COUNCIL DISTRICT: Citywide

NO ACTION IS REQUIRED ON THE PART OF THE SAN DIEGO CITY COUNCIL

SUMMARY

The San Diego Affordable Housing Fund Fiscal Year (FY) 2014 Annual Report (Attachment 1) covers the period of July 1, 2013, through June 30, 2014, which reflects the fiscal year of the City of San Diego and the San Diego Housing Commission. It is issued following closeout of the fiscal year and includes unaudited data. The report includes FY 2014 goals, collections and funding commitments for the Housing Trust Fund and the Inclusionary Housing Fund, as well as other data required by the Affordable Housing Fund Ordinance.

BACKGROUND

The Affordable Housing Fund Ordinance (Municipal Code Section 98.0513) requires an annual report on activities undertaken with funds from the Affordable Housing Fund.

Respectfully submitted,

Tina Kessler

Tina Kessler
Program Analyst
Real Estate Division

Approved by,

Deborah N. Ruane

Deborah N. Ruane
Senior Vice President
Real Estate Division

Attachments: 1) San Diego Affordable Housing Fund FY14 Annual Report

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.

San Diego Affordable Housing Fund FY2014 Annual Report

Fiscal Year 2014
(July 1, 2013 – June 30, 2014)



Juniper Gardens
Completed November 19, 2013

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EXHIBITS

- Exhibit 1 – Housing Trust Fund Fiscal Year (FY) 2014 Ordinance Tests
- Exhibit 2 – Inclusionary Housing Fund Affordable Housing Fee Collections & Commitments by Community Plan Area
- Exhibit 3 – Affordable Housing Fund FY 2014 Summary of Funded Projects & Leverage
- Exhibit 4 – Fee Collections: Housing Trust Fund Housing Impact Fees (Commercial Linkage Fees) & Inclusionary Housing Fund Affordable Housing Fees
- Exhibit 5 – San Diego Housing Commission Income and Rent Calculations

SAN DIEGO AFFORDABLE HOUSING FUND
FISCAL YEAR 2014 ANNUAL REPORT

EXECUTIVE SUMMARY

In Fiscal Year (FY) 2014, the Affordable Housing Fund (AHF), which is composed of the Housing Trust Fund (HTF) and the Inclusionary Housing Fund (IHF), exceeded its goals in the areas of homeownership and transitional housing. The rental housing development activity goal and rehabilitation goal were not met. The rental housing development goal was not met due to fewer development applications in FY 2014 than anticipated. In addition, federal HOME Investment Partnerships Program (HOME) funds, which have commitment and expenditure deadlines; were committed instead of the more flexible AHF funds, which have no commitment or expenditure deadlines. The rehabilitation goal was not achieved as a result of production priority being shifted to other programs with sensitive contract timelines. Overall, the AHF contributed funding for 40 new affordable rental units, 35 first-time homebuyers, 836 transitional housing beds, and 37 repair grants to low-income mobile home owners.

Each AHF dollar leveraged \$8 in additional funding. The AHF has helped create 16,584 affordable housing opportunities for San Diego families since its inception.

INTRODUCTION

On April 16, 1990, the San Diego City Council (City Council) passed the HTF Ordinance. Funded through impact fees assessed on nonresidential development, the HTF was enacted to finance affordable housing for low-income workers. On June 3, 2003, the HTF Ordinance was amended to incorporate the IHF, which was a new affordable housing funding source adopted by Ordinance O-19189. The IHF provides additional affordable housing resources from fees charged to residential development.

The City of San Diego's (City) AHF is a permanent, annually renewable source of funds to help meet the housing needs of the City's very low- to moderate-income households. The City Council expressed this intent in Municipal Code Sections 98.0501-98.0518. In general, the AHF's purposes are to:

- 1) Meet a portion of the need for housing that is affordable to households with very low to moderate incomes;
- 2) Leverage every \$1 of City funds with \$2 of non-City subsidy capital funds;
- 3) Support the Balanced Communities Policy by fostering a mix of household incomes in projects assisted by the AHF and dispersing affordable housing developments throughout the City;
- 4) Preserve and maintain renter and ownership affordable housing; and
- 5) Encourage private sector activities that advance these goals.

Municipal Code Section 98.0513 states that the San Diego Housing Commission (Housing Commission) shall prepare and submit an annual report to the City Council on the activities undertaken with funds from the AHF following the close of each fiscal year. The reporting requirements of the Inclusionary Affordable Housing Ordinance (Municipal Code Section 142.1311) are also addressed in this report.

This report describes the activities undertaken with funds from the AHF and specifies:

- the number and types of units assisted;
- the geographic distribution of units;
- a summary of statistical data relative to the incomes of assisted households;
- the monthly rent charged;
- the amount of state, federal and private funds leveraged; and
- the sales prices of ownership units assisted.

This report discusses how well the goals of the previous year's AHF Annual Plan were met. Allocation of AHF resources takes into consideration the policy parameters set by the AHF Ordinance, the availability and requirements of other funding sources (such as federal HOME funds), and the goals and objectives set forth in the Housing Commission's Budget.

