



SAN DIEGO
HOUSING
COMMISSION

INFORMATIONAL REPORT TO THE CITY COUNCIL

DATE ISSUED: September 5, 2012

REPORT NO: CCR12-005

ATTENTION: Council President and Members of the San Diego City Council
For the Agenda of October 23, 2012

SUBJECT: Affordable Housing Fund Fiscal Year 2012 Annual Report

COUNCIL DISTRICT: Citywide

NO ACTION IS REQUIRED ON THE PART OF CITY COUNCIL.

SUMMARY:

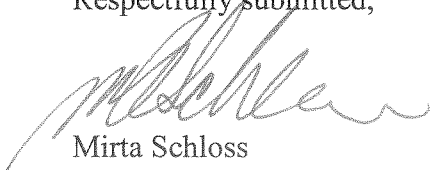
The Affordable Housing Fund Fiscal Year 2012 ("FY2012") Annual Report covers the period of July 1, 2011 through June 30, 2012, which reflects the fiscal year of the City of San Diego and the Housing Commission. It is issued following closeout of the fiscal year and includes unaudited data. The report includes FY2012 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,

Approved by:


Mirta Schloss
Director
Special Programs

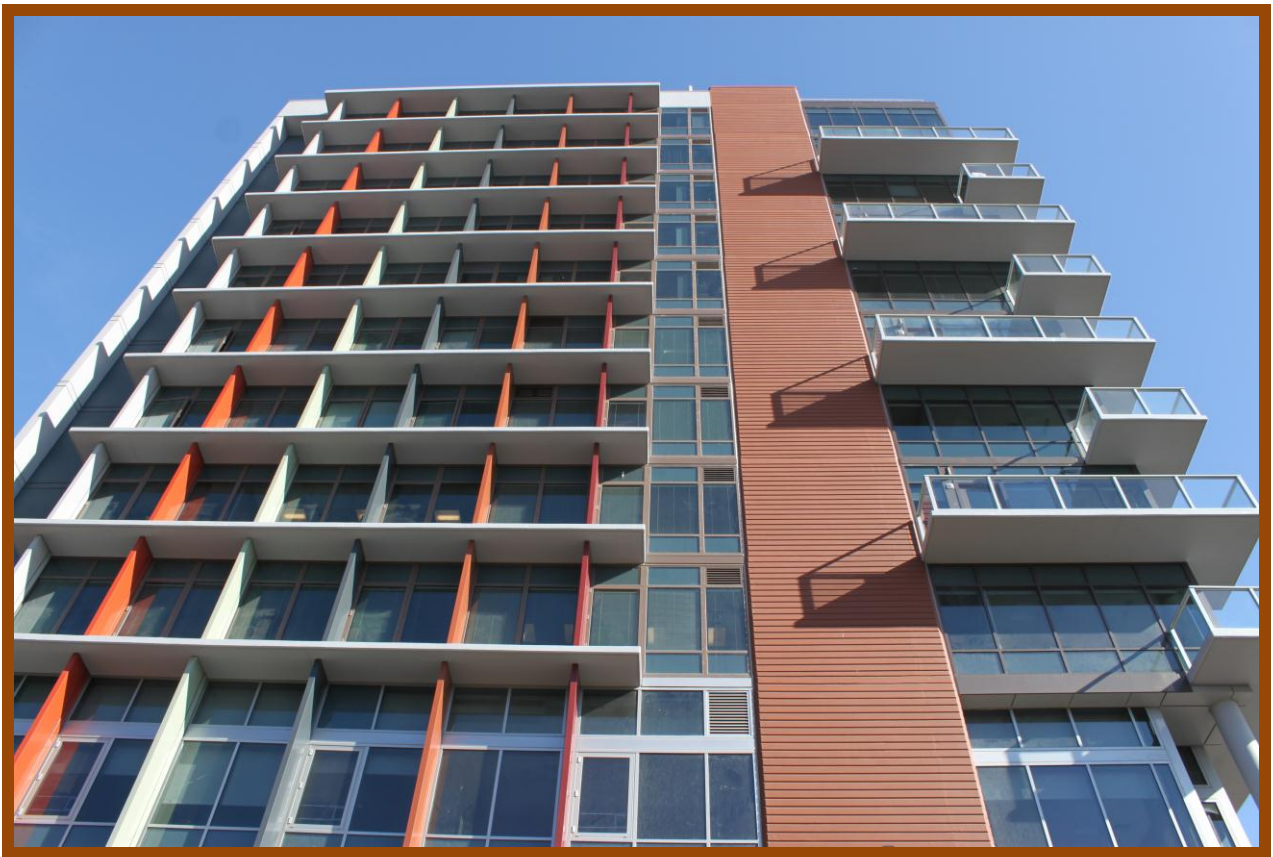

Jennifer Adams-Brooks
Executive Vice President & Chief of Staff
San Diego Housing Commission

Attachments:

1. San Diego Affordable Housing Fund FY12 Annual Report
2. Housing Trust Fund FY12 Ordinance Tests
3. Affordable Housing Fund FY12 Summary of Funded Projects & Leverage
4. Inclusionary Affordable Housing Fee Collections & Commitments by Community Plan Area
5. Fee Collections – Housing Trust Fund Linkage Fees & Inclusionary Housing Fund Affordable Housing Fees
6. San Diego Housing Commission Income and Rent Calculations

