

ALL HANDS ON DECK:

DELIVERING

HOMEOWNERSHIP, REPAIR,

AND AFFORDABILITY AT SCALE



MEET YOUR **PRESENTERS**



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WELCOME

SETTING THE FOUNDATION

Practical Partnerships. Visible Results. Stronger Communities.

Randi Johl | Legislative Director, City of Temecula
Habitat California & Cal Cities Board Member

THE HOUSING CHALLENGE IS

LOCAL

Cities are expected to turn policy into progress residents can see.

PRESSURE

Constituents expect action on affordability and supply.

CONSTRAINTS

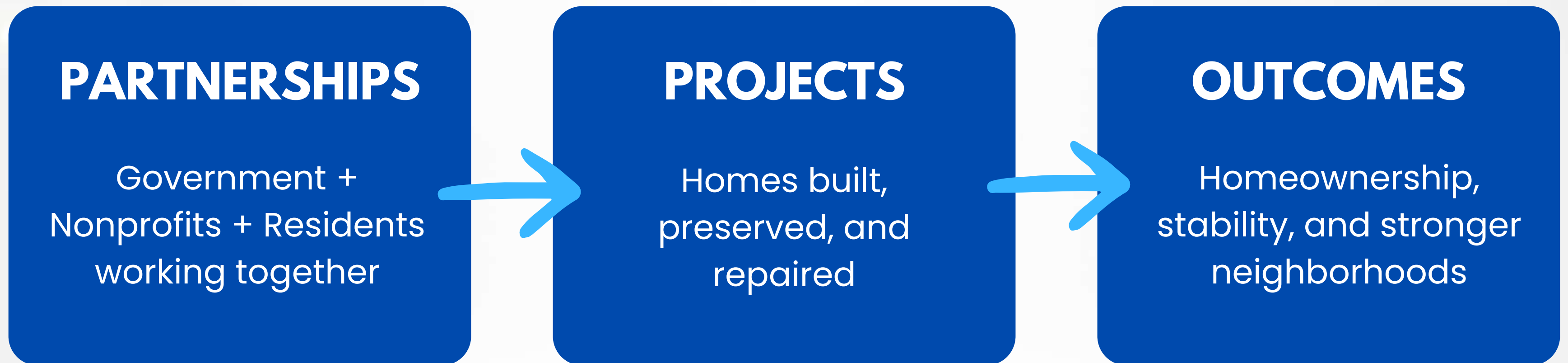
Limited resources, high costs, infrastructure needs, and state requirements.

EXPECTATION

Practical, cost-effective strategies with measurable outcomes.

TRUST GROWS WHEN **PROGRESS IS VISIBLE**

Move the conversation from plans on paper to outcomes in neighborhoods.



"Housing policy has to translate into results residents can actually see."

PARTNERSHIP UNLOCKS

No city can solve the housing crisis alone. Partnership expands capacity and stretches limited public resources.

- Affordable homeownership
- Preservation of existing housing
- Home repair and rehabilitation
- Neighborhood stability
- Leverage of public and nonprofit resources



THREE PERSPECTIVES. **ONE PRACTICAL GOAL.**

CITY

How to identify, structure, and sustain successful partnerships

NONPROFIT

How collaborative projects move from idea to implementation.

STATEWIDE

How legislative and funding tools can help scale what works.

1

TODAY'S
**CONVERSATION
GOAL:**

2

Leave with ideas
you can take
back to your
own community.

3



A CITY'S PERSPECTIVE:
PARTNERING WITH
HABITAT FOR SUCCESS

Luke Watson | Assistant City Manager
City of Temecula

DISCUSSION POINTS

- 1** City of Temecula & Habitat Partnership
- 2** How the City of Temecula Developed its partnership with Habitat
- 3** City and Habitat Projects
- 4** Case Study: Why Partners Matter
- 5** Density Bonus Law and potential opportunities
- 6** Lessons Learned



CITY OF TEMECULA & HABITAT PARTNERSHIP

- Cooperation on housing projects
- Philosophical focus on home ownership
- City support with entitlement and permitting
- CDBG – Critical Home Repair Program
- Promotion and support of Habitat initiatives
- Real Estate and Education Center
- Restore
- Workforce Development (construction apprentices)
- Habitat's participation in Citywide planning efforts
- Temecula is home to Habitat's
- Administrative offices, Design Center, & ReStore



HOW THE CITY OF TEMECULA DEVELOPED ITS PARTNERSHIP WITH HABITAT

- Strategic philosophical alignment on home ownership opportunities
- Relationships – put both City and Habitat in position to take advantage of opportunities
- Sustained City Council and Habitat Board support
- Habitat embraced leadership role within the community – City welcomed their leadership
- City and Habitat just kept at it



HABITAT WAY DEVELOPMENT

- City purchased land and contributed to the project
- Habitat Way Produced 5 affordable single-family homes for purchase
- Habitat Way 2 is entitled and will produce 6-more for-sale townhomes on the vacant land to the right of Habitat Way



