

Housing & Community Development News

San Diego Housing Federation
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CONFERENCE EDITION – SEE PAGES 4 - 7 FOR PROGRAM

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Momentum for Prop 1C Builds

The Yes on Proposition 1C campaign is well underway and your help is urgently needed to pass the \$2.85 billion affordable housing bond. As you may well be aware, nearly all the funds from Proposition 46 (the historic \$2.1 billion general obligation bond passed in 2002) will be depleted by the end of this year. Prop 1C, even more historic, will ensure continued funding for many of the housing production programs established by Proposition 46. It also bridges the gap in funds until we can establish a permanent source of funding (goal is 2008).



Supporting Prop 1C is the most important and immediate action we can take in dealing with the housing crisis in California. Prop 1C can ensure safe, decent and affordable homes for our most vulnerable populations, like homeless families, the disabled and seniors, as well as provide real housing choices for working families.

However, the Yes on Prop 1C campaign is not without its challenges. Prop 1C is one of 13 measures on the crowded state ballot. Even though it is part of the coordinated package of infrastructure bonds (Propositions 1A-1E), Prop 1C may be overshadowed by the larger bonds. Also, the polls have shown mixed results, with the only real conclusion from any of them being it won't be a slam dunk and we have our work cut out for us. Finally, the California State Republican Party has voted to oppose Prop 1C. However, that is the only significant opposition we have seen to date.

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Fortunately, the positives in the Yes on Prop 1C campaign far outweigh the challenges. This year, we have a track record of success to highlight. Prop 46 demonstrated that a state investment in housing pays off at the local level. So far in San Diego County we have been allocated funding for 1,463 rental units, 955 shelter beds and 1,585 homebuyer loans. This has added up to over \$118 million and has leveraged close to \$400 million in other investment. In addition, our cities have received over \$6 million for other programs. We have even received our “fair share” of the funds, an unusual outcome for San Diego County when it comes to state programs.

As SDHF members and supporters, you are uniquely positioned to help because you are so informed on the issues and have an active network of influence.

Housing & Community Development News

Published monthly by the San Diego Housing Federation

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**Deadline For Submission of Articles and Art:
The Fifteenth of the Month**

Your assistance is not only valuable, but also absolutely crucial in three core campaign activities:

- **Fundraising** – the statewide goal is \$2.5 million with \$250,000 from San Diego County. We have only raised about \$20,000 so far in San Diego County.
- **Endorsements** – when voters are not sure how to vote, they look to see who has endorsed. Make sure your organization has endorsed and the individuals as well.
- **Education** – reach out to staff, residents, organizations that you belong to and bring up the campaign itself and ask for support of Prop 1C. Put a Yes on 1C logo on your website and in your email signature.

The good news - it’s all possible. The Yes on Prop 46 campaign proved it. In 2002, the affordable housing bond campaign had the broadest and largest coalition of support in history. This proved to be a significant advantage and one of the biggest successes for the affordable housing movement. Housing advocates, faith-based groups, environmentalists, women’s organizations, labor unions, seniors and businesses came together in a terrific show of force that wilted the opponents. This year, SDHF is counting on all your support and volunteers in our out-reach efforts.

SDHF is here to support you so let us know if you have any suggestions for materials or tools. Together we can make history again and ensure that the momentum of the last few years continues and that affordable housing will be possible for more Californians.

Contact Doris Payne-Camp at the Federation office if you need any campaign supplies:

- Handouts
- Signs and banners for your developments and worksites
- Yard signs
- Bumper stickers

Doris can also help with information on how to complete voter registration in each of the communities.

Important Last Step

Finally, fill out an endorsement form and make an online contribution to the campaign by going to the website:

<http://www.homes4ca.org>

Thanks for all that you do to advocate on behalf of lower income people who deserve decent housing.

Member News

'Shuf' Swift Passes Away

The San Diego Housing Federation lost one of its earliest members last month. 'Shuf' Swift passed away at the age of 85.

Anne Wilson wrote "San Diego has lost yet another tireless advocate and great man. Shuf Swift was instrumental in helping start the San Diego Housing Federation, LISC, CHPC, San Diego Foundation's Collaborative and other programs to support the development of affordable housing nonprofits, policies and activities in San Diego. For me, Shuf, like Tom Carter, was a model of civic leadership, passionate about action and integrity. His commitment and energy to advocate and work on behalf of lower income people who deserve housing, better schools or access to getting ahead, even when the victories were few or long in coming, inspired me to work harder and smarter.

Michael Galasso wrote "Shuf was a big supporter of all our projects over the years and I'll miss seeing him at all the Commission and Council hearings."

At his request, there were no memorial services held. Donations are suggested to San Diego Hospice or to a charity reflecting his values.