San Diego Affordable Housing Fund FY2012 Annual Report

Fiscal Year 2012
(July 1, 2011 – June 30, 2012)



15th & Commercial
Completed December, 2011
\$3.5 million Inclusionary Housing Funds

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SAN DIEGO AFFORDABLE HOUSING FUND

FISCAL YEAR 2012 ANNUAL REPORT

EXECUTIVE SUMMARY

In Fiscal Year 2012 (FY12) the Affordable Housing Fund (AHF), comprised of the Housing Trust Fund (HTF) and the Inclusionary Housing Fund (IHF), exceeded its goals in the areas of rental housing development, homeownership, transitional housing operations, and rehabilitation. It contributed funding for 116 new affordable rental units, 13 first-time homebuyers, 832 transitional housing beds, and 39 repair loans and grants to low income homeowners and disabled tenants. The AHF met its goal of funding two nonprofit capacity building grants. One out of a projected two Targets of Opportunity grants was funded and no special purpose rental housing projects were funded.

Finally, each AHF dollar leveraged seven dollars in additional funding. The AHF has helped create 14,724 affordable housing opportunities for San Diego families since its inception.

INTRODUCTION

San Diego's Housing Trust Fund Ordinance has been in existence since 1990. On June 3, 2003, the Housing Trust Fund Ordinance was amended to create the AHF, comprised of the HTF and the IHF. The IHF provides an additional affordable housing resource consisting of Affordable Housing Fees charged to residential development.

The City of San Diego's 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 affordable to households with very low- to moderate-incomes;
- 2) Leverage every one dollar of City funds with two dollars 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 projects 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 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 Housing Ordinance (Municipal Code Section 142.1312) are also addressed in this report.

This report describes the activities undertaken with funds from the AHF account 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.

The report discusses how well the goals of the previous year's Annual Plan were met and contains the information necessary to support the findings specified in Section 66001 of Chapter 5, Division 1 of Title 7 of the California Government Code. Allocation of AHF resources takes into consideration the policy parameters set by the Affordable Housing Fund Ordinance, the availability and requirements of other funding sources, and the goals and objectives set forth in the Housing Commission's Budget.

HOUSING TRUST FUND

Purpose and Use

The HTF was created by the San Diego City Council on April 16, 1990, pursuant to Ordinance O-17454. Funds from the HTF account may be used for loans, grants, or indirect assistance to produce and maintain affordable units and related facilities.

To comply with the HTF Ordinance, funds must 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 on **Attachment 2**.

HTF Revenues

Linkage Fees* (includes FY10 and FY11 interest totaling \$1,349)	\$1,462,759
Other Revenue (loan repayments and interest earnings)	623,808
Total FY12 HTF Revenue:	\$2,086,567

*Reflects amount transmitted by City for FY12.

Increase from FY11 HTF Revenue: 62%

Budgeted FY12 HTF Revenue	\$581,789
Percent of Actual FY12 HTF Revenue Above Budgeted Revenue	259%

When more funds are collected than budgeted they are carried over to the next fiscal year, or the Housing Commission can process a budget amendment to make the funds available for immediate investment.

Attachment 5 shows HTF commercial linkage fees collected since inception. FY12 commercial linkage fee collections have been reconciled through the fourth quarter.

No requests for HTF Impact Fee refunds or variances were received during FY12.

Fund Allocation

In FY12, over \$1.29 million was committed to programs and projects. The funds were allocated among several housing activities including rental housing development, first time homebuyer programs, owner-occupied housing rehabilitation, transitional housing, and nonprofit capacity building. Administrative expenses were \$142,807, and include costs associated with investing the funds through loans or grants, such as project solicitation/marketing, underwriting, preparation of legal documents, account set up, management, and program administration. Uncommitted funds will be utilized for future HTF activities.

Attachment 2, "Housing Trust Fund FY12 Ordinance Tests," summarizes the distribution of funds to the various HTF activities. **Attachment 3**, "Affordable Housing Fund FY12 Summary of Funded Projects & Leverage," provides the sponsor and project name, location, contract amount, number of assisted units or beds, income levels, and project status for each funding award made in FY12.

Loan Portfolio Status

As of June 30, 2012, all previously funded HTF loans were in good standing. The following are the outstanding loan principal amounts:

Multifamily Rental	\$29,352,454
Rehabilitation (single family and multifamily)	4,049,030
First Time Homebuyers	<u>\$ 1,607,336</u>
Total	\$35,008,820

INCLUSIONARY HOUSING FUND

Purpose and Use

On June 3, 2003, the San Diego City Council adopted an Inclusionary Housing Program pursuant to Ordinance O-19189, which was amended in FY2012. Previously, developers of new construction residential units were required to set aside 10 percent of the units at affordable rents or sales prices, with an option to pay a fee in lieu of building the units. Under the FY2012 amendment, developers of rental units are not required to set aside units, but are required to pay an Affordable Housing Fee (AH 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. AH 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 AH Fees* (Includes FY10-FY11 collections totaling \$63,878)	\$2,811,392
<u>Other Revenue (loan repayments and interest earnings)</u>	<u>365,497</u>
Total FY12 IHF Revenue:	\$3,176,889

*Reflects amount transmitted by City for FY12.

