



CITY OF SANTA BARBARA

FINANCE COMMITTEE AGENDA REPORT

AGENDA DATE: April 12, 2011

TO: Finance Committee

FROM: Administration Division, Finance Department

SUBJECT: Employee Mortgage Loan Assistance Program

RECOMMENDATION:

That Finance Committee hear a report from staff on the City's Employee Mortgage Loan Assistance Program.

DISCUSSION:

On August 21, 2001, the Council authorized the creation of an Employee Mortgage Loan Assistance Program. Given the high cost of housing in the South Coast, particularly starting around that time, the purpose of the program was to assist the City in attracting and retaining highly qualified employees by helping current and future employees in obtaining local homeownership. In addition, by encouraging employees to live closer to work, in many cases the program reduced commuting distances and times.

Although the program is effectively suspended since the funds allocated by Council have been fully utilized, there has been extensive media attention for this program. At the request of the Finance Committee, staff will be presenting the details of the program and outstanding loans to the Committee.

A total of forty-five (45) loans were made, of which nine have been fully repaid and thirty-six loans outstanding. The details are summarized below.

Total Amount of Loans Made	45	\$ 4,842,925
Total Loans Repaid	9	948,237
Total Principal Payments on O/S Loans		187,832
Total Interest Paid		668,896
Total Loans Outstanding	36	\$ 3,825,367

SUBMITTED BY: Robert Samario, Finance Director

APPROVED BY: City Administrator's Office