

San Bernardino Investment Playbook

Project Details: Homeownership Initiative

Increased homeownership has the potential to transform the lives of many San Bernardino residents by promoting stability and helping households build wealth over time. The City's Homeownership Initiative will invest in programs that help prospective homebuyers overcome barriers to homeownership. These efforts will connect potential homeowners to financial assistance (e.g., grants and loans to help with down payments and/or closing costs) and buyer readiness programs (e.g., credit repair, education, counseling). It will also secure funds (including gap financing) to develop additional workforce housing that can be sold to low- to moderate-income residents.

RATIONALE

Like the rest of California, San Bernardino has faced steadily increasing housing costs for homeowners and renters alike. According to the City of San Bernardino 2020-2025 Consolidated Plan, 23 percent of households in the City are cost-burdened by housing (spending more than 30 percent of their household income on housing) and 26 percent are severely cost-burdened (spending more than 50 percent of their household income on housing). These high levels of cost burden create barriers to homeownership (e.g., limited ability to save for a down payment, pay down credit card debt, or improve one's credit rating). The City has inclusionary zoning and other policy initiatives in place to expand its workforce housing stock, but ongoing financial investment will also be needed.

OBJECTIVES

- Expand availability of affordable workforce housing
- Reduce housing cost burden for San Bernardino households
- Increase the number of San Bernardino residents who own their homes

COST

\$5M	Down payment assistance loans
\$4M	Revolving loan fund for development
\$4M	Housing trust fund
\$2M	Homeownership counseling and credit repair

\$15M TOTAL

POTENTIAL FUNDING

Federal

HOME Investment Partnerships Program (HUD)
National Housing Trust Fund (HUD)

State

Permanent Local Housing Allocation (PLHA)
State-Matching Local Housing Trust Fund

LEAD ORGANIZATION

City of San Bernardino – Cassandra Searcy, Deputy Director of Housing and Homelessness

SIMILAR PROJECTS ELSEWHERE

The California Housing Finance Agency (CalHFA) My Assistance Program provides down payment help for eligible buyers. This assistance takes the form of a second mortgage of 3-3.5% of the home's purchase price or \$11,000 (whichever is less).

Neighborhood Partnership Housing Services (NPHS) offers up to \$100,000 per eligible applicant for down payment assistance.