Decrease from FY11 IHF Revenue:	18%
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Budgeted FY12 IHF Revenue	\$1,013,438
Percent of Actual FY12 IHF Revenue Above Budgeted Revenue	213%

FY12 AH Fee collections have been reconciled through the fourth quarter. When more funds are collected than budgeted they are carried over to the next fiscal year, or the Housing Commission can process a budget amendment to make the funds available for immediate investment.

Attachment 4 shows the AH Fees collected and committed in each Community Plan Area (CPA) net of 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 reviewed by the Housing Authority. **Attachment 5** shows AH Fees collected since inception.

Fund Allocation

The following table summarizes FY12 expenditures and new commitments of IHF funds.

Activity	Commitments/Expenditures
Rental Housing Development – Mesa Commons	\$4,555,000
First Time Homebuyers	293,257
Reserves	0
Administration & Legal	90,981
TOTAL	\$4,939,238

AFFORDABLE HOUSING FUND PERFORMANCE

During FY12, the AHF committed over \$6.08 million to affordable housing activities that will assist 1,000 households. The table below compares FY12 goals to actual production, and is followed by details regarding each program.

PROGRAM	GOAL	ACTUAL
Rental Housing Development Units – Gap Financing		
New Construction		77
Existing Rental Housing		<u>39</u>
Total	24	116
Special Purpose Rental Housing Units – Gap Financing		
New Construction		
Acquisition/Rehabilitation		
Total	12	0
Homeownership Units		
Shared Appreciation Loan		1
Shared Appreciation Loan with Closing Cost Assistance Grant		8
Closing Cost Assistance Grant		<u>4</u>
Total	1 to 2	13
Total Transitional Housing Operations		
Assisted Beds	400	832
Rehabilitation Units		
Accessibility Grants – Tenants with Disabilities		7
Mobile Home Repair Grants		<u>32</u>
Total	25	39
Total Assisted Units/Beds	463	1,000

Nonprofit Capacity Building Programs		
Predevelopment Financial Assistance Grant		1
Nonprofit Technical Assistance /Nonprofit Support Grants		<u>1</u>
Total	2	2
Targets of Opportunity Grants	2	1

Rental Housing/Special Purpose Housing Production: The AHF helped fund production of 116 affordable rental units during FY12. Loan and grant recommendations over \$100,000 are forwarded to the Housing Commission for review and action; loans and grants above \$250,000

require approval by the Housing Authority. The following table summarizes the pending rental housing developments that received commitments of Affordable Housing Funds during FY12.

Project Name Address	Restricted Unit Mix	AMI Range	Rent Range	Target Population
Juniper Gardens 4251 Juniper Street Acquisition/Rehab	29 two-bedroom <u>10</u> three-bedroom 39 units	30% - 60%	\$553 – \$1,278	Families
Mesa Commons 6456 El Cajon Blvd. New Construction	2 one-bedroom 51 two-bedroom <u>24</u> three-bedroom 77 units	30% - 60%	\$542 – \$1,253	Families

Homeownership: In FY12 the AHF provided \$377,134 for the Housing Commission's first time homebuyer programs. These funds provided loans and grants to 12 households and leveraged over \$1.8 million in funding from private lenders and other sources. Home prices ranged from \$85,500 to \$152,000 for three attached units and \$186,000 to \$385,000 for ten detached units. The mean sales price for the assisted attached units was \$124,667, down from an average of \$194,429 for assisted attached homes in FY11.

Transitional Housing: Eight social services agencies provided one year of shelter and services in 14 transitional housing programs for up to 832 extremely low- to very low-income adults and children using \$982,583 of HTF assistance. Ancillary services include job preparation, life skills training, financial counseling, and health services, among others.

Housing Rehabilitation: With \$199,695 of HTF assistance, the Housing Commission's housing rehabilitation program provided seven accessibility grants to extremely low-income and very low-income tenants with physical disabilities and 32 grants to extremely low- to low-income households to repair hazardous conditions in mobile homes.

Capacity Building: The HTF Capacity Building Program committed \$12,000 in grant funds to LISC's 2012 Advanced Affordable Housing Development Training Institute for nonprofit affordable housing developers; \$2,119 of the grant was used. The HTF also completed funding of a \$10,000 predevelopment project support grant to Townspeople for the 34th Street Apartments.

Targets of Opportunity: The HTF funded a \$7,220 grant for a Physical Needs Assessment of The Alpha Project's Metro Hotel, a single room occupancy hotel for very low-income individuals. The project has limited rental revenue and was in need of sewer repairs. The Physical Needs Assessment will enable the project to apply for property rehabilitation funds from other sources.

Income Levels of Assisted Households

Area Median Income (AMI) is defined as the median income in the San Diego Standard Metropolitan Statistical Area, adjusted for family size, as published by the US Department of Housing and Urban Development (HUD). In FY12, the area median income was \$74,900 for a family of four until November 30, 2011, when it was increased to \$75,900. 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 50 percent or less 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 area median incomes and affordable rents for San Diego County are shown on **Attachment 6**.

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 116 affordable multifamily units newly funded in FY12, twelve will be affordable at or below 30 percent of AMI, 56 will be affordable at or below 50 percent of AMI, and 48 will be affordable at or below 60 percent of AMI.