HOUSING TRUST FUND

Purpose and Use

Funds from the HTF may be used for loans, grants, or indirect assistance to produce and maintain affordable units and related facilities.

The HTF Ordinance requires that funds be allocated as follows:

- 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 (AMI));
- No more than 20 percent to housing for *low-income* households (defined as households with incomes between 50 percent and 80 percent of AMI); and
- No more than 10 percent to *median income* first-time homebuyers (defined as households with incomes over 80 percent of AMI).

The allocation of HTF funds is shown in **Exhibit 1**.

HTF Revenues

HTF revenues for FY 2014 totaled \$3,086,422, a 165 percent increase from the prior year. FY 2014 actual revenues were nearly triple budgeted revenues. When more funds are collected than budgeted, and they are not committed to a project or activity, they are put into a fund reserve for future year investment.

FY2014 HTF Revenue			
	Revenue	Budget	Change
Housing Impact Fees	\$ 2,266,643	\$ 1,032,854	199% Increase
Other Revenue (loan repayments & interest)	\$ 819,779		
TOTAL	\$ 3,086,422		

Exhibit 4 shows HTF Housing Impact Fees collected since inception.

Fund Allocation

In FY 2014, more than \$1.6 million was committed to programs and projects. The funds were allocated among several housing activities, including rental housing development, the First-Time Homebuyer Program, owner-occupied housing rehabilitation and transitional housing. Administrative expenses of \$175,012 provided partial reimbursement for costs associated with investing the funds through loans and grants, such as project solicitation/marketing, underwriting, preparation of legal documents, account setup, management, program administration and overhead expenses. Uncommitted program funds will be utilized for future HTF activities.

Exhibit 3, “Affordable Housing Fund FY 2014 Summary of Funded Projects & Leverage” provides project details for each funding award made in FY 2014.

HTF Loan Portfolio Status

As of June 30, 2014, all previously funded HTF loans were in good standing. The following are the outstanding loan principal and interest amounts:

Program	Principal	Interest	Total
Multifamily Rental	\$ 30,399,545.16	\$ 6,888,874.36	\$ 37,288,419.52
Rehabilitation	\$ 4,114,252.16	\$ 25,565.82	\$ 4,139,817.98
First-Time Homebuyer	\$ 1,287,962.39	\$ 16,747.94	\$ 1,304,710.33
TOTAL			\$ 42,732,947.83

INCLUSIONARY HOUSING FUND

Purpose and Use

On June 3, 2003, the City Council adopted an Inclusionary Affordable Housing Program pursuant to Ordinance O-19189, which requires developers of rental units to pay an affordable housing fee. Developers of for-sale units have an option to provide 10 percent of the total units at affordable rates instead of paying the fee, with a similar option for developers who are converting apartments to condominiums. Fees are deposited into the IHF and may be used for rental housing development, first-time homebuyer assistance and related programs. They may not be used for rental assistance.

Revenues

IHF revenues for FY 2014 totaled \$4,942,804, a 24 percent decrease from the prior year. FY 2014 actual revenues were much higher than budgeted due to the improved economy and increased apartment construction. When more funds are collected than budgeted, and they are not committed to a project or activity, they are put into a fund reserve for future year investment.

FY2014 IHF Revenue			
	Revenue	Budget	Change
Housing Impact Fees	\$ 4,553,948	\$ 2,105,047	135% Increase
Other Revenue (loan repayments & interest)	\$ 388,856		
TOTAL	\$ 4,942,804		

In FY14 there were two Inclusionary Housing In-Lieu fee refunds processed. Both refunds were given because the developments qualified for exemption from the fee since the projects consisted of the construction of one single-family home on one single-family lot. Refunds totaled \$29,454.21.

Exhibit 2 shows the net IHF Fees collected and committed in each Community Plan Area (CPA), minus administrative fees. The Inclusionary Housing Ordinance prioritizes spending IHF revenues in the CPA of origin, resulting in 42 separate accounts. Funds may be invested citywide when there is no match between the area of collection and investment opportunities. Developments using more than \$250,000 of total Housing Commission funds are taken to the Housing Authority for review and approval.

Exhibit 4 shows AHF Fees collected since inception.

Fund Allocation

The following table summarizes FY 2014 expenditures and new commitments of IHF funds.

Activity	Commitments/Expenditures
Rental Housing Development	\$ 0
First Time Homebuyers	\$2,036,205
Reserves	\$ 0
Administration & Legal	\$ 400,459
TOTAL	\$2,436,664

IHF Loan Portfolio Status

As of June 30, 2014, all previously funded IHF loans were in good standing. The following are the outstanding loan principal and interest amounts:

Program	Principal	Interest	Total
Multifamily Rental	\$ 16,803,694.20	\$ 1,612,752.06	\$ 18,416,446.26
First-Time Homebuyer	\$ 14,356,219.47	\$ 283,079.69	\$ 14,639,299.16
		TOTAL	\$ 33,055,745.42

AFFORDABLE HOUSING FUND PERFORMANCE

During FY 2014, the AHF committed approximately \$3.5 million to affordable housing activities that will assist 957 households. The table below compares FY 2014 goals to actual production, and is followed by details regarding each program.