CASE STUDY: COTTAGES

WHY PARTNERS MATTER

- Cottages: 17-unit affordable homeownership Redevelopment Agency project
- Homes sold by developer directly to affordable buyers
- One unit sold at market rate another rented at market rate
- Title company failed to notify City of sale
- City had to litigate
- Lesson learned: a partner like Habitat, with their model – the sale and renting of the units would never have happened
- City not set up to manage owner occupied units after the sale





DENSITY BONUS LAW & HOUSING

Difficult to develop site

Developer utilized the Density Bonus program, resulting in six affordable single-family homes

Developer approached City about taking initial ownership of units

City engaged Habitat early in the process

Habitat will be first owner and then sell to affordable buyer

City staff has strongly encouraged the developer to partner with Habitat as the expert in marketing, selling, and managing the affordable housing units



LESSONS LEARNED

Relationships, Relationships,
Relationships!!

1

Find the right partners for YOUR city

2

You must have alignment and
sustained commitment at the City
Council, Board and staff levels

3

No short-term thinking or vision
– real results take time

4

5

If you have the right partner
opportunities will find you

6

Be creative – finds ways to take
advantage of new housing laws to
leverage your City priorities

7

Good partners can lighten the load
for Cities (especially long-term
admin)



A NONPROFIT PERSPECTIVE:
PARTNERING WITH
HABITAT: A “BUILT
HOME” PILOT

Kwofi Reed | CEO
San Diego Habitat for Humanity

ABOUT **SAN DIEGO HABITAT**

An independent affiliate

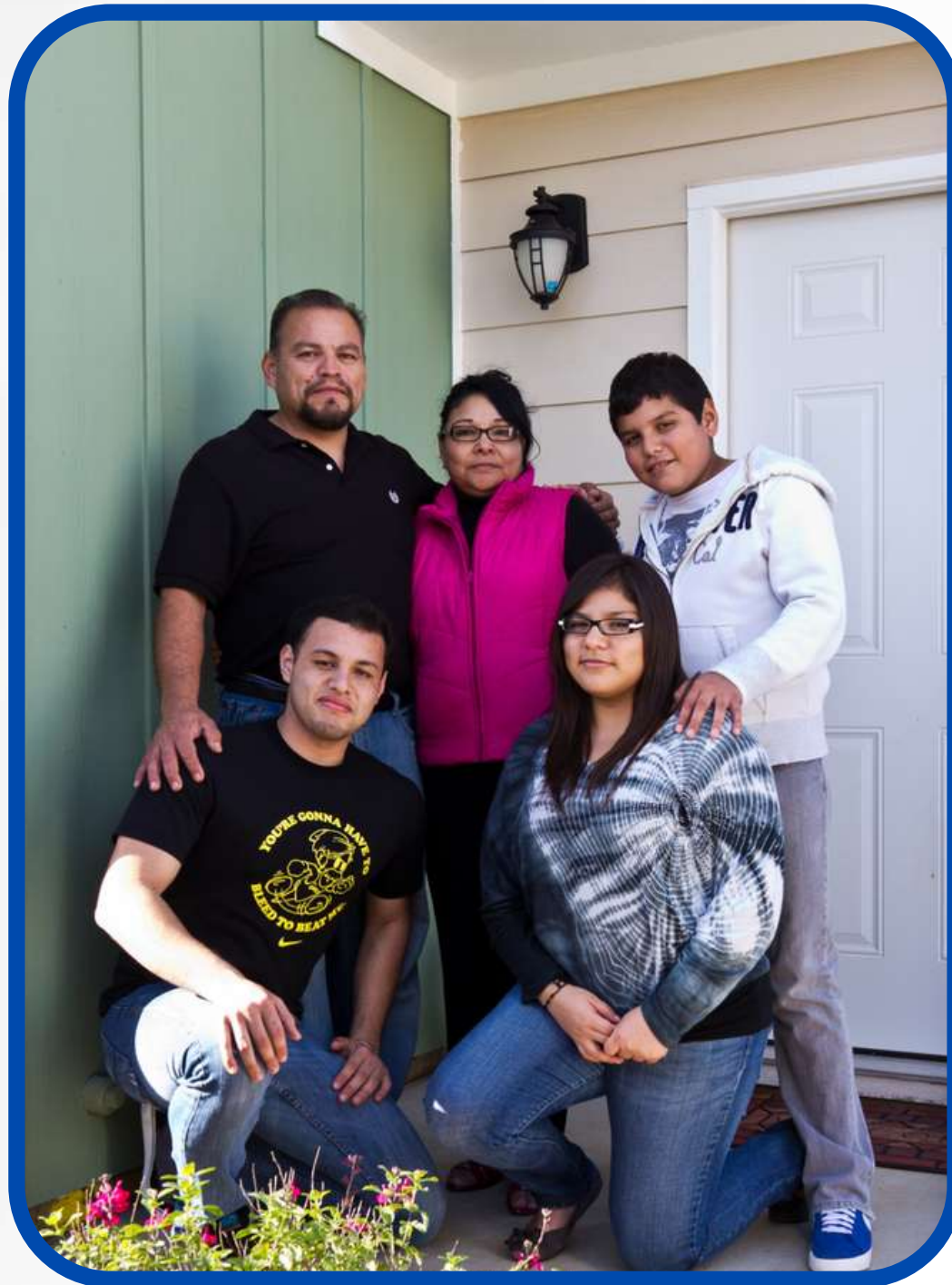
Autonomous 501 (c)(3) nonprofit
organization

Governed locally

Raises money in collaboration with
HFHI and local supporters

One of 32 affiliates in California
and some 1000 from across the US





OUR MISSION

We bring people together to build homes, community, and hope.