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.

Sales Prices

The HTF does not specifically restrict the sales prices of subsidized units. However, buyers must have a minimum of 30 percent of their gross income used towards 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' dues.

The IHF restricts for-sale housing costs to 35 percent of 100 percent of AMI when establishing the maximum purchase price limit. Housing costs include mortgage principal and interest, taxes, insurance, or assessments such as homeowners' dues and mortgage insurance. The purchase price assumes a five percent down payment and a 30-year fixed interest rate first trust deed loan.

Two debt-to-income ratios are used in relation to qualifying for a mortgage: the front-end ratio and the back-end ratio. The front-end ratio is the percentage of the borrower's fixed monthly housing expenses (principal, interest, property taxes, insurance, and homeowner's association fees) to gross monthly income. The back-end ratio is the percentage of the borrower's gross monthly income that would cover the housing debt plus all other debt payments (e.g. automobile loans and credit cards). Housing Commission policy permits a total debt-to-income (back-end) ratio of ≤ 45 percent. This can be exceeded with Loan Committee or Housing Commission approval.

Leverage

According to Municipal Code Section 98.0501(c), it is a goal of the Affordable Housing Fund to attract two dollars of non-City capital funds for every Affordable Housing Fund dollar invested. For FY12, total AHF commitments of over \$6.08 million leveraged over \$41 million, far surpassing the 2:1 goal. **Attachment 3** provides an overview of AHF leverage.

Updates of Prior Years' Activities and Project Completions

- 15th & Commercial: Construction was completed in December 2011. The East Village project has 64 new supportive housing units for households earning up to 40% AMI, and 75 units that replace 150 transitional housing beds formerly located at the Bishop Maher Center.
- City Scene, fka City View Apartments: This North Park acquisition and rehabilitation/new construction project was completed in June 2012, with 13 units restricted to families earning up to 50% AMI and 17 units restricted to families earning up to 60% AMI.
- Comm22 Family Housing: Bond and 4% tax credit financing applications are in progress for this new construction project in Logan Heights, which will have 13 supportive housing units restricted to families earning up to 30% AMI, twelve units restricted to families earning up to 50% AMI, and nine units restricted to families earning up to 60% AMI. Construction is estimated to be completed in June 2014.
- Connections Housing: Completion of this Centre City project is estimated for January 2013. AHF funding will support the development of 73 supportive housing studio units located within the project; they will utilize project-based Section 8 vouchers for low-income households.
- Kalos Apartments, fka Florida Street Apartments: This North Park new construction project will have nine units restricted to families earning up to 50% AMI and 73 units restricted to families earning up to 60% AMI. Construction is estimated to be completed in November 2012.

HOUSING TRUST FUND FY12 ORDINANCE TESTS

Housing Program Funds (below):	\$1,281,154
Admin/Legal:	\$142,807
Reserves/Targets of Opportunity:	\$7,220
Nonprofit Capacity Building Grants:	\$2,119
Total HTF:	<u>\$1,433,300</u>

PROGRAM	PROJECT	Income Level / Percentage of Area Median Income			
		Very Low -Transitional ≤50% AMI	Very Low -Permanent ≤50% AMI	Low 51%-80% AMI	Med.-Mod. 81%-120% AMI
Rental Housing Production Development Loan: Project Support Grant:	Juniper Gardens 34th Street Apartments		\$3,600 \$10,000	\$1,400	
Homebuyers	Shared Appreciation Loans Closing Cost Grants		\$3,200	\$38,250 \$26,764	\$15,662
Rehabilitation	Tenant Accessibility Grants Mobile Home Repair Grants		\$24,150 \$148,045	\$27,500	
Special Purpose Housing Transitional Housing Operations	Cortez Hill Family Shelter ECS Downtown Safe Haven ECS Julian's Sanctuary 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 - Becky's House III YWCA - Passages	\$200,207 \$19,077 \$14,182 \$22,877 \$42,705 \$75,000 \$35,000 \$68,117 \$37,500 \$101,432 \$90,602 \$57,780 \$22,500 \$101,544 \$23,165 \$70,895			
TOTAL HOUSING PROGRAM FUNDS		\$982,583	\$188,995	\$93,914	\$15,662
					\$1,281,154

Ordinance Tests		
Required Percent	Actual Percent	Pass
Transitional Housing 10% minimum	68.6%	✓
Very Low Permanent Housing	13.2%	
Total Trans & Very Low Perm 60% min.	81.7%	✓
Low Income 20% maximum	6.6%	✓
Med/Mod Inc. Homebuyers 10% max.	1.1%	✓

Program	Allocation	Percent of HTF
Very Low Income - Transitional	\$982,583	68.6%
Very Low-Income - Permanent		
Rental Hsg Development	\$13,600	
Homebuyers	\$3,200	
Rehabilitation	\$172,195	
	<u>\$188,995</u>	13.2%
Low-Income		
Rental Hsg Development	\$1,400	
Homebuyers	\$65,014	
Rehabilitation	\$27,500	
	<u>\$93,914</u>	6.6%
Med/Mod Income		
First Time Homebuyers	\$15,662	1.1%
	<u>\$1,281,154</u>	89.4%
Admin & non-unit programs	\$152,146	10.6%

