



# COUNTY OF SAN DIEGO

## AGENDA ITEM

### BOARD OF SUPERVISORS

PALOMA AGUIRRE  
First District

JOEL ANDERSON  
Second District

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Third District

MONICA MONTGOMERY STEPPE  
Fourth District

JIM DESMOND  
Fifth District

**DATE:** December 9, 2025

**09**

**TO:** Board of Supervisors

### **SUBJECT**

**SUPPORT FIRST-TIME HOMEBUYERS AND ADOPT A RESOLUTION OF THE BOARD OF SUPERVISORS OF THE COUNTY OF SAN DIEGO AUTHORIZING ACCEPTANCE OF CALHOME PROGRAM MORTGAGE ASSISTANCE FUNDS AND ADOPT A RESOLUTION OF THE BOARD OF SUPERVISORS OF THE COUNTY OF SAN DIEGO AUTHORIZING APPLICATION FOR, AND RECEIPT OF, PROHOUSING INCENTIVE PROGRAM FUNDS (DISTRICTS: ALL)**

### **OVERVIEW**

The County of San Diego (County) uses federal and State funding to administer first-time homebuyer programs that improve access to homeownership for low- and moderate-income households by providing low interest, deferred payment loans to program participants. Through the Down Payment and Closing Cost Assistance (DCCA) Program and the Down Payment Assistance (DPA) Program, the County Health and Human Services Agency (HHS), Housing and Community Development Services (HCDS) works to promote safe, affordable homeownership opportunities and improve communities throughout the region.

On December 12, 2024, the California Department of Housing and Community Development (HCD) released the 2024 Homeownership Super Notice of Funding Availability (NOFA) making CalHome and Joe Serna Jr. Farmworker Housing funds available. On March 13, 2025, HCDS applied for approximately \$1.1 million of CalHome Program funds to support the DCCA Program. Subsequently, on October 27, 2025, HCDS received a Conditional Award Letter indicating our successful application and conditional award of the amount requested. On September 30, 2025, HCD released the Prohousing Incentive Program (PIP) Round 4 Notice of Funding Availability (NOFA). PIP complements the Prohousing Designation Program, which encourages jurisdictions to adopt policies that promote housing development. The County is eligible to apply for up to \$1.4 million under the PIP Round 4 NOFA. An award of PIP funding would further support the County's first-time homebuyer programs.

Today's item requests the San Diego County Board of Supervisors to approve the acceptance of additional State funding for the DCCA Program with the award of CalHome Program funding. Additionally, today's actions request adoption of a resolution, authorizing the County to accept the CalHome award and a resolution for authority to apply for, and if awarded accept, Prohousing Incentive Program funds.

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This item supports the County vision for a just, sustainable, and resilient future for all residents, specifically those communities and populations in San Diego County that have historically been underrepresented, as well as our ongoing commitment to the regional *Live Well San Diego* vision of healthy, safe, and thriving communities by enhancing quality of life through decent and affordable housing. In addition, the County's first-time homebuyer programs align with the County Housing for All vision, Framework for Ending Homelessness, and County Housing Blueprint by prioritizing prevention and housing stability.

**RECOMMENDATION(S)**

**CHIEF ADMINISTRATIVE OFFICER**

1. Find that the proposed actions are not subject to review under the California Environmental Quality Act (CEQA) pursuant to CEQA Guidelines Section 15060(c)(3) because the actions are not projects as defined in Section 15378 of the CEQA Guidelines.

**CalHome Program**

2. Adopt a Resolution entitled: A RESOLUTION OF THE BOARD OF SUPERVISORS OF THE COUNTY OF SAN DIEGO AUTHORIZING ACCEPTANCE OF CALHOME PROGRAM MORTGAGE ASSISTANCE FUNDS.
3. Authorize the Deputy Chief Administrative Officer or Interim Deputy Chief Administrative Officer, Health and Human Services Agency, or designee, to execute the State's Standard Agreement for acceptance of the grant funds of approximately \$1.1 million, any amendments thereto, and any related documents necessary for the County of San Diego's continued participation in the CalHome Program.
4. Authorize the Deputy Chief Administrative Officer or Interim Deputy Chief Administrative Officer, Health and Human Services Agency, or designee, to negotiate and execute all contracts, related documents and/or amendments, and to take all necessary actions for the administration and implementation of the CalHome program.
5. Authorize and direct the Auditor and Controller to establish a trust fund in relation to the CalHome Program grant for down payment and closing cost assistance to first-time homebuyers, with interest earnings allocated and distributed to the fund.

**Prohousing Incentive Program**

6. Adopt a Resolution entitled: A RESOLUTION OF THE BOARD OF SUPERVISORS OF THE COUNTY OF SAN DIEGO AUTHORIZING APPLICATION FOR, AND RECEIPT OF, PROHOUSING INCENTIVE PROGRAM FUNDS.
7. Authorize the Deputy Chief Administrative Officer or Interim Deputy Chief Administrative Officer, Health and Human Services Agency, or designee, to negotiate and execute all contracts, related documents and/or amendments, and to take all necessary actions for the administration and implementation of the Prohousing Incentive Program.

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8. Authorize the Deputy Chief Administrative Officer or Interim Deputy Chief Administrative Officer, Health and Human Services Agency, or designee, to execute the State's Standard Agreement for acceptance of the grant funds of up to \$1.4 million, any amendment thereto, and any related documents necessary for the County of San Diego's continued participation in the Prohousing Incentive Program.

### **EQUITY IMPACT STATEMENT**

Access to affordable homeownership is essential for long-term housing stability, especially for low- and moderate-income families earning 120% or less of the Area Median Income, who encounter significant obstacles when trying to purchase a home.

According to the National Low Income Housing Coalition (NLIHC, 2023), the United States is facing a shortage of over 7.3 million affordable rental homes for low-income renters. This shortage severely impacts minority households in low-income communities, worsening economic disparities and limiting opportunities for upward mobility. Research shows that housing insecurity is linked to increased rates of physical and mental health issues, educational barriers for children, and decreased workforce productivity (Carrere et al., 2022).

The CalHome Program and Prohousing Incentive Program aim to eliminate these barriers by providing down payment and closing cost assistance. Homeownership offers long-term benefits for families, including financial stability, generational wealth, and healthier living environments. It also fortifies neighborhoods and the region by promoting stability and stronger local economies. By reducing upfront housing costs, these funds increase equitable access to homeownership for low- and moderate-income households. This investment not only supports individual families but also contributes to building stronger, more resilient communities.

### **SUSTAINABILITY IMPACT STATEMENT**

This action supports the County of San Diego Sustainability Goal #2 to provide just and equitable access to housing resources and Goal #4 to protect the health and well-being of residents. CalHome funds will allow more families to achieve homeownership, which creates long-term housing stability, reduces displacement, and strengthens neighborhoods. Homeownership also encourages long-term investment in existing housing stock. By helping families put down roots in their communities, these funds contribute to more stable, resilient, and sustainable neighborhoods across the region.

### **FISCAL IMPACT**

#### ***Recommendations 1-5***

Funds for this request are included in the Fiscal Year (FY) 2025-27 Operational Plan for the Health and Human Services Agency. If approved, this request will result in one-time costs and revenue of approximately \$1.1 million in FY 2025-26 for the Down Payment and Closing Costs Assistance

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Program for First-Time Homebuyers. The funding source is the California Department of Housing and Community Development CalHome Program. There will be no change in net General Fund costs and no additional staff years.

***Recommendations 6-8***

Funds for this request are not included in the Fiscal Year (FY) 2025-27 Operational Plan for the Health and Human Services Agency. If approved and awarded, this request will result in no costs and revenue in FY 2025-26 and estimated one-time costs and revenue of up to \$1.4 million in FY 2026-27 for first-time homebuyer programs. Funds will be incorporated into future operational plans. The anticipated funding source is the California Department of Housing and Community Development Prohousing Incentive Program. There will be no change in net General Fund costs and no additional staff years.

**BUSINESS IMPACT STATEMENT**

It is estimated that the CalHome Program funds will generate approximately 20 real estate sales. The Prohousing Incentive Program funds, if awarded, are estimated to generate up to 14 real estate sales, through the County of San Diego's first-time homebuyer programs. This positively impacts housing industry professionals involved with real estate transactions.