Click this link to view his obituary:

<http://tinyurl.com/lmdjc>

Bob Pinnegar, Executive Director of the **San Diego County Apartment Association** was profiled in the September 11, 2006 issue of the San Diego Business Journal:

<http://www.sdbj.com/article.asp?aID=104777&link=perm>

Stephanie Sievers from **Bank of America Community Development Banking** is now Stephanie Barrett. She also has a new job as an Equity Manager with Bank of America's Tax Credit Management Group. She will still be a part of Community Development Banking and will continue to work out of the San Diego office. Congratulations to Stephanie on her marriage and new job.

Board Actions

The Board of Directors met on September 20, 2006 and took the following actions:

- Voted to support the City of San Diego's new Density Bonus program which slated for a hearing at the Planning Commission on October 2.
- Voted to support the City of San Diego Housing Commission's FY 2007 Affordable Housing Fund Annual Plan.
- Set the Annual Meeting of the Members of the San Diego Housing Federation date for Thursday, December 7, 2007 at 5:00 pm.

New Members

The **YWCA of San Diego County** has joined the Federation. Judy Case, Executive Director, is the contact. The YWCA develops and operates shelters and transitional housing for victims of domestic violence.

Arther J. Gallagher Risk Management has re-joined the Federation after a break. They provide insurance services for affordable housing developers. John Tastor is the contact.

SAVE THE DATE

Annual Meeting of the Membership

Thursday, December 7, 2006

5:00 PM

Location TBD

SDHF New Address

Effective October 1, 2006

110 West C Street, Suite 1013
San Diego, CA 92101-3906

Phones numbers are unchanged.



**15th Annual Affordable Housing
&
Community Development Conference:
“Bringing the Future Into Focus:
Smart Growth, Green Building and Prop 1C”**

Friday, October 13, 2006

Point Loma Nazarene University

8:00 am – 3:45 pm

Keynote Speaker

Gary Patton, Planning and Conservation League of California

“Smart Growth and Affordable Housing”

Gary Patton will kick off the conference with a guided tour of “smart growth” policies, and a “short course” on how to make smart growth more than a buzzword. The way he puts it, the very future of affordable housing may be determined by the success (or failure) of “smart growth” principles. Patton now serves as the Executive Director of the Planning and Conservation League, a statewide environmental organization that has been lobbying in Sacramento on environmental issues for over forty years. Before his career as a nonprofit environmental leader, Patton served for twenty years as an elected member of the Santa Cruz County Board of Supervisors, where he was responsible for one of the first and strongest inclusionary housing ordinances in the state of California.

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Celebrating 15 Years of Support and Advocacy for Affordable Housing

“Bringing the Future into Focus: Smart Growth, Green Building and Prop 1C”

San Diego Housing Federation’s
15th Annual Affordable Housing &
Community Development Conference

Friday, October 13, 2006

**Point Loma Nazarene University
3900 Lomaland Drive
San Diego, California**

CONFERENCE SCHEDULE

8:00am	Registration & Breakfast
8:30am	Welcome Mayor Jerry Sanders
	Keynote Speaker Gary Patton, Planning Conservation League of CA
9:30am	BREAK
9:45am	Early Morning Sessions
11:00am	BREAK
11:15am	Late Morning Sessions
12:30pm	Lunch Yes on Prop 1C Pep Rally
2:00pm	Afternoon Sessions
3:30pm	Conference Adjourns

Please Note: Beginning October 1, 2006
our new address will be:

San Diego Housing Federation
110 West C St. Ste 1013
San Diego CA 92101
Phone: 619-239-6693
Fax: 619-239-5523

Early Morning Sessions

Energy Efficient Design for New & Existing Buildings

At the session, you will learn:

- How to maximize energy efficiency in designing new and rehabbing existing multifamily projects
- How to Conduct an Energy Efficiency Design Charrette and Establish Energy Efficiency Goals with your Design Team – how to hire an energy consultant
- How to Design and Install a Solar Water Heating System
- About Energy Efficiency Incentive Programs and Funding Sources including Tax Credits and Energy Efficiency-Based Utility Allowance schedules
- Local Resources and Training Available for Multifamily Owner-Developers
 - Moderator: Julieann Summerford, Heschong Malone Group
 - Colin Jessop, Heschong Malone Group
 - Diane Ziemer, San Diego Gas & Electric
 - Ashley Watkins, San Diego Regional Energy Office

Next Steps: Ending Chronic Homelessness in San Diego

San Diego’s Plan to End Chronic Homelessness (PTECH) has outlined ambitious goals to address chronic homelessness locally. The Leadership Council is taking the next step and designing an implementation team. Key to the Plan is the creation of 2,000 units of permanent supportive housing to provide housing with services for the chronically homeless in our community. This panel will discuss the plans to implement PTECH in San Diego along with California’s State Plan.

- Moderator: Simonne Ruff, Corporation for Supportive Housing
- Hannah Cohen, Consultant for San Diego United Way
- Douglas Sawyer, San Diego United Way

Site Analysis

Should you pick this site for development? Discover the key factors to analyze before you spend too much time and money reviewing a specific site. This workshop will focus on a specific site and review political, environmental and regulatory issues. The session will include how to use the Internet to provide a quick search of important web sites to assist you in your analysis.