AFFORDABLE HOUSING FUND FY2012 SUMMARY OF FUNDED PROJECTS & LEVERAGE

Activity/Sponsor	Project	Geographic Location	Project Type	Contract Amount	Assisted Units/ Beds	Income Level	Project Status	LEVERAGE			
								Private	County	State	Federal
Rental Housing Development											
Wakeland Housing	Juniper Gardens (HTF)	City Heights	Families	\$5,000	39	4 ELI, 24 VLI, 11 LI	In Process	\$2,824,122		\$6,516,810	\$2,914,132
Palm Communities	Mesa Commons (Inclusionary)	College	Families	\$4,555,000	77	8 ELI, 32 VLI, 37 LI	In Process	\$4,072,712		\$15,343,593	
				\$4,560,000	116						
First Time Homebuyers											
HTF	Loans, Closing Cost grants (HTF)	Citywide	Families	\$83,876	4	3 Low, 1 Moderate	Completed	\$712,597			
Inclusionary Housing Fund	Loans, Closing Cost grants (Incl)	Citywide	Families	\$293,258	6	1 VLI, 2 LI, 3 Med	Completed	\$783,810			
HTF & Inclusionary Assistance	Loans, Closing Cost grants	Citywide	Families	see above	3	1 VLI, 1 LI, 1 Med	Completed	\$328,080			
				\$377,134	13						
Transitional Housing (HTF)											
Episcopal Community Services	Downtown Safe Haven	East Village	Mentally Ill	\$19,077	28	Very low	In Service	\$147,711			\$498,844
Episcopal Community Services	Julians Hope*	Confidential	Fam-Domestic Viol.	\$14,182	16	Very low	Completed	\$61,985			\$260,403
Episcopal Community Services	Uptown Safe Haven	Uptown	Mentally Ill	\$22,877	19	Very low	In Service	\$87,992	\$346,500		
Mental Health Systems	Serial Inebriate Program	City Heights	Adults	\$42,705	12	Very low	In Service		\$166,000		
The Salvation Army	STEPS	East Village	Men	\$75,000	40	Very low	In Service	\$279,832			\$119,752
The Salvation Army	Transitional Living Center	Kearny Mesa	Families	\$35,000	36	Very low	In Service	\$88,213	\$35,000		\$140,412
San Diego Second Chance	Second Chance	City Hgts/E. Vlg	Adults	\$68,117	32	Very low	In Service	\$1,401,162	\$480,005	\$113,758	\$817,406
San Diego Youth Services	Foster Care Graduate Hsg	Normal Heights	Foster Grads.	\$37,500	21	Very low	In Service	\$23,045		\$147,119	
St. Vincent de Paul	Family Living	East Village	Families	\$101,432	112	Very low	In Service	\$187,621		\$32,292	\$344,404
St. Vincent de Paul	Fresh Start	East Village	Men	\$90,602	150	Very low	In Service			\$9,227	\$124,193
St. Vincent de Paul	STEP	East Village	Women	\$57,780	35	Very low	In Service	\$10,000			\$596,190
YMCA	Turning Point	City Heights	Youth	\$22,500	24	Very low	In Service	\$1,110			\$378,739
YWCA	Becky's House	Confidential	Fam-Domestic Viol.	\$101,544	82	Very low	In Service	\$127,729		\$40,507	
YWCA	Becky's House III*	Confidential	Fam-Domestic Viol.	\$23,165	26	Very low	In Service	\$21,496			\$127,427
YWCA	Cortez Hill Family Shelter	Cortez Hill	Families	\$200,207	150	Very low	In Service	\$6,081		\$48,237	\$550,000
YWCA	Passages	East Village	Women	\$70,895	49	Very low	In Service	\$70,530			\$455,407
				\$982,583	832						
Nonprofit Capacity Building (HTF)											
LISC	Development Training	Citywide	Capacity Bldg. Grant	\$2,119			Completed				
Townspeople	34th Street Apts.		Proj. Support Grant	\$10,000			Completed				
				12,119							
Targets of Opportunity (HTF)											
The Alpha Project	Metro Hotel	Centre City	Phys. Needs Assessr	\$7,220		Very low	Completed				
Rehabilitation (HTF)											
Accessibility Grant - Tenants	Disabled Tenants	Citywide	Families	\$24,150	7	5 ELI, 2 Very Low	Completed	\$11,258			
Mobile Home Repair Grants		Citywide	Families	\$175,545	32	16 ELI, 11 VLI, 5 LI	Completed	\$4,458			\$275
				\$199,695	39						
Total, Housing Programs				\$6,138,751	1,000			\$11,251,544	\$1,027,505	\$22,251,543	\$7,327,584
Administration & Legal											
	Housing Trust Fund (HTF)			\$142,807							
	Inclusionary Housing Fund (IHF)			\$90,981							
TOTAL, PROGRAMS AND ADMINISTRATION				\$6,771,929							
Total Leverage								\$41,858,176			

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

*The Julian's Hope transitional housing beds were operated by ECS from July through December 2011. Since January the YWCA has operated them as the Becky's House III program and the number of beds was increased. The Assisted Beds for the two programs were each counted at 50% of one year's operations.