PROGRAM	GOAL	ACTUAL
Rental Housing Development Units – Gap Financing		
New Construction		40
Existing Rental Housing		<u>0</u>
Total	150	40
Homeownership Units		
Shared Appreciation Loan		0
Shared Appreciation Loan with Closing Cost Assistance Grant		35
Closing Cost Assistance Grant		<u>0</u>
Total	19 – 24	35
Total Transitional Housing Operations		
Assisted Beds	562	836
Rehabilitation Units		
Mobile Home Repair Grants		
Total	56	37
Total Assisted Units/Beds	792	957

Nonprofit Capacity Building Programs		
Predevelopment Financial Assistance Grant		
Nonprofit Technical Assistance /Nonprofit Support Grants		
Total	2	0
Targets of Opportunity Grants	2	0

Rental Housing Production: The AHF committed \$310,000 in two projects. One project will serve persons with developmental disabilities and their families (\$300,000), and the other project reserves units for women veterans, as outlined in the table below (\$10,000).

Project Name Address	Restricted Unit Mix	AMI Range	Rent Range	Target Population
Veterans Village Phase 5 4141 Pacific Highway New Construction	9 two-bedroom units (18 beds)	50% - 60%	\$250	Women Veterans
Independence Point 327 South Willie James Jones Ave. New Construction	30 three-bedroom <u>1 four-bedroom</u> 31 units	30% - 60%	\$615 - \$1,184	Families

Rents

Maximum rents are calculated according to HUD standards of affordability: Housing costs (including utilities) must not exceed 30 percent of income, adjusted for household size and designated income levels. All AHF projects are required to use this standard as a maximum for setting rents. In general, target rents are also at least 10 percent below market rate. Of the 31 affordable multifamily units newly funded in FY 2014, 12 will be affordable at or below 30 percent of AMI, 16 will be affordable at or below 50 percent of AMI, and three will be affordable at or below 60 percent of AMI. The maximum rents for the nine units at the Veterans Village of San Diego project will be allocated by bed. There will be nine beds set aside for clients at or below 50 percent AMI and nine beds set aside for clients at or below 60 percent AMI.

Homeownership: In FY 2014 the AHF provided \$2,036,205.38 for the Housing Commission's First-Time Homebuyer Program. These funds provided loans and grants to 35 households and leveraged more than \$8 million in funding from private lenders and other sources. Home prices ranged from \$195,000 to \$320,000 for 10 attached units and \$264,000 to \$381,000 for 25 detached units. The average sales price for the assisted detached units was \$326,904, up from an average of \$299,887 for detached homes in FY 2013. The average sales price for the assisted attached units was \$239,340, up from an average of \$214,000 for assisted attached homes in FY 2013.

Sales Prices

The maximum home price for Housing Commission loans and grants is \$460,000 for a detached unit and \$303,000 for an attached unit. These are based on the HUD-approved maximum purchase price for single-family homes. However, buyers must have a minimum of 30 percent of their gross income used toward housing in order to apply for a deferred loan under the First-Time Homebuyer Program. For the purpose of this calculation, housing expenses include loan principal and interest, property taxes, property insurance and homeowners' association fees.

The borrower’s monthly housing debt, including property taxes, property insurance and if applicable, mortgage insurance and homeowner’s association dues, cannot be less than 30 percent of the household’s gross income. The ratio of monthly housing costs, plus all other household monthly debt (including credit cards, automobile payments, etc.), cannot exceed 45 percent of the borrower’s gross income. If the total debt ratio exceeds 45 percent, the application must be presented to the Loan Committee for consideration. This can be exceeded with Loan Committee or Housing Commission approval.

The following table summarizes the First-Time Homebuyer Inclusionary Housing programs.

First-Time Homebuyer Inclusionary Housing Program			
Program	AMI	Loan/Grant Amount	Maximum Purchase Price Effective November 4, 2013
3% Interest Deferred Payment Loan	100%	17% of purchase price or appraised value; whichever is less. The minimum loan amount is \$1,000	Attached: \$303,000 Detached: \$460,000
Closing Cost Assistance Grant	100%	Up to 6% of purchase price or appraised value, whichever is less, not to exceed \$20,000 Grant can be used as follows: Up to 2% for down payment Up to 4% for closing costs not to exceed \$15,000	Attached: \$303,000 Detached: \$460,000

Transitional Housing: Eight social services agencies provided one year of shelter and services in 14 transitional housing programs for up to 836 extremely low- to very low-income adults and children, using \$978,326 of HTF assistance. Ancillary services include job preparation, life skills training, financial counseling, and health services, among others.

In most of the transitional housing programs, clients initially pay no rent. As they find employment, clients pay 30 percent of their income in rent or a rental fee, some of which is put aside in a savings plan to help pay the cost of moving to permanent housing when they leave the transitional program.

Housing Rehabilitation: With \$198,005 of HTF assistance, the Housing Commission’s housing rehabilitation program provided 37 grants to extremely low- to low-income households to repair hazardous conditions in mobile homes.

During the FY 2014 program year, there were no requests for funding for Capacity Building Grants or Targets of Opportunity Grants.