- Pat Getzel, Pat Getzel & Associates

**Local Assistance for Affordable Projects:
The Critical Piece in the Puzzle**

Local assistance is now perhaps the most critical requirement for today’s affordable housing projects, which are rarely feasible without significant “gap financing” from local public funders—cities, housing and redevelopment agencies. Get the latest from those administering and using these local programs: What is available? How are projects considered for funding and at what levels? What are the latest public “underwriting” requirements and concerns? What are the terms and conditions for using these funds? What is the experience of developers in using these funds? What does the future hold for more funding and public lending practices?

- Moderator: Evan Becker, Red Capital Markets, Inc.
- Cissy Fisher, San Diego Housing Commission
- Deborah Fountain, City of Carlsbad Department of Housing & Redevelopment
- Barry Getzel, Wakeland Housing & Community Development Corporation
- Paul Marra, Keyser Marston Associates

The Nexus Between Brownfields and Affordable Housing: Brownfields Site Acquisitions and Development 101

The goals of brownfields development, urban revitalization and smart growth overlap. The longer a blighted urban land sits vacant or underutilized, the longer a particular community goes without enjoying the benefits of the economic wealth that the site could be generating. By addressing urban brownfields sites as part of a redevelopment smart growth plan, developers and redevelopment agencies can create more affordable housing opportunities, while also helping their communities and their environments flourish. This workshop will demystify the redevelopment process by providing a practical understanding of such projects along with comprehensible and manageable strategies to implement.

- Moderator: Dan Johnson, SCS Engineers
- Robert G. Russell, Procopio, Cory, Hargreaves & Savitch LLP

Late Morning Sessions

Developing & Financing Affordable Homes with Photovoltaic

This seminar will comprehensively address the technical, financial, developmental, design and operating issues of using photovoltaic for both apartment units and common areas. Financial tools addressed include low income housing tax credits, business tax credits, state rebates, other funding. Topics include review of photovoltaic, energy efficient design, and special considerations of using photovoltaic for entitlements, construction and asset management. Case study of project under construction with the highest percentage of photovoltaic of any affordable housing development in California.

- Moderator: Mary Jane Jagodzinski, Community HousingWorks
- Ted Bardacke, Global Green USA
- Ramon Mendez, Jr, California Housing Partnership Corporation

Transforming Mental Health Systems Through Housing

San Diego County has begun implementation of the Mental Health Services Act, which includes funds to provide *services and housing* to people with mental illness. The State of California is designing opportunities to invest in housing through Mental Health Services Act capital funds. This panel will discuss the impact of the Mental Health Services Act, at both the state and the local level, on developing housing opportunities for people with mental illness in San Diego.

- Jonathan Hunter, Corporation for Supportive Housing
- Piedad Garcia, County of San Diego Health and Human Services Agency

On Site High Rise Inclusionary Housing

Are you frustrated to see builders of high rise condominiums pay an in-lieu fee rather than include affordable units? Centre City Development Corporation, San Diego's downtown redevelopment agency, has developed an affordable housing bonus program intended to reverse that trend. The program is in its first year of implementation. Join in this discussion with the consultants and staff who developed and administer the program, as well as one of the first builders planning to use it.

- Moderator: Dale Royal, Centre City Development Corporation
- Robb Walker, KMA Architecture
- Paul Marra, Keyser Marston Associates
- Suzanne Drolet, Centre City Development Corporation

What's In Store for TCAC and MHP in 2007?

While the funding outlook for affordable housing in California depends in large part on the results of the November election, affordable housing developers are looking optimistically toward the future and are eager to see what changes may be in store at TCAC and HCD. This workshop will provide an opportunity to hear the latest thinking on changes to tax credit and MHP regulations and provide input to the key TCAC and HCD policymakers.

- Moderator: Matthew Schwartz, California Housing Partnership Corp.
- William Pavão, California Tax Credit Allocation Committee
- Richard Friedman, State of California Department of Housing and Community Development

Debunking the Myths: Changing Public Opinion On Affordable Housing

To build support for and change the opinion on housing, an alliance of affordable housing developers and the Poway Redevelopment Agency created Housing Solutions, which mounted an effort to change public perception about affordable housing using public relations tools and media approaches. Their goals were to alter public opinion, define whom their housing program served, and create a more accurate understanding of what affordable housing provides to the community. The multi-year effort involved forming a housing alliance, polling, analysis, platform development, website creation, media placements, guest editorials, and the formation of a speaker's bureau. The messages developed emphasize the economic development and quality of life advantages of providing housing for working families and seniors.