Inclusionary Fee Collections and Commitments by Community Plan Area

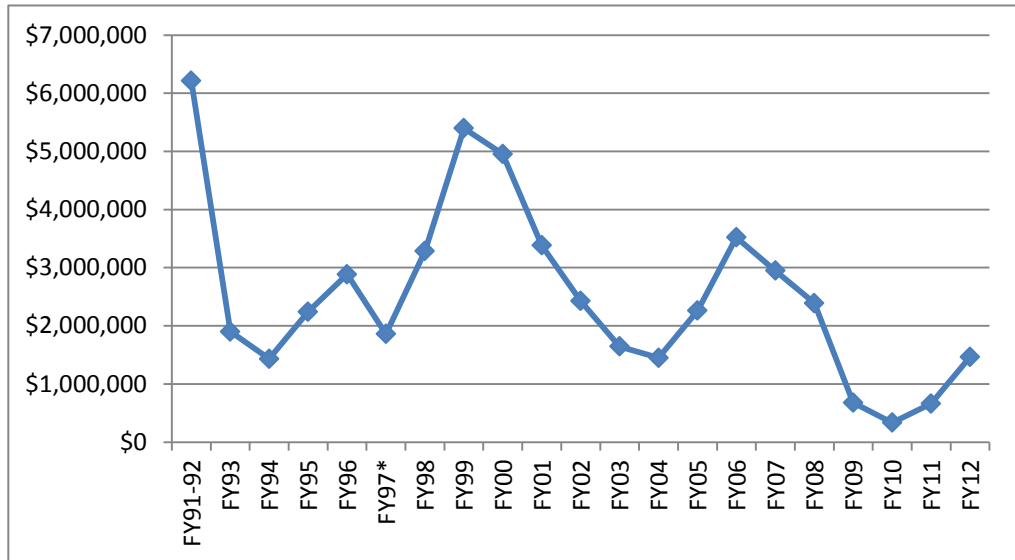
Net After Administration

CD	COMMUNITY PLAN AREA	FY2004	FY2005	FY2006	FY2007	FY2008	FY2009	FY2010	FY2011	FY2012	TOTAL COLLECTIONS (after admin)	Commitments	Balance	
8	Barrio Logan	\$22,654.06		\$14,099.38					\$0.00	\$0.00	\$36,753.44		\$36,753.44	
5	Carmel Mtn Rnch	\$1,926.85		\$197,900.40						\$0.00	\$199,827.25		\$199,827.25	
1	Carmel Valley	\$149,984.58	\$958,544.60	\$98,635.14	\$123,530.71		\$24,903.52	\$24,237.82	\$60,163.81	\$0.00	\$1,440,000.17	\$150,000	\$1,290,000.17	
2	Centre City	\$273,580.22	\$1,800,329.83	\$2,848,523.77	\$1,709,549.16	\$728,454.29	\$629,509.46	\$141,886.58	\$115,235.34	\$1,323,969.06	\$9,571,037.70	\$5,332,600	\$4,238,437.70	
3 & 7	City Heights			\$36,954.14						\$0.00	\$36,954.14	\$36,954	\$0.14	
6	Clairemont Mesa	\$1,177.03	\$26,581.63	\$30,771.43	\$212,139.51	\$102,078.55				\$26,214.25	\$398,962.39		\$398,962.39	
7	College		\$2,430.59	\$69,266.05	\$1,203.28		\$1,386,701.96	\$585,426.82		\$0.00	\$2,045,028.69	\$2,045,028	\$0.69	
7	Eastern Area			\$13,880.44						\$0.00	\$13,880.44	\$13,880	\$0.44	
4	Encanto									\$0.00	\$0.00		\$0.00	
3 & 8	Golden Hill		\$9,306.73	\$119,054.86	\$47,727.54	\$14,211.52				\$9,043.90	\$199,344.55		\$199,344.55	
6	Kearny Mesa									\$0.00	\$0.00		\$0.00	
3	Kens.-Talmadge			\$2,717.84						\$0.00	\$2,717.84	\$2,718	(\$0.16)	
1	La Jolla	\$202,001.97	\$28,380.77	\$44,448.06	\$27,822.07	\$84,489.26	\$103,647.72	\$19,563.05	\$203,466.37	\$16,158.16	\$729,977.43		\$729,977.43	
6	Linda Vista	\$1,598.44	\$43,463.15	\$126,244.85	\$507,428.43		\$34,606.58		\$2,580,850.01	\$16,965.88	\$3,311,157.35	\$1,337,396	\$1,973,761.35	
3 & 7	Mid-City	\$3,898.65	\$202,153.29	\$342,695.75	\$653,393.78	\$517,039.96	\$478,984.09	\$31,359.56	\$45,381.29	\$22,818.89	\$2,297,725.25	\$2,297,725	\$0.25	
2	Midway/Pacif Hwy			\$360,607.98		\$9,345.00		(\$9,345.00)		\$190,358.56	\$550,966.53	\$550,900	\$66.53	
5	Mira Mesa			\$233,993.26					(\$27,875.38)	\$0.00	\$206,117.89		\$206,117.89	
5	Miramar Ranch Nor									\$0.00	\$0.00		\$0.00	
2	Mission Beach	\$23,174.27	\$26,162.00	\$93,521.35	\$116,837.30	\$227,200.60	\$58,260.41	\$21,814.03	\$10,754.79	\$0.00	\$577,724.75		\$577,724.75	
6	Mission Valley		\$599,624.60	\$715,408.15			\$4,291.72	\$406,182.85		\$0.00	\$1,725,507.32	\$1,725,507	\$0.32	
7	Navajo			\$30,291.83	\$29,959.00			\$190,818.67	\$287,392.13		\$0.00	\$538,461.62	\$538,450	\$11.62
3	Normal Heights		\$11,192.64	\$25,680.07						\$0.00	\$36,872.71	\$36,873	(\$0.29)	