Income Levels of Assisted Households

AMI is defined as the area median income in the San Diego Standard Metropolitan Statistical Area, adjusted for family size, as published by the U.S. Department of Housing and Urban Development (HUD). In FY 2014, the AMI for a family of four increased from \$72,300 to \$72,700. The AHF uses HUD's income level definitions: "Extremely Low" refers to households earning 30 percent or less of AMI; "Very Low" refers to households earning 31 percent to 50 percent of AMI; "Low" refers to households earning between 51 percent and 80 percent of AMI; "Median" refers to households earning between 81 percent and 100 percent of AMI, and "Moderate" refers to households earning between 101 percent and 120 percent of AMI. The current AMIs and affordable rents for San Diego County are shown on **Exhibit 5**.

Leverage

Per Municipal Code Section 98.0501(c), an AHF goal is to attract \$2 of non-City capital funds for every Affordable Housing Fund dollar invested. For FY 2014, total AHF commitments of approximately \$3.5 million leveraged more than \$28 million, far surpassing the 2-1 goal. **Exhibit 3** provides an overview of AHF leverage.

Updates of Prior Years' Activities and Project Completions

- COMM22 Family Housing: Construction is in progress for this new development in Logan Heights, which will have 13 housing units restricted to families earning up to 30 percent of AMI, 16 units restricted to families earning up to 40 percent of AMI, 71 units restricted to families earning up to 50 percent of AMI, and 28 units restricted to families earning up to 60 percent of AMI. Construction is estimated to be completed in December 2014.
- Juniper Gardens: This rehabilitation project in City Heights preserved 39 existing affordable units and extended the term of a Housing Assistance Payment contract with HUD for Project-Based Housing Choice Voucher (Section 8) rental assistance. Rehabilitation was completed on November 19, 2013.
- Mesa Commons: Construction is under way at this new development in the College Area, which will consist of 77 affordable housing units. These one-, two-, and three-bedroom units are restricted at rent levels from 30 – 60 percent of AMI. Construction is estimated to be completed in September 2014.
- Veterans Village Phase 5: The Veterans Village Campus will be complete when this phase finishes construction. Phase 5 work is under way, with demolition of an existing building on the campus wrapping up to construct a two-story building with 9 units (18 transitional housing beds) on the second floor designed specifically to house female veterans returning from Iraq and Afghanistan. Construction is estimated to be completed in August 2015.
- Independence Pointe (formerly known as Willie James Jones Apartments): This development is the first of its kind in San Diego. Independence Point is a special needs affordable housing

development, with 31 three- and four-bedroom units. Twenty-five of the units will be set aside for households that include a member who has a developmental disability. Rents for all units will be restricted between 30 – 60 percent AMI. Construction is under way and estimated to be complete in June 2015.

Potential Projects

There are two rental development applications currently under review. Funding recommendations for these two developments are planned before year-end. In addition, four other projects are expected to apply for funding before year-end. An estimated \$22 million of AHF funding is potentially needed for these projects. Approved projects will be reported on in the FY 2016 Annual Plan and FY 2015 Annual Report. The Housing Commission also anticipates setting aside \$10 million of AHF funds for a permanent supportive housing (PSH) Notice of Funding Availability. The PSH NOFA will be issued in October 2014, with applications due in January 2015.

HOUSING TRUST FUND FY14 ORDINANCE TESTS

Housing Program Funds (below):	\$1,486,331
Admin/Legal:	\$174,963
Reserves/Targets of Opportunity:	\$0
Nonprofit Capacity Building Grants:	\$0
Total HTF:	<u>\$1,661,294</u>

PROGRAM	PROJECT	Income Level / Percentage of Area Median Income			
		Very Low -Transitional 0-50% AMI	Very Low -Permanent 0-50% AMI	Low 51%-80% AMI	Med.-Mod. 81%-120% AMI
Rental Housing Production Development Loan:	Veterans Village Phase 5 Willie James Jones		\$5,000 \$270,000	\$5,000 \$30,000	
Homebuyers	Shared Appreciation Loans Closing Cost Grants				
Rehabilitation	Mobile Home Repair Grants		\$171,240	\$26,765	
Transitional Housing Operations	Cortez Hill Family Center ECS Downtown Safe Haven ECS Uptown Safe Haven MHS Serial Inebriate Program Salvation Army - STEPS Salvation Army - TLC San Diego Second Chance San Diego Youth Services SVDP Family Living Center SVDP-Single Men SVDP-Single Women YMCA Turning Point YWCA - Becky's House YWCA - Passages	\$200,000 \$19,077 \$22,937 \$42,705 \$75,000 \$34,995 \$68,117 \$24,420 \$101,432 \$90,602 \$57,780 \$22,500 \$147,874 \$70,887			
TOTAL HOUSING PROGRAM FUNDS		\$978,326	\$446,240	\$61,765	\$0

Ordinance Tests		
Required Percent	Actual Percent	Pass
Transitional Housing 10% minimum	58.9%	✓
Very Low Permanent Housing	26.9%	
Total Trans & Very Low Perm 60% min.	85.8%	✓
Low Income 20% maximum	3.6%	✓
Med/Mod Inc. Homebuyers 10% max.	0.0%	✓