Because **everyone** deserves a safe, decent place to call home.



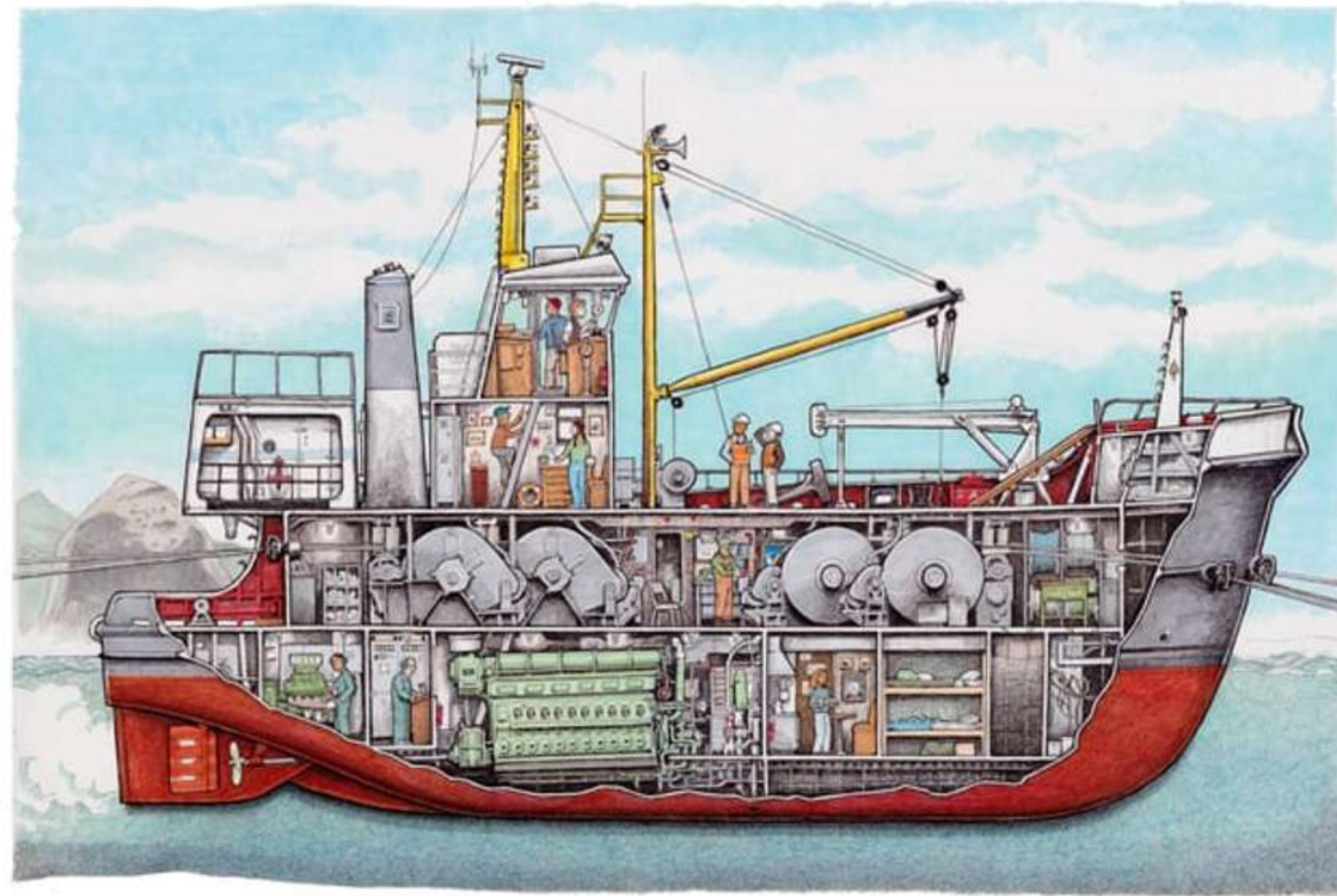
WHAT WE DO

Build, buy and
preserve homes in
partnership with
volunteers,
community partners
& families in need of
improved housing

Advance our mission with
the help of financial,
material, and volunteer
donations

Expand affordable
homeownership by providing
access to affordable
mortgages, education and
support

HABITAT'S MODEL **ABOVE DECK**