3	North Park	\$1,197.05	\$17,517.43	\$129,672.88	\$63,526.77	\$39,938.76	\$6,531.49	\$8,343.62	\$22,379.05	\$88,877.08	\$377,984.12	\$4,480,235	(\$4,102,250.88)	
2	Ocean Beach	\$0.45	\$8,121.70	\$24,918.02	\$23,564.98	\$85,924.16	\$14,431.68	\$21,175.90	\$29,397.92	\$18,491.59	\$226,026.39		\$226,026.39	
2	Old Town		\$2,159.14							\$0.00	\$2,159.14		\$2,159.14	
8	Otay Mesa	\$19,836.32	\$794.33		\$2,632.18		\$14,022.18		\$10,600.24	\$0.00	\$47,885.24		\$47,885.24	
8	Otay Mesa/Nestor	\$41,246.16	\$42,538.44	\$3,564.45			\$35,219.69	\$49,025.61	\$2,471.09	\$32,619.21	\$206,684.64	\$60,000	\$146,684.64	
1	Pacif Highlands Ran									\$0.00	\$0.00		\$0.00	
2	Pacific Beach	\$8,693.52	\$84,859.06	\$274,532.00	(\$22,856.86)	\$254,466.12	\$3,056.60	\$65,008.39	\$50,341.53	\$142,523.15	\$860,623.51		\$860,623.51	
2	Peninsula		\$12,910.79	\$70,636.64	\$51,663.83	\$39,250.78	\$11,779.35	\$13,312.71		\$9,702.09	\$209,256.19		\$209,256.19	
5	Rancho Bernardo									\$0.00	\$0.00		\$0.00	
1	Rcho Penasquitos		\$1,815.60				\$5,860.65			\$0.00	\$7,676.25		\$7,676.25	
5	Sabre Springs	\$1.34	\$0.89	\$109,227.48						\$0.00	\$109,229.70		\$109,229.70	
8	San Ysidro		\$3,669.92	\$851.73	\$28,882.73	\$64,502.09				\$0.00	\$97,906.46	\$210,000	(\$112,093.54)	
5	Scripps Miramar Ran									\$222,500.00	\$222,500.00		\$222,500.00	
6	Serra Mesa									\$0.00	\$0.00		\$0.00	
4	Skyline/Paradise Hls		\$1,036.41	\$230,564.29	\$242,736.82					\$0.00	\$474,337.52		\$474,337.52	
4 & 8	Southeastern SD	\$3,109.66	\$4,624.44	\$165,344.79	\$56,950.08	\$58,483.39	\$11,452.09	(\$4,872.75)		\$10,694.46	\$305,786.16	\$467,072	(\$161,285.84)	
7	Tierrasanta	\$0.45								\$21,008.63	\$21,009.07		\$21,009.07	
1	Torrey Pines									\$3,972.96	\$3,972.96		\$3,972.96	
1	University City			\$944,467.86	\$1,920.18	\$524,794.88		\$83,680.18		\$276,290.67	\$1,831,153.76		\$1,831,153.76	
2 & 3	Uptown	\$9,822.49	\$336,598.55	\$286,382.52	\$170,781.38	\$100,202.39	\$58,086.74		\$132,398.21	\$55,548.76	\$1,149,821.03	\$4,076,971	(\$2,927,149.97)	
2	Ballpark Village Contribution to 16th & Market					\$20,244,757.00				\$0.00	\$20,244,757.00	\$20,244,757	\$0.00	
	Interest Earnings	\$458.35	\$32,270.51	\$264,959.23	\$109,754.85	\$27,178.05	\$57,438.83	\$15,122.11	\$39,795.72	\$16,159.51	\$563,137.15	\$2,786,730	(\$2,223,592.85)	
Total Fees & Interest Collected		\$764,361.82	\$4,257,086.99	\$7,909,816.61	\$4,159,147.71	\$23,122,316.80	\$3,129,603.43	\$1,759,313.59	\$3,275,359.98	\$2,502,139.27	\$50,880,923.73	\$46,393,796	\$4,487,127.73	

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

Housing Trust Fund Commercial Linkage Fee Collections:

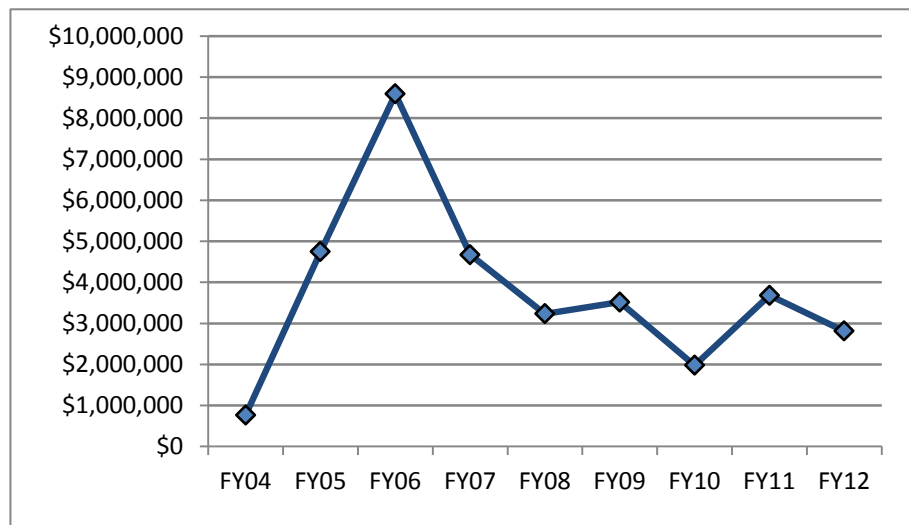
FY91-92	\$6,211,014
FY93	\$1,899,406
FY94	\$1,432,139
FY95	\$2,241,590
FY96	\$2,885,181
FY97*	\$1,859,146
FY98	\$3,282,811
FY99	\$5,397,592
FY00	\$4,953,463
FY01	\$3,382,211
FY02	\$2,424,763
FY03	\$1,645,166
FY04	\$1,448,329
FY05	\$2,261,653
FY06	\$3,519,563
FY07	\$2,949,230
FY08	\$2,388,933
FY09	\$677,183
FY10	\$333,213
FY11	\$661,894
FY12	<u>\$1,462,759</u>
Total	\$53,317,239



*Linkage fees 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	<u>\$2,811,392</u>
	\$33,990,478
FY08***	<u>\$20,244,757</u>
Total	\$54,235,235



**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 **2012** SAN DIEGO MEDIAN INCOME:

\$75,900

Note: The table contains income limits for **2012** 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	\$16,900	\$423	\$422	\$19,650	\$491	\$492	\$22,450	\$561	\$563
TWO	1-BR	\$19,300	\$483	\$452	\$22,500	\$563	\$527	\$25,700	\$643	\$603
THREE	2-BR	\$21,700	\$543	\$542	\$25,300	\$633	\$632	\$28,900	\$723	\$723
FOUR	3-BR	\$24,100	\$603	\$626	\$28,100	\$703	\$731	\$32,100	\$803	\$835
FIVE	4-BR	\$26,050	\$651	\$699	\$30,350	\$759	\$815	\$34,650	\$866	\$932
SIX	5-BR	\$28,000	\$700	\$771	\$32,600	\$815	\$899	\$37,250	\$931	\$1,028
SEVEN	6-BR	\$29,900	\$748		\$34,850	\$871		\$39,800	\$995	
EIGHT		\$31,850			\$37,100			\$42,350		

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	\$28,150	\$704	\$703	\$722	\$33,780	\$845	\$844	\$36,550	\$914	\$920
TWO	1-BR	\$32,150	\$804	\$753	\$774	\$38,580	\$965	\$904	\$41,750	\$1,044	\$987
THREE	2-BR	\$36,150	\$904	\$903	\$928	\$43,380	\$1,085	\$1,084	\$47,000	\$1,175	\$1,187
FOUR	3-BR	\$40,150	\$1,004	\$1,044	\$1,073	\$48,180	\$1,205	\$1,253	\$52,200	\$1,305	\$1,362
FIVE	4-BR	\$43,400	\$1,085	\$1,165	\$1,197	\$52,080	\$1,302	\$1,398	\$56,400	\$1,410	\$1,500
SIX	5-BR	\$46,600	\$1,165	\$1,285	\$1,321	\$55,920	\$1,398	\$1,542	\$60,550	\$1,514	\$1,637
SEVEN	6-BR	\$49,800	\$1,245		\$1,445	\$59,760	\$1,494		\$64,750	\$1,619	\$1,774
EIGHT		\$53,000				\$63,600			\$68,900		

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	\$39,350	\$984	\$45,000	\$1,125	\$53,150	\$1,329	\$63,750	\$1,594
TWO	1-BR	\$44,950	\$1,124	\$51,400	\$1,285	\$60,700	\$1,518	\$72,900	\$1,823
THREE	2-BR	\$50,600	\$1,265	\$57,850	\$1,446	\$68,300	\$1,708	\$82,000	\$2,050
FOUR	3-BR	\$56,200	\$1,405	\$64,250	\$1,606	\$75,900	\$1,898	\$91,100	\$2,278
FIVE	4-BR	\$60,700	\$1,518	\$69,400	\$1,735	\$81,950	\$2,049	\$98,400	\$2,460
SIX	5-BR	\$65,200	\$1,630	\$74,550	\$1,864	\$88,050	\$2,201	\$105,700	\$2,643
SEVEN	6-BR	\$69,700	\$1,743	\$79,700	\$1,993	\$94,100	\$2,353	\$112,950	\$2,824
EIGHT		\$74,200		\$84,850		\$100,200		\$120,250	

* 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 **February 9, 2012**

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 **2012** Rent & Income limits, please contact Irma Betancourt at irmab@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 **November 30, 2011**. HOME Rents effective **February 9, 2012**.