Program	Allocation	Percent of HTF
Very Low Income - Transitional	\$978,326	58.90%
Very Low-Income - Permanent		
Rental Hsg Development	\$270,000	
Homebuyers	\$0	
Rehabilitation	\$171,240	
	<u>\$441,240</u>	26.90%
Low-Income		
Rental Hsg Development	\$30,000	
Homebuyers	\$0	
Rehabilitation	\$26,765	
	<u>\$56,765</u>	3.60%
Med/Mod Income		
First Time Homebuyers	\$0	0.0%
	<u>\$1,476,331</u>	89.4%
Admin & non-unit programs	\$174,963	10.60%

Net After Administration

CD	COMMUNITY PLAN AREA	FY04 - FY13	FY2014	TOTAL COLLECTIONS (after admin)	Balance
8	Barrio Logan	\$51,135.40		\$51,135.40	\$51,135.40
5	Carmel Mtn Rnch	\$199,827.25		\$199,827.25	\$199,827.25
1	Carmel Valley	\$1,455,298.84	224,924.36	\$1,680,223.20	\$1,530,223.20
3	Centre City	\$10,322,927.18	1,611,029.35	\$11,933,956.54	\$6,601,356.54
9	City Heights	\$36,954.14		\$36,954.14	\$0.14
6	Clairemont Mesa	\$938,254.76	-26214.25*	\$912,040.51	\$912,040.51
9	College	\$2,045,028.69	209,043.91	\$2,254,072.61	\$209,044.61
4	Eastern Area	\$13,880.44		\$13,880.44	\$0.44
4	Encanto	\$0.00		\$0.00	\$0.00
3	Golden Hill	\$203,638.46	60,453.13	\$264,091.60	\$264,091.60
6	Kearny Mesa	\$0.00		\$0.00	\$0.00
9	Kensington-Talmadge	\$2,717.84		\$2,717.84	-\$0.16
1	La Jolla	\$854,874.82	524,458.10	\$1,379,332.92	\$1,379,332.92
7	Linda Vista	\$3,312,974.73	32,074.79	\$3,345,049.52	\$3,345,049.52
3,4,9	Mid-City	\$4,155,871.04	18,525.76	\$4,174,396.80	\$1,899,523.80
2	Midway/Pacif Hwy Corridor	\$550,966.53		\$550,966.53	\$300,007.53
6	Mira Mesa	\$206,113.45		\$206,113.45	\$206,113.45
5	Miramar Ranch No.	\$0.00		\$0.00	\$0.00
2	Mission Beach	\$425,588.72	25,607.23	\$451,195.96	\$451,195.96
7	Mission Valley	\$1,725,507.32		\$1,725,507.32	\$299,752.32
7	Navajo	\$631,208.91		\$631,208.91	\$92,758.91
3	Normal Heights	\$36,872.71		\$36,872.71	-\$0.29
3	North Park	\$479,554.81	89,436.35	\$568,991.16	-\$3,911,243.85
2	Ocean Beach	\$229,933.49	62,355.11	\$292,288.60	\$292,288.60
3	Old Town	\$2,159.14		\$2,159.14	\$2,159.14
8	Otay Mesa	\$47,885.24		\$47,885.24	\$47,885.24
8	Otay Mesa/Nestor	\$206,684.64		\$206,684.64	\$146,684.64
1	Pacif Highlands Rnch	\$0.00		\$0.00	\$0.00
2	Pacific Beach	\$896,718.84	188,678.73	\$1,085,397.56	\$1,085,397.56
2	Peninsula	\$222,523.42	231,134.90	\$453,658.32	\$453,658.32
5	Rancho Bernardo	\$0.00		\$0.00	\$0.00
5	Rcho Penasquitos	\$7,676.25		\$7,676.25	\$7,676.25
5	Sabre Springs	\$109,229.70		\$109,229.70	\$109,229.70
8	San Ysidro	\$97,906.46		\$97,906.46	-\$112,093.54
5	Scripps Miramar Rnch	\$222,500.00		\$222,500.00	\$222,500.00
7	Serra Mesa	\$89,964.80		\$89,964.80	\$89,964.80
4	Skyline/Paradise Hills	\$474,337.52	197,629.84	\$671,967.36	\$671,967.36
4	Southeastern SD	\$309,730.64	122,268.73	\$431,999.37	-\$35,072.63
7	Tierrasanta	\$1,349,825.89	40,348.24	\$1,390,174.13	\$1,390,174.13
1	Torrey Pines	\$3,972.96		\$3,972.96	\$3,972.96
1	University City	\$2,034,831.08	382,359.24	\$2,417,190.32	\$2,417,190.32
3	Uptown	\$1,288,944.32	54,718.18	\$1,343,662.50	-\$2,733,308.50
3	Ballpark Village Contribution to	\$20,244,757.00		\$20,244,757.00	\$0.00
	Interest Earnings	\$269,555.48	\$4,181.63	\$273,737.10	-\$5,530,418.90
Total Fees & Interest Collected		\$55,758,332.89	\$4,079,227.58	\$59,811,346.23	\$12,360,065.23