- Moderator: Ingrid Alverde, Poway Redevelopment Agency
- Chris Wahl, Southwest Strategies
- Sue Reynolds, Community HousingWorks
- Lewis Michaelson, Katz and Associates
- Matthew Jumper, San Diego Interfaith Housing

Afternoon Sessions

Managing the Integrated Design Process: An Interactive Session on Sustainable Development

Sustainable design is not about how many "green features" you can load into a project. Rather, at the heart of green building is the integrated design process. By exploring green building early on and with the full spectrum of project stakeholders, the green features can disappear and simply become a logical part of the building, incorporated at the lowest possible cost. Using an interactive format based on actual projects and surprise challenges, this session will teach participants how to organize and manage an effective integrated design process, including how to: organize and facilitate a green building charrette; set priorities and performance targets; address issues of cost from a life cycle perspective, create mechanisms for ongoing feedback; and capture successful strategies for use in future projects.

- Ted Bardacke, Global Green USA
- Walker Wells, Global Green USA

When Housing Alone Isn't Enough: Approaches to Permanent Supportive Housing

In linking safe and affordable housing with client centered services, permanent supportive housing provides an effective response to homelessness. As the number of supportive housing projects increase, providers are branching out and exploring working with new populations and approaches. Panelists will discuss key findings of several models and approaches to supportive housing, such as housing first and permanent supportive housing for families.

- Moderator: Matthew Doherty, Corporation for Supportive Housing
- Simonne Ruff, Corporation for Supportive Housing
- Gary Hubbard, Telecare Corporation

What Danger Lurks Behind Those Walls? Managing Risk in Acquisition Rehab Projects

You will leave this workshop with a clearer understanding of how to manage risk in acquisition rehabilitation projects. Should you hire a general contractor, a construction manager or directly hire sub-contractors? Session will include coordinating income certification, relocation and immediate rehab needs, budgeting for relocation and turnover during the transition period. We will define the scope of work and when to invest in it and explain due diligence and how to use inspections and physical needs assessments. What will your lenders and investors require for rehab and operations during construction?

- Moderator: Anne Wilson, Community HousingWorks
- Dan Levine, John Stewart Construction Company
- Rosemary Stabrawa, Community HousingWorks
- Vince McCaw, Overland Pacific & Cutler
- Alice Carr, CitiBank
- Jason Barrios, National Equity Fund
- Arnulfo Manriquez, MAAC Project

New Trends In Mixed-Income Housing

Public agencies appear keen to see a mix of income groups in affordable projects, and tax exempt bonds can be issued with as little as 20% low income compliance. Come hear about the specific issues and resistance, particularly among investors, and also learn why there is some investor interest and what structures can be applied to solve technical problems. Discussion will be moderated by David Kunhardt, now a Director of Apollo Housing Capital and previously an investor and non-profit equity specialist.

- Moderator: David Kunhardt, Apollo Housing Capital
- Lance Bocarsly, Bocarsly, Emden, Cowan, Esmail, Parker & Arndt
- Craig Adelman, AF Evans

Mixed-use Residential Development: Challenges and Opportunities

Come hear experts discuss the realities of including affordable and mixed-income housing in mixed-use developments. They will describe how elements of development such as: the ratio of residential versus commercial use, financing, insurance, design issues, zoning, urban planning context, the construction industry, the community, the political climate, and incentive programs, can all help or hinder a project. The panel will share real life stories and examples to illustrate these elements of development.

- Laura Warner, Warner Architecture and Design
- Jeff Howard, CityWorks
- Hank Cunningham, Bank of America, Community Development

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San Diego Housing Federation

15th Annual Affordable Housing and Community Development Conference

“Bringing the Future Into Focus: Smart Growth, Green Building and Prop 1C”

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Johnson Capital	SCS Engineers

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LISC to Celebrate 15 Years in San Diego County

San Diego's Local Initiatives Support Corporation will celebrate 15 years in San Diego County on November 1, 2006 with a reception at the newly renovated U. S. Grant Hotel.

Over the last 15 years LISC has:

- invested \$130+ million in equity, grant and loan investments for neighborhood revitalization efforts throughout the region;
- leveraged \$500+ million of additional capital for San Diego neighborhoods and projects;
- created 5,000+ affordable and safe homes and apartments;
- financed 600,000+ square feet of commercial and community facility space.

For more information about the event contact Joe Horiye, Program Director, at 619-239-6691.

Plan to End Chronic Homelessness in the San Diego Region

The San Diego Regional Task Force on Homelessness estimates that San Diego County has more than 9,600 homeless people. A subgroup that tends to be the most visible and utilize a disproportionate amount of resources is a group of about 1,400 people who experience homelessness on a protracted or repeated basis. This subgroup, the chronically homeless, consists primarily of single male adults with a long-term history of mental illness, substance abuse, physical disabilities, and subsequent and frequent prolonged homelessness.

The President's Interagency Task Force on the Homeless has identified this population as needing an aggressive approach. As a result, they have asked all major metro areas to develop regional Plans to End Chronic Homelessness.

In 2004, the City of San Diego and the County of San Diego officially launched the local endeavor with unanimous resolutions to collaborate in developing a Plan. The United Way of San Diego joined the effort in the role of convener.

