



COUNTY OF SANTA CRUZ

PLANNING DEPARTMENT

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My House My Home Partnership with Habitat for Humanity April 2018

Program Summary

The County of Santa Cruz has partnered with Habitat for Humanity Monterey Bay (Habitat) and Senior Network Services to create *My House My Home* in order to help low income senior home owners to build Accessory Dwelling Units (ADU). The goal of the program is to build ADUs on the properties of qualifying low-income seniors, 62 years of age or older, to provide additional income and adjustable living situations to help seniors age in place.

The County's financial assistance is in the form of \$80,000 loan at three percent (3%) simple interest, deferred for up to 30 years, or payable upon sale or transfer. In exchange for participating in the *My House My Home* Partnership, homeowners will enter into a deed restriction that will require them to rent the ADU or the primary home at a rent affordable to low income households, defined as those whose incomes are at or below 60% of Area Median Income adjusted for household size (as set forth in the County's Affordable Housing Guidelines). In addition to the County loan, program participants can access additional funding through Habitat for Humanity. In addition Habitat will coordinate with Senior Network Services to provide outreach and case management assistance with supportive services to the homeowner as needed. The County Housing Program will certify eligibility of the identified tenant household, Habitat will certify verification and the selection process and in the case of multiple applicants, a random drawing. The County will monitor compliance annually.

Homeowners may pay off the loan plus interest at any time and the restrictions will be released.

Habitat for Humanity will undertake one project per year but would like the County to allow for funding for each of the next three years.

Program Guidelines

Property Location

The new ADU must be located in the unincorporated Santa Cruz County area that includes the North Coast, San Lorenzo Valley, Live Oak, Soquel, Aptos, Corralitos, Freedom and Amesti areas.

Loan Terms

Maximum loan amount: \$80,000
Interest rate: Three percent (3%) simple
Term: 30-years deferred
Security: Loan and rent restriction agreement are secured by a deed of trust with the County of Santa Cruz recorded against the property.

Maximum Loan to Value Ratio

Total liens of record (including County loan) cannot exceed 100% of “post-construction” value of the property at the time of loan closing as estimated by an appraisal.

Approved Expenses

Loan transaction costs: The County will approve the proposed budget for the project. Eligible costs include permit fees, design and construction. The County MHMH funds will be released upon submittal of draws to the County.

Tenant Income Limits

Agency assisted second units can only be rented to 60% low income households at low income rental unit amounts as defined below.

The current “60% low income” limits, as adjusted by household size, are as follows:

Household Size	1	2	3	4	5
Income Limit (60% of median)	\$42,350	\$48,400	\$54,450	\$60,500	\$65,350

Maximum rents

The current maximum allowable monthly rents for the rented unit will be affordable at 60% AMI and include utility allowances, are as follows:

2017 Affordable Rents and FMR rents		
Unit Size	60% AMI Rents	HUD Fair Market Rent*
Studio	\$913	\$1,316-\$1,378
1 Bedroom	\$1,044	\$1,551-\$1,624
2 Bedroom	\$1,174	\$2,063-\$2,161
3 Bedroom	\$1,305	\$2,746-\$2,876

*Rental amounts vary by Zip Code as updated by the Housing Authority of the County of Santa Cruz

General Terms

Tenant Income Verification: Housing Program staff will verify the initial low income eligibility of all new tenants.

Ongoing unit monitoring: Housing Program staff will verify affordable rent levels annually

Exceptions to Guidelines: The Planning Director may make reasonable exceptions to these guidelines.

For more information on the County’s My House My Home program, please call 454-2336.