

COUNCIL POLICY**CURRENT**

SUBJECT: THE SAN DIEGO HOUSING TRUST FUND
POLICY NO.: 600-13
EFFECTIVE DATE: July 21, 1992

BACKGROUND:

Faced with a critical and growing shortage of affordable housing in San Diego, and recognizing that with the passage of each year the City lost ground in its attempt to meet the need for such housing, the San Diego Housing Commission appointed the San Diego Housing Trust Fund Task Force whose membership represented a broad spectrum of the community. The Commission charged the Task Force to conduct a detailed investigation relating to the establishment of a Housing Trust Fund to address current and projected low income housing needs through the creation of a reliable and committed source of housing assistance funding. The Task Force adopted the goal of meeting San Diego's lower income housing need by the year 2000. Recognizing the extent of the housing crisis, Task Force members realized that the City at present could realistically meet 1/3 of the housing need. In order to do this, the Task Force recommended establishment of a \$54 million Trust Fund; these funds were to be leveraged with non-City monies to maximize their impact. On October 16, 1989, the Housing Commissioners unanimously accepted the San Diego Housing Trust Fund Task Force Final Report and Recommendations and forwarded the Report with Commission support to the City Council. On December 11, 1989, the City Council accepted the Report and instructed the Commission and City staff to prepare the necessary ordinances for the establishment of the Housing Trust Fund. On March 26, 1990, the City Council created the San Diego Housing Trust Fund to assist in the provision of affordable housing (Ordinance Number 0-17454 N.S.).

PURPOSE:

The purpose of the Housing Trust Fund is to provide housing assistance through production, acquisition, rehabilitation and preservation of housing affordable to the homeless, very low income, and low income households and to assist first-time median income homebuyers. The Very Low and Low Income households are those earning less than 80% and the first-time homebuyers are those earning less than 100% of the annually adjusted median income, adjusted for family size, as provided by the U.S. Department of Housing and Urban Development.

It is further the purpose of the Housing Trust Fund to meet these housing needs by leveraging state, federal and private sector subsidy capital needed to bridge the gap between affordable housing costs for very low, low and median income households and the cost of developing, acquiring, preserving and rehabilitating housing in San Diego.

POLICY:

1. The Council hereby acknowledges the Task Force recommendation that the City, through its own action, meet 1/3 of its current and projected lower income housing need by the year 2000, and recognizes that a minimum base year funding level of \$54 Million in 1990 dollars is required in order to achieve this recommended goal.

2. The Council further acknowledges the fiscal constraints currently faced by the City that do not presently allow appropriation of full funding to meet the recommended level.
3. It is the intention of Council, by this policy to provide sufficient base year funds from dedicated and other sources to make significant progress toward achieving the recommended goal.
4. It is also the intent of Council by this policy, that annual funding for the Housing Trust Fund be provided at sufficient levels in the future to meet, or make significant progress toward meeting, the goal recommended by the Task Force.
5. It is the intent of Council that the San Diego Housing Trust Fund have the following characteristics:
 - a. The funding must be firmly committed and reliable. Monies provided by the San Diego Housing Trust Fund will be utilized by private, for-profit, non-profit, and public housing providers who can cooperate to provide affordable housing. This assistance will involve the undertaking of capital projects and other subsidy programs which require a reliable and firm commitment of funds over a substantial period of time. Both the planning and execution of these projects require a reliable ongoing funding process.
 - b. The funding burden should be equitably distributed among the community. Adequate affordable housing improves the quality of life over the entire community. Therefore, the cost of financing Housing Trust Fund projects should be fairly distributed from revenue sources derived from both the business and residential communities.
 - c. The Trust Fund shall be efficiently administered. It is the intent of Council that both revenues collected for the Housing Trust Fund and Housing Trust Fund program expenditures be efficiently administered. Governance, enforcement and financial assistance procedures will be simple, streamlined, accessible to all interested parties, and will remain publicly accountable.
 - d. Significant new revenues will be needed to meet the Housing Trust Fund goal. The Council recognizes and affirms its commitment to secure significant new revenues for both the General Fund and direct Housing Trust Fund dedications.
6. It is the intent of Council that Housing Trust Fund allocation levels from the General Fund be established and appropriated in accordance with the annual budget process and the Linked Development Fee and the Transient Occupancy Tax, and other sources which from time to time may be identified, be earmarked for the Housing Trust Fund as provided by ordinance.
7. It is further the intent of Council to provide for the contribution of the San Diego Redevelopment Agency housing setaside funds in addressing the affordable housing issue in San Diego and to require the Redevelopment Agency to coordinate with the Housing Commission to ensure the effective and timely use of these funds.

CITY OF SAN DIEGO, CALIFORNIA
COUNCIL POLICY

CURRENT

HISTORY:

“Zoning Applications, Refiling”

Adopted by Resolution R-192555 01/09/1968

Amended by Resolution R-212656 02/20/1975

Repealed by Resolution R-268405 05/26/1987

“The San Diego Housing Trust Fund”

Adopted by Resolution R-275386 03/26/1990

Amended by Resolution R-280379 07/21/1992