A steering committee known as the Leadership Council was formed to provide oversight and executive leadership for The Plan. The Council is comprised of well respected and dedicated civic leaders who have an expressed interest in addressing and ending chronic

homelessness. The Council is chaired by Dene Oliver of Oliver McMillan and Co-chaired by Doug Sawyer, CEO of the United Way of San Diego County. The Council deliberately excluded service provider agencies to add credibility to the plan. The service providers were invited to participate in the working committees that developed the plan.

The recommendations outlined below represent the work of six committees and four subcommittees formed by the Council. The Committees' recommendations are evidence-based and draw from the best practices of innovative programs and initiatives throughout the country. Implementation is planned to begin in 2007 under the auspices of a separate implementation group.

Synopsis of the Plan

The core of the San Diego Plan focuses on two key elements:

First, San Diego needs to develop a Housing First/Housing Plus model that has documented success in other communities.

Second, strategies must be implemented that prevent individuals and families from becoming homeless.

Housing First/Housing Plus

For San Diego to make a paradigm shift in the way it assists the chronically homeless, the Leadership Council identified five strategic planning areas that must be developed to enact an effective and lasting Housing First/Housing Plus model.

The five Strategic Planning Areas are:

1. Identify and Secure Sufficient Permanent Housing
2. Develop Housing Plus Wrap-around Services Model
3. Strengthen Intervention, Outreach, and Case Management
4. Implement a Systems-wide Data Collection, Evaluation, and Sharing Plan
5. Establish Regional Access and Intervention Centers Prevention Plan

While the Housing First/Housing Plus model focuses primarily on the chronically homeless, renewed efforts should also be directed at preventing chronic homelessness. San Diego has more than 200 agencies and programs that serve the homeless. More often than not, services are initiated after the state of homelessness is reached. It is recommended that a Prevention Plan be implemented in tandem with the Housing First/Housing Plus model. Both initiatives overlap in many areas and should be viewed as complementary endeavors to ending

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chronic homelessness.

San Diego's prevention efforts should focus on the following five areas:

1. Strengthen Programs That Serve At-risk Populations
2. Improve Discharge Planning
3. Address Employment Issues
4. Address Tenant Landlord Issues
5. Develop Mental Health Courts

The final Plan to End Chronic Homelessness in the San Diego Region is now posted on the United Way website. For direct access go to:

http://uwsd.org/matters/homeless_outreach.asp

San Diego Apartment Market Will Remain Tight

According to a MarketPointe Realty Advisors report, the countywide vacancy rate in its biannual September audit was a mere 1.84 percent. This is a drop of 40 percent in the vacancy rate in the past six months. A 5 percent vacancy is the industry standard for a market in rough balance.

The vacancy rates in submarkets around the county vary from a high of 2.9 percent in the North County East to 0.71 percent in the western part of uptown San Diego.

The September 2006 average rental rate of \$1,241 per month was 2.47 percent higher than the March survey and 3.81 percent more than the September 2005 level. This marks the largest annual increase since September 2002 when the average rents increased by 5.68 percent. The rental rate ranges are from a high of \$1,625 in the North County Coastal area to a low of \$981 in East San Diego.

While virtually all of the newer developments entering the marketplace in recent years have been offering large units with lots of amenities, the gap between rental rates commanded at newer versus older complexes has continued to widen. Additionally, those units built since 1998 are averaging \$1,690 per month compared to just \$1,159 per month among units built prior to 1998, reflecting a 46 percent premium for newer units.

The MarketPointe report said while seven apartment complexes have been subtracted due to their planned conversion to condominiums, these were generally smaller and had little impact on the rental stock. "Although many

opponents of condominium conversions attempt to depict this sector as a drain on 'affordable' rental stock, the statistics do not concur," MarketPointe wrote.

Although conversions may not have mattered much, what is making a significant difference is few new rental units opening. As a result, vacancy levels have nowhere to go but down, leading to a tighter and more expensive market for renters. This news should solidify San Diego's position as one of the top apartment investment markets in the country.

A total of 86 projects totaling 15,764 units have been identified as future rental housing developments for San Diego County. Just 11 of these projects, with a combined 1,404 units, are in the latter stages of the entitlement process. This indicates that although there are a significant number of proposed units throughout the county, most are not likely to begin construction until at least next year.

The South County submarket has the largest share of proposed rental housing with 3,875 units in the entitlement process followed by the San Diego Central submarket with 3,067. The Highway 78 corridor and Interstate 15 corridor submarkets are the only other submarkets with close to 2,000 proposed units. The East County submarket has the fewest proposed units in the entitlement process with 597 units, all of which are currently classified as market rate units.

Of the 86 projects in the works, 26 totaling 2,168 units are classified as affordable. Most of the affordable units are located in the San Diego Central, the North County Coastal and the Highway 56 corridor.

"Interestingly, although the South County leads the region in the overall number of proposed units, just slightly more than 2 percent are classified as affordable," MarketPointe concluded.