*FY 14 Refund Payment

AFFORDABLE HOUSING FUND FY2014 SUMMARY OF FUNDED PROJECTS & LEVERAGE

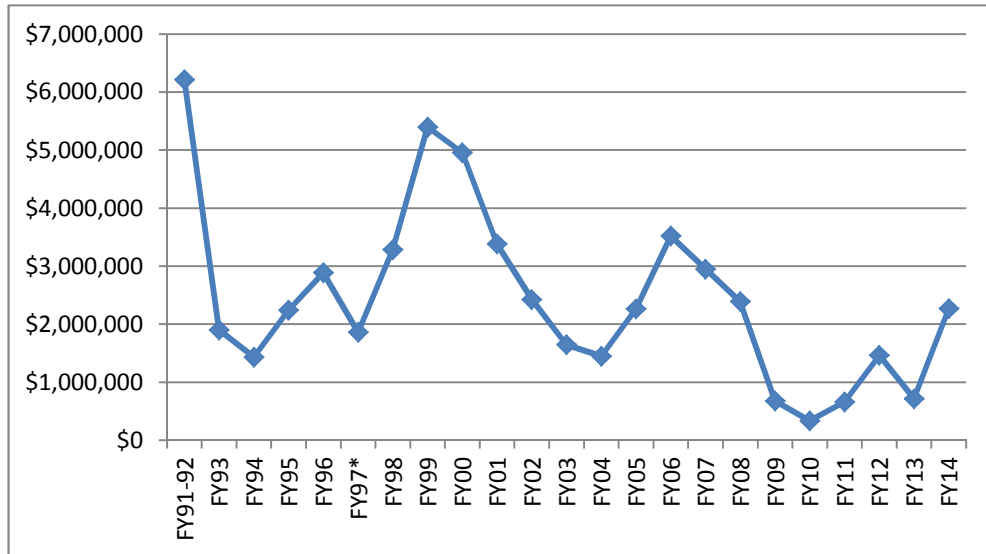
Activity/Sponsor	Project	Geographic Location	Contract Amount	Assisted Units/ Beds	Council District	Income Level	LEVERAGE			
							Private	County	State	Federal
Rental Housing Development										
Chelsea Development Corp.	Independence Pointe (HTF) (fka Willie James Jones Apts.)	Encanto	\$300,000	31	4	16ELI 12VLI 3 LI			\$9,776,641	\$2,200,000
Veterans Village of San Diego	VVSD Phase 5 (HTF)	North Bay	\$10,000	18	2	9VLI and 9 LI	\$700,000	\$50,000		\$1,434,846
			\$310,000	49						
First Time Homebuyers										
HTF	Loans, Closing Cost grants (HTF)	Citywide	\$0							
Inclusionary Housing Fund	Loans (Incl)	Citywide	\$1,729,457	35	2,3,4	1 LI 34 Moderate	\$8,000,000			
Inclusionary Housing Fund	Closing Cost grants (Incl)	Citywide	\$306,748		5,7,8,9	All loan recipients received grants				
			\$2,036,205	35						
Transitional Housing (HTF)										
Episcopal Community Services	Downtown Safe Haven	East Village	\$19,077	28	3	Very low	\$241,779	\$19,077		\$535,072
Episcopal Community Services	Uptown Safe Haven	Uptown	\$22,967	19	3	Very low	\$10,342	\$383,673		\$86,800
Mental Health Systems	Serial Inebriate Program	City Heights	\$42,705	12	3	Very low		\$253,000		
The Salvation Army	STEPS	East Village	\$75,000	40	3	Very low	\$196,004			\$128,734
The Salvation Army	Transitional Living Center	Kearny Mesa	\$35,000	36	6	Very low	\$225,745			\$135,292
San Diego Second Chance	Second Chance	City Hgts/E. Vlg	\$68,117	32	3	Very low	\$457,655	\$247,925	\$51,555	
San Diego Youth Services	Foster Care Graduate Hsg	Normal Heights	\$25,784	11	3	Very low		\$317,737		
St. Vincent de Paul	Family Living	East Village	\$101,432	112	3	Very low	\$51,891		\$9,345	\$478,323
St. Vincent de Paul	Fresh Start	East Village	\$90,602	150	3	Very low	\$69,479		\$16,991	\$1,029,686
St. Vincent de Paul	STEP	East Village	\$57,780	35	3	Very low	\$20,171		\$4,248	\$174,347
YWCA	Turning Point	City Heights	\$22,500	24	3	Very low	\$26,847			\$363,383
YWCA	Becky's House	Confidential	\$147,874	138	N/A	Very low	\$51,100			\$247,161
YWCA	Cortez Hill Family Center	Cortez Hill	\$200,000	150	3	Very low	\$1,100			\$99,543
YWCA	Passages	East Village	\$70,895	49	3	Very low				\$532,588
			\$979,733	836						
Rehabilitation (HTF)										
Mobile Home Repair Grants		Citywide	\$198,005	37	City wide	10ELI 22VLI 5LI	\$1,308			\$42,309
			\$198,005	37						
Total, Housing Programs			\$3,523,943	957			\$10,053,421	\$1,271,412	\$9,858,780	\$7,488,084
Administration & Legal										
	Housing Trust Fund (HTF)		\$174,963							
	Inclusionary Housing Fund (IHF)		\$400,459							
TOTAL, PROGRAMS AND ADMINISTRATION			\$4,099,365							
Total Leverage							\$28,671,697			

All funding is from the Housing Trust Fund except shaded data, which represents Inclusionary Fund expenditures.