**ADVISORY BOARD STATEMENT**

N/A

**BACKGROUND**

The County of San Diego (County) Health and Human Services Agency (HHSA), Housing and Community Development Services (HCDS) uses federal and State funding to administer the Down Payment and Closing Cost Assistance (DCCA) first-time homebuyer program that improves access to homeownership for low-income households by providing low interest, deferred payment loans to program participants. The DCCA Program is currently funded through a combination of federal HOME Investment Partnerships Program funds and State of California CalHome Program Reuse funds. CalHome Program Reuse funds are loan repayments from prior CalHome awards received in 2003, 2008, 2011, and 2014. In Fiscal Year (FY) 2024-25, HCDS assisted 17 households purchase their first home. Moreover, through October of FY 2025-26, HCDS has already assisted nine households.

Additionally, HCDS administers the Down Payment Assistance (DPA) program, which supports homeownership opportunities for moderate-income households through low interest, deferred payment loans to program participants. The DPA program is currently funded with State of California Permanent Local Housing Allocation (PLHA) funds. Since 2023, the DPA program has assisted 17 moderate-income households purchase a home.

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On December 12, 2024, the California Department of Housing and Community Development (HCD) released the 2024 Homeownership Super Notice of Funding Availability (NOFA), announcing approximately \$176.8 million in available funding to support homeownership programs statewide, including \$143.1 million for the CalHome Program and \$33.7 million for the Joe Serna, Jr. Farmworker Housing Grant Program. Subsequently, on March 11, 2025 (8), the Board authorized HCDS to apply for the 2024 Homeownership Super NOFA to support the DCCA Program. Following, on October 27, 2025, HCDS received a Conditional Award Letter indicating a successful application and conditional award of approximately \$1.1 million. These funds, leveraged with other program funding sources, are expected to assist 20 households.

The County actively seeks funding opportunities to help low- and moderate-income residents attain the dream of homeownership. On September 30, 2025, the State of California announced Round 4 of the Prohousing Incentive Program (PIP), making approximately \$8.0 million available through the NOFA for jurisdictions with a Prohousing Designation. The County is eligible to apply for up to \$1.4 million under the PIP Round 4 NOFA. In accordance with Board Policy B-29, HHSA certifies that activities funded by the Prohousing Incentive Program grant funds are worthy of funding with County resources if external financing were unavailable. If awarded, these program funds will provide additional support to the DPA program and first-time homebuyer programs. In Round 1 of PIP funding, the County received \$2.4 million, which was used to support the upcoming development, Brookview Senior Villas, providing 60 affordable units for low-income seniors in Fallbrook. The County applied for funding under PIP Rounds 2 and 3 but was not awarded since priority was given to jurisdictions who had not previously received PIP funding.

This item aligns with the County Framework for Ending Homelessness by ensuring the County continues to promote stable, long-term housing solutions. By helping individuals and families purchase homes, the program reduces the risk of falling into homelessness and creates housing security. Finally, securing additional funding for first-time homebuyer downpayment assistance supports the County Housing Blueprint, structured around the five essential policy goals known as the 5 Ps, focused on addressing the root causes of the housing crisis. This program supports the County Housing Blueprint's policy goals to Promote Equity and Produce Housing for All, by helping more households become first-time homeowners.

Today's actions request the Board to authorize a Resolution to accept CalHome funding and a Resolution to apply for and if awarded accept PIP Round 4 funding.

#### **LINKAGE TO THE COUNTY OF SAN DIEGO STRATEGIC PLAN**

Today's proposed actions support the Sustainability (Economy and Resiliency), Equity (Housing and Economic Opportunity), and Community (Engagement, Quality of Life, and Partnership) County of San Diego 2025-2030 Strategic Plan, as well as the regional *Live Well San Diego* vision by providing funding for the development of safe, decent, and affordable housing for households in

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the region. This item also aligns with the County Housing for All vision, along with the Framework for Ending Homelessness, and the County Housing Blueprint by ensuring funding supports programs that promote stable and long-term housing solutions.

Respectfully submitted,



FOR

EBONY N. SHELTON  
Chief Administrative Officer

**ATTACHMENT(S)**

Attachment A – A RESOLUTION OF THE BOARD OF SUPERVISORS OF THE COUNTY OF SAN DIEGO AUTHORIZING ACCEPTANCE OF CALHOME PROGRAM MORTGAGE ASSISTANCE FUNDS

Attachment B – A RESOLUTION OF THE BOARD OF SUPERVISORS OF THE COUNTY OF SAN DIEGO AUTHORIZING APPLICATION FOR, AND RECEIPT OF, PROHOUSING INCENTIVE PROGRAM FUNDS.