United Way Refocuses Funding Areas

United Way of San Diego County is changing its fundraising model to emphasize three areas - homelessness, equipping people with essential life skills, and child abuse and neglect. United Way officials say these are key concerns of the community and are often the root causes of other pressing issues such as drug and alcohol abuse, high school drop-out rates and crime, all of which use up community resources. Now, when donors contribute to the United Way under its new model, they can choose Home-

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less Outreach and Prevention, Stopping Child Abuse and Neglect, and Equipping People with Essential Life Skills, and their dollars will go toward implementing solutions to address those areas.

Two of these areas provide grant funding opportunities for members of the San Diego Housing Federation: homeless outreach and prevention and equipping people with essential life skills. United Way has been the lead agency in the development of the county's 10 year plan to end homelessness which focuses on building permanent supportive housing. Providers that serve that population should be able to access funding from the United Way.

The resident services programs in each of the apartment communities operated by Federation members should be able to access the Life Skills Funding to help with their ongoing programs.

United Way has assembled vision councils — groups of community leaders and experts — to develop plans to help find solutions. Blair Sadler, former president and CEO of Children's Hospital, agreed to chair the council to stop child abuse and neglect. Ron Kendrick signed on to chair the council to equip people with essential life skills. The announcement on September 20 of the new fund-raising model coincided with the kickoff of the 2006-2007 United Way/CHAD workplace giving campaign.

AROUND THE STATE

Irvine Endorses Orange County Housing Trust

The Irvine City Council has issued a proclamation supporting the Orange County Housing Trust. The Trust's mission is to provide a regional solution to the growing demand for affordable housing options in Orange County.

"Irvine is one of California's most progressive cities in the creation and support of affordable and workforce housing, and we believe the city's endorsement underscores the Trust's value as a member of Orange County's affordable housing community," said Glenn Hayes, Housing Trust Executive Director.

The Irvine Community Land Trust was established by the City of Irvine earlier this year to provide lease land for the development of permanently affordable housing in

Irvine. The city's goal is to build 9,700 units of affordable housing by 2025, representing approximately 10% of the city's housing stock.

With the support of investors, governments, major corporations and foundations and with leadership from throughout the community, the Orange County Housing Trust expects to raise more than \$25 million to help provide affordable housing options for low and moderate income workers in the county.

The Trust has two primary program goals:

1. To provide low-interest second mortgages to qualified first-time homebuyers and downpayment assistance grants to members of the Orange County workforce who wish to move closer to their place of employment.
2. To provide easily accessible, below market pre-development loans to developers to encourage the creation of quality affordable and workforce housing units including single-family, multifamily and special needs housing projects in Orange County.

The Housing Trust is headquartered in Anaheim and is administered by the Neighborhood Housing Services of Orange County. Their website is:

<http://www.nhsoc.org>

Prop 46 Has Accomplished Much Already

Proposition 46 is the Housing and Emergency Shelter Trust Fund Act of 2002 and provided \$2.1 billion in funding. It was approved by the voters to help address California's housing needs.

To date, more than \$1.5 billion has been awarded. The remaining dollars associated with the bond are expected to be allocated over the next 14 to 16 months. About 60,000 of the units received direct funding from the proposition bonds through loans, grants or down payment assistance while the other 40,000 units were associated with incentives for local governments to create more housing opportunities.

Some accomplishments of Proposition 46 funding so far include:

- Over \$800 million in financing for multifamily housing, providing for the construction of more than 16,000 units of rental housing.
- About \$300 million to help 25,000 low and moderate-income families purchase their first homes with down payment or other assistance.

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- More than 1,000 school employees in high priority schools received up to \$15,000 each in down payment assistance to purchase their first homes.
- Funding for nearly 5,000 units of farm worker housing in rural California communities.
- The construction of homeless shelters that can serve more than 10,000 people each night.
- The coordination of agencies as part of the Governor's Homelessness Initiative.
- \$70 million in awards to local governments that created nearly 40,000 housing units through proactive steps to promote affordable workforce and other housing.

More information about Proposition 46 programs is available at:

<http://www.hcd.ca.gov>

or:

<http://www.calhfa.ca.gov>

Prop 90: A Threat to Affordable Housing

On the ballot in November, Proposition 90 applies to all public agencies and private entities such as utilities, all state and local government property acquisitions, and any state or local agency law, regulation, resolution or other action. It also includes new federal laws that must be implemented at the state or local level. Even statutory initiatives passed by voters are subject to the measure's provisions.

Proposition 90 could result in thousands of lawsuits costing taxpayers millions of dollars in litigation costs alone. A similar but less far-reaching measure was passed in Oregon in 2004, and it has already resulted in 2,000 claims requesting \$3.8 billion in compensation. A broad coalition of housing, business, local government, community groups, education, and taxpayer groups are working to oppose Prop 90.

The San Diego Housing Federation, Housing California and the California Housing Consortium have all taken a position opposed to Proposition 90.