**Fees and Interest Transmitted from City to Housing Commission:
Housing Trust Fund Linkage Fees
&
Inclusionary Affordable Housing Fees**

Housing Trust Fund Commercial Linkage Fee Collections:

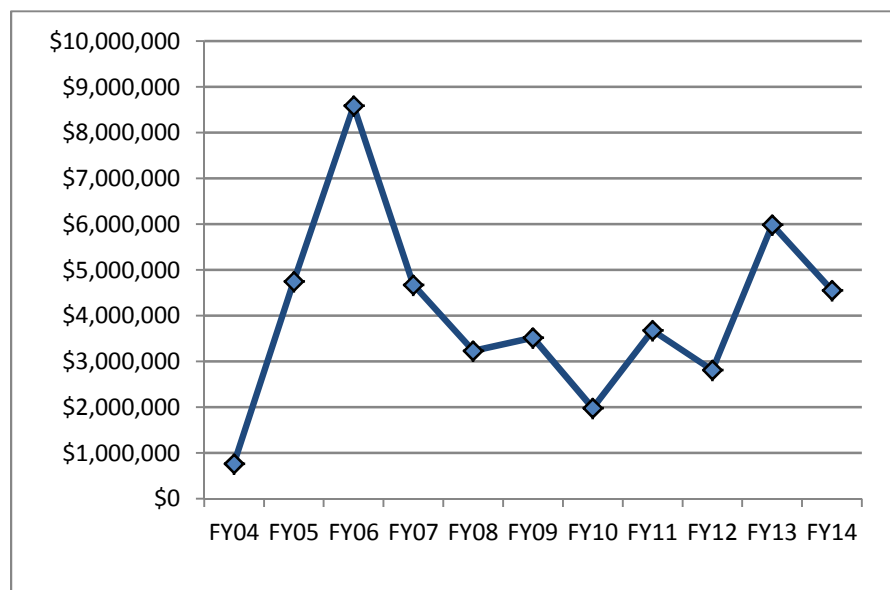
FY91-92	\$6,211,014
FY93	\$1,899,406
FY94	\$1,432,139
FY95	\$2,241,590
FY96	\$2,885,181
FY97*	\$1,859,146
FY98	\$3,282,811
FY99	\$5,397,592
FY00	\$4,953,463
FY01	\$3,382,211
FY02	\$2,424,763
FY03	\$1,645,166
FY04	\$1,448,329
FY05	\$2,261,653
FY06	\$3,519,563
FY07	\$2,949,230
FY08	\$2,388,933
FY09	\$677,183
FY10	\$333,213
FY11	\$661,894
FY12	\$1,462,759
FY13	\$716,960
FY14	<u>\$2,269,510</u>
Total	<u>\$56,303,709</u>



*Linkage fee rates were reduced by 50% in FY97.

Inclusionary Fund Residential Affordable Housing Fee Collections**:

FY04	\$764,362
FY05	\$4,746,985
FY06	\$8,589,727
FY07	\$4,673,200
FY08	\$3,231,467
FY09	\$3,516,408
FY10	\$1,976,757
FY11	\$3,680,180
FY12	\$2,811,392
FY13	\$5,987,099
FY14	<u>\$4,553,948</u>
Total	<u>\$44,531,525</u>
FY08***	\$20,244,757
Total	<u>\$64,776,282</u>



**FY10 & FY11 Inclusionary amounts include reconciliations of FY06-FY09 collections.

FY12 Inclusionary includes reconciliation of FY10 & FY11 collections.

*** Ballpark Village FY08 contribution to 16th & Market.

SAN DIEGO HOUSING COMMISSION INCOME AND RENT CALCULATIONS

U.S. Department of Housing and Urban Development **2014 SAN DIEGO MEDIAN INCOME:** **\$72,700**

Note: The table contains income limits for 2014 extremely low, very low and low income, as adjusted for family size and other factors adopted and amended from time to time by the U.S. Department of Housing and Urban Development (HUD). HUD adjusted San Diego Very Low Income limits for a "high housing cost area" factor.

