



It takes a community ...



...to BUILD a Community



# Housing Trust Fund

Learn how you can help Habitat for Humanity (at no extra cost) just by allocating a portion of your building permit fees through the City of Sacramento's "Housing Trust Fund" program .

# About Habitat Greater Sacramento

Habitat for Humanity of Greater Sacramento builds homes for low-income families and revitalizes neighborhoods through the support of the local community and help of thousands of volunteers every year.

To see the impact of our program and hear directly from the local families whose lives our program has changed, click the video below or visit [goo.gl/fu6LDX](https://goo.gl/fu6LDX), please note, the link will open up a new window in YouTube).



# What is the Housing Trust Fund?



The City of Sacramento requires nonresidential development to assist in the creation of low/very low income housing. Applicants for building permits can satisfy this responsibility by paying a fee or a reduced fee by constructing housing.

**Background:** In 1989, the Sacramento City Council (SCC) decided that nonresidential development created the need for affordable housing which market forces would not deliver. The SCC then determined that nonresidential developers (NRDs) had a responsibility to reduce this shortfall. An ordinance was passed that created Sacramento City Code 17.708 (The Housing Trust Fund program).

NRDs have two options to satisfy their responsibility--pay a fee exclusively (Fee Only) or complete a combination of fee and home construction (Construction Alternative).

This Housing Trust Fund Program continues today. The fees and offsets vary by type of development, location within the City and have generally kept pace with inflation. For discussion purposes, the Fee Only option is about \$2 per square foot of commercial building. The Construction Alternative option fee is about \$0.80 per square foot of commercial building plus one residence per 10,000 square feet of commercial building.

# Why haven't I heard of this and how can it help Habitat?



The HTF Program administrator for the City doesn't remember any NRDs choosing the Housing Construction option. A number of factors have led to this, primary being the obscurity of the authorizing code section and the absence of ready opportunities for harried developers.

The Construction Alternative is an opportunity for Habitat for Humanity. Habitat currently works with 10 to 15 low/very low income families a year to help them build their own homes. With additional funding Habitat could readily help more families work their way into homeownership. Habitat could reach this goal by constructing homes that satisfy the HTF responsibilities of an NRD.

**In simple terms, to use the Construction Alternative, a NRD would pay the base housing fee to the HTF and pay the remainder of the fee to Habitat.**

Habitat would then complete the required number of units by a certain date. Upon completion of the housing, the NRD will have satisfied its responsibility under the HTF.

# Calculations Explained

HTF Sample Estimate			
	Permit Application size, square foot (sf)		25000
Fee Only Option			
	Building Type		Commercial
	Fee per sf		\$1.93
	Total Fee		\$48,250
Construction Alternative			
	40% Fee per sf		\$0.77
	Minimum Fee to HTF		\$19,300
	Funds for Housing Construction		\$28,950
	Housing Units required		2.65
	Units required ( <u>Round Up</u> )		3
	Funds per unit		\$9,650
	Percentage of Total Cost of Home		5%

In this sample calculation, a builder of a 25,000 sf building could make a \$19,300 contribution to the HTF and a \$28,950 contribution to Habitat to assist with the construction of three low/very low income homes. Habitat would complete the three homes within the designated time, about two years. The three homes could only be used once to satisfy the HTF responsibilities.

# Invest

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Habitat for Humanity of Greater Sacramento brings together corporations, individuals, and communities to build and repair hope and homes and revitalize neighborhoods. Sponsors provide the vital funding to build a home for a local family in need. Becoming a Housing Trust Fund sponsor with Habitat is a unique opportunity with no additional cost to developers to invest in and build visibility within the community while building your comradery and goodwill.

**Housing Trust Fund Sponsors not only build homes, they change lives.**



# Sponsorship Benefits



## Housing Trust Fund Sponsorship Benefits (\$10,000)

- Full-color logo prominently displayed on sponsorship area of signage and banner.
- Opportunity to participate in the groundbreaking ceremony
- Opportunity to send one representative to participate in the wall-raising event during build kickoff.
- Opportunity to participate as a gift giver during the Home Dedication Ceremony.
- Included in article in Habitat Greater Sac's newsletter sent to over 40,000 supporters.
- 5 build days on the project for up to 10 volunteers each day.
- Plaque with your logo and the photo of the family and the home.
- Meet the future homeowner.
- Recognition award as a project supporter at our annual Hammy Awards dinner.
- Listed as a 2016 Sponsor on our website.
- Recognition in all media alerts.
- Opportunity to co-brand with the Harris Poll EquiTrend 2016 #1 "Most Trusted" and "Most Loved" nonprofit brand in America with full use of the Habitat Greater Sacramento logo and name.

**F o r m o r e i n f o r m a t i o n o n  
H o u s i n g T r u s t F u n d  
O p p o r t u n i t i e s :**

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