Key Factors in the Proposition:

1. Changes Use of Eminent Domain

This is the key issue. Voters generally agree that changes to Eminent Domain are needed. However, critics

of Prop 90 argue that this proposition is badly written and will cause serious problems including numerous expensive lawsuits and an inability to enforce environmental, consumer protection, and housing laws.

Prop 90 proposes that Eminent domain will only be used when the property is acquired, owned and occupied by a governmental agency. This will prohibit public/private partnerships including those with affordable housing developers. According to opponents of Prop 90, homeowners and community associations are "quasi-governmental" entities and could find themselves subject to similar lawsuits.

2. Redefines "Damage"

Proposition 90 changes the laws governing compensation for regulatory action by redefining "damage" to require payment (at new and increased levels) for any government action or action by voters that results in "substantial economic loss" to property. This will impact the state and local governments' ability to enact and enforce a wide range of laws affecting property, including environmental, land use, and housing laws and regulations, and require new payments to property owners for such actions. For example, if a new inclusionary ordinance requires developers to build a certain number of units below market-rate, the developer could claim payment from the local government for the value of building the below market-rate homes.

3. Redefines "Just Compensation"

Under the new definition, property taken for a proprietary government purpose would be valued not at the current standard of "fair market value," but at the increased value of the property as the government intends to use it. For example, if a county acquires property for an airport, the owner could seek compensation for the value of the property as if an airport were on it, even if the owner was not legally allowed to construct and operate an airport under zoning.

For more information, visit:

<http://www.noprop90.com>

Expanding Housing Opportunities for Minorities

A joint housing policy report on ways to expand housing opportunities for minority households was released today by the NAACP and the National Association of Home Builders (NAHB).

The report, “Building on a Dream,” assesses the state of minority housing and examines barriers to housing choice and affordability. It concludes with a series of joint policy recommendations designed to improve minority housing opportunities.

“Owning a home is the foundation of prosperity and conveys to families many social and economic benefits,” said NAACP President & CEO Bruce S. Gordon. “Yet for minority families, African American families in particular, great variances remain in homeownership rates and affordable housing opportunities. It is time to bridge that gap. The NAACP and NAHB have chosen to make a difference, one family at a time, one community at a time.”

The report notes that despite recent gains in minority homeownership rates, the homeownership rate for African Americans is 20 percent below the national average. Half of all African Americans live in unaffordable, inadequate or crowded housing. A shortage of workforce housing in many metropolitan areas creates especially severe problems for minorities, even those employed in key community support occupations, such as police officers, teachers, firefighters and healthcare workers.

“For far too long, the dream of homeownership has eluded too many of America’s minority families. It’s time to take action,” said David Pressly, NAHB president and a home builder from Statesville, N.C. “Working together, the NAACP and NAHB have identified opportunities for change and steps we can take to open doors for all Americans.”

The report assesses some of the barriers to housing choice and affordability for minority families. The barriers include:

A lack of homebuyer education for minorities.

- Excessive development regulations that drive up the cost of housing.
- Predatory lending practices that increase the cost of mortgages and the risk of default.
- Restrictions on multifamily housing that diminish the supply of moderately priced for-sale and rental housing.
- Fair Housing Act violations that diminish minority families’ access to quality housing in many neighborhoods.

In the effort to address the barriers and to improve minority housing opportunity, the NAACP and NAHB have developed a set of nine policy recommendations and related action steps. The two organizations encourage public and private institutions to establish policies that will increase the supply of affordable housing and address the particular issues that make it harder for minorities to find a decent and affordable home. The NAACP and NAHB jointly recommend policies that will:

- Provide comprehensive home-buyer education developed and promoted by public and private housing market participants.
- Eliminate predatory lending practices by better defining such practices and encouraging federal banking regulators to develop and enforce stringent anti-predatory lending regulations.
- Prevent racial discrimination through increased federal, state and local enforcement of the nation’s Fair Housing laws and education about those laws. Participants in the housing market must be aware of their responsibilities under the Fair Housing Act.
- Ensure that state and local regulatory activities do not—regardless of intent—violate the Fair Housing Act by disproportionately pricing minorities out of the housing market.
- Encourage local planning and zoning boards to accommodate a range of housing types that meet the needs of families across the economic spectrum and to acknowledge the importance of housing opportunity in their decision-making.
- Encourage government legislators, regulators and administrators to remove and avoid lengthy and costly approval processes and excessive development standards that unnecessarily drive up the cost of housing.
- Increase funding for federal housing programs, such as HOME, Section 8 rental assistance vouchers and Community Development Block Grants, in order to keep pace with the growing gap between incomes and rising housing costs.
- Maintain all existing housing preferences in the federal tax code, including the mortgage interest deduction, the Low Income Housing Tax Credit, and deductions for residential property taxes.
- Promote the production of new affordable housing by educating public and private stakeholders that affordable housing is a necessary and desirable part of their communities.

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In addition to the report, the NAACP and NAHB are engaged in joint litigation in Texas to stop one city from imposing exclusionary development regulations that would push the cost of housing beyond the means of many families, in violation of the Fair Housing Act.