Family Size	Unit Size	Extremely Low Income 30% AMI (Adjusted by HUD)			35% AMI (Adjusted by HUD)			40% AMI (Adjusted by HUD)		
		ANNUAL INCOME ¹	GROSS RENT ²	TCAC ³	ANNUAL INCOME ¹	GROSS RENT ²	TCAC ³	ANNUAL INCOME ¹	GROSS RENT ²	TCAC ³
ONE	STUDIO	\$16,600	\$415	\$414	\$19,300	\$483	\$483	\$22,100	\$553	\$553
TWO	1-BR	\$18,950	\$474	\$444	\$22,100	\$553	\$518	\$25,250	\$631	\$592
THREE	2-BR	\$21,300	\$533	\$533	\$24,850	\$621	\$622	\$28,400	\$710	\$711
FOUR	3-BR	\$23,650	\$591	\$615	\$27,600	\$690	\$718	\$31,550	\$789	\$821
FIVE	4-BR	\$25,550	\$639	\$687	\$29,800	\$745	\$801	\$34,050	\$851	\$916
SIX	5-BR	\$27,450	\$686	\$757	\$32,000	\$800	\$884	\$36,600	\$915	\$1,010
SEVEN	6-BR	\$29,350	\$734		\$34,200	\$855		\$39,100	\$978	
EIGHT		\$31,250			\$36,450			\$41,650		

Family Size	Unit Size	Very Low Income 50% AMI (Adjusted by HUD)				60% AMI (Adjusted by HUD)			65% AMI (Adjusted by HUD)		
		ANNUAL INCOME ¹	GROSS RENT ²	TCAC ³	"Low HOME" ³	ANNUAL INCOME ¹	GROSS RENT ²	TCAC ³	ANNUAL INCOME ¹	GROSS RENT ²	"High HOME" ³
ONE	STUDIO	\$27,650	\$691	\$691	\$706	\$33,180	\$830	\$829	\$35,900	\$898	\$900
TWO	1-BR	\$31,600	\$790	\$740	\$756	\$37,920	\$948	\$888	\$41,050	\$1,026	\$967
THREE	2-BR	\$35,550	\$889	\$908	\$908	\$42,660	\$1,067	\$1,066	\$46,150	\$1,154	\$1,167
FOUR	3-BR	\$39,450	\$986	\$1,026	\$1,053	\$47,340	\$1,184	\$1,231	\$51,300	\$1,283	\$1,340
FIVE	4-BR	\$42,650	\$1,066	\$1,145	\$1,177	\$51,180	\$1,280	\$1,374	\$55,400	\$1,385	\$1,475
SIX	5-BR	\$45,800	\$1,145	\$1,263	\$1,300	\$54,960	\$1,374	\$1,515	\$59,500	\$1,488	\$1,609
SEVEN	6-BR	\$48,950	\$1,224		\$1,421	\$58,740	\$1,469		\$63,600	\$1,590	\$1,743
EIGHT		\$52,100				\$62,520			\$67,700		

Family Size	Unit Size	70% AMI (Adjusted by HUD)		Low Income 80% AMI (Adjusted by HUD)		100% Area Median Income (No HUD adjustment)		120% AMI (No HUD adjustment)	
		ANNUAL INCOME ¹	GROSS RENT ²	ANNUAL INCOME ¹	GROSS RENT ²	ANNUAL INCOME ¹	GROSS RENT ²	ANNUAL INCOME ¹	GROSS RENT ²
ONE	STUDIO	\$38,700	\$968	\$44,200	\$1,105	\$50,900	\$1,273	\$61,100	\$1,528
TWO	1-BR	\$44,200	\$1,105	\$50,500	\$1,263	\$58,150	\$1,454	\$69,800	\$1,745
THREE	2-BR	\$49,750	\$1,244	\$56,800	\$1,420	\$65,450	\$1,636	\$78,550	\$1,964
FOUR	3-BR	\$55,250	\$1,381	\$63,100	\$1,578	\$72,700	\$1,818	\$87,250	\$2,181
FIVE	4-BR	\$59,650	\$1,491	\$68,150	\$1,704	\$78,500	\$1,963	\$94,250	\$2,356
SIX	5-BR	\$64,100	\$1,603	\$73,200	\$1,830	\$84,350	\$2,109	\$101,200	\$2,530
SEVEN	6-BR	\$68,500	\$1,713	\$78,250	\$1,956	\$90,150	\$2,254	\$108,200	\$2,705
EIGHT		\$72,950		\$83,300		\$95,950		\$115,150	

* TCAC = Tax Credit Allocation Committee

1. Annual Income = Gross annual income adjusted by family size for Area Median Income (AMI) level. May contain additional adjustments as determined annually by HUD.
2. Gross rent minus utility allowance = maximum cash rent. See the "San Diego Housing Commission Utility Allowance Schedule" to calculate the utility allowance based on the project's actual utility mix.
3. For projects with multiple funding sources, use the lowest rents applicable and/or apply HUDs MTSP "Hold Harmless" policy. "Low HOME" and "High HOME" rents effective **May 1, 2014**.

Note: Due to the Housing and Economic Recovery Act of 2008 the data presented in this chart may not be applicable to projects financed with Section 42 Low Income Housing Tax Credits (LIHTC) or section 142 tax exempt private equity bonds (MTSP). If you believe your affordable housing project is affected by this change and have questions regarding the 2014 Rent & Income limits, please contact Irma Betancourt at irmap@sdhc.org.

This general income and rental rate information is derived from the U.S. Department of Housing and Urban Development very low income figures published **December 18, 2013**. HOME Rents effective **May 1, 2014**.