Click here to access the full report:

<http://www.naacp.org/buildingonadream/>

New Law Revises Exempt Organization Tax Rules

On August 17, the President signed the Pension Protection Act of 2006. The new law contains numerous changes to the tax law provisions affecting tax-exempt organizations. Key provisions include the following:

- Controlling organizations must report income from and loans to controlled organizations as well as transfers between controlled and controlling organizations. This provision is effective for returns due (without regard to extensions) after the date of enactment.
- Section 501(c)(3) organizations must now disclose unrelated business income tax returns (Forms 990-T) and make them available for public inspection. This provision is effective for returns filed after the date of enactment.
- Private foundation and excess benefit penalty excise taxes are doubled.
- Donor advised funds, supporting organizations, and credit counseling organizations are subject to new requirements.
- Charitable contribution deductions for food, book, and certain conservation property are increased.
- Charitable contribution deductions for monetary donations, certain easements, taxidermy property, clothing and household goods, and certain other items are limited.
- Beginning in 2008, exempt organizations with gross receipts under \$25,000 must file an annual notice.

For details go to:

<http://www.irs.gov/charities/article/0,,id=161145,00.html>

Toolkit Provides Means to Advance Affordable Housing

What guidance is available to help local governments assure an adequate supply of affordable housing in their communities? The Washington (DC) Area Housing Partnership provides assistance through its eight-section Toolkit for Affordable Housing Development, which addresses issues from preserving existing housing to design and advocacy.

The toolkit explores techniques such as lot size and setback modifications, affordable housing districts, infill development, expedited permitting, and developer incentives to promote the creation of affordable housing. Readers will also find information about adaptive reuse, green building, financial tools, and programs that provide assistance for homeownership, rental, and special needs. Examples of the recommended tools put into practice are given as models for localities that wish to maintain or increase their affordable housing stock.

If you would like to know more, a detailed summary and a link to the Toolkit itself can be found at:

<http://www.huduser.org/rbc/search/rbcdetails.asp?DocId=1367>

2007 Pillars of the Industry Awards Call for Entries

The National Association of Home Builders honors the year's best work in the multifamily industry through its annual Pillars of the Industry Awards program. Recognized as the industry's most coveted awards, the Pillars honor superior achievement in apartment and condo development, design, marketing, and management and are considered a showcase of innovation and future trends.

The award categories include:

- Best Affordable Apartment Community (40% of units must be affordable to people earning 60% or less of area median income)
- Most Creative Financing of an Affordable Apartment Community

The deadline to apply is November 30, 2006.

Entry binders must be submitted by December 18, 2006.

Applications for the 2007 Pillars Awards are NAHB Web site:

<http://www.nahb.org/pillarsawards>

NOTE: For details on these jobs and the latest updates, please go to:
<http://www.housingsandiego.org/jobs.php>

Real Estate Analyst

Keyser Marston Associates
San Diego, CA

Real Estate Intern

Keyser Marston Associates
San Diego, CA

Housing Developer II

Mercy Housing Corporation
Los Angeles, CA

Project Manager- Redevelopment

Centre City Development Corporation
San Diego, CA

Associate Program Manager

Corporation for Supportive Housing
San Diego, CA

Economic Development/Redevelopment Manager

City of Poway Redevelopment Agency
Poway, CA

Project Manager & Residential Services Positions

Wakeland Housing and Development Corporation
San Diego, CA

Supportive Housing and Facilities Coordinator

Community Research Foundation
San Diego, CA

Director of Development & Marketing

Community HousingWorks
San Diego, CA

San Diego Housing Commission Jobs
<http://www.sdhc.net/gijobopp2.shtml>

For Other Nonprofit Jobs,
Go To San Diego NPWorks.org
<http://www.npworks.org/>

The National Community Tax Coalition presents:
5th Annual Conference

Building Prosperity for Working Families

October 11-13, 2006
Wilshire Grand Hotel, Beverly Hills, CA
For more info please go to:
<http://www.tax-coalition.org/>

The Non-profit Housing Association of Northern California presents:

27th Annual Fall Conference

October 16, 2006
Fort Mason Center, San Francisco, CA
For more info please go to:
<http://www.nonprofithousing.org/index.atomic>

California Redevelopment Association presents:

Affordable Housing Conference

October 25-26, 2006
Doubletree Hotel, San Jose, CA
For more information please go to:
<http://www.calredevelop.org/>

Federal Home Loan Banks presents:

Pathways to Prosperity: Challenges for Opportunity & Development

November 28, 2006
Marriott at Metro Center, Washington, DC
More information coming.

USD Institute for Nonprofit Governance presents:

3rd Annual Governance Matters

February 2-3, 2007
Joan B. Kroc Institute for Peace & Justice
University of San Diego, San Diego CA
More information coming.

NOTE: For details on these conferences or for ones scheduled more than two months from now, please go to:
http://www.housingsandiego.org/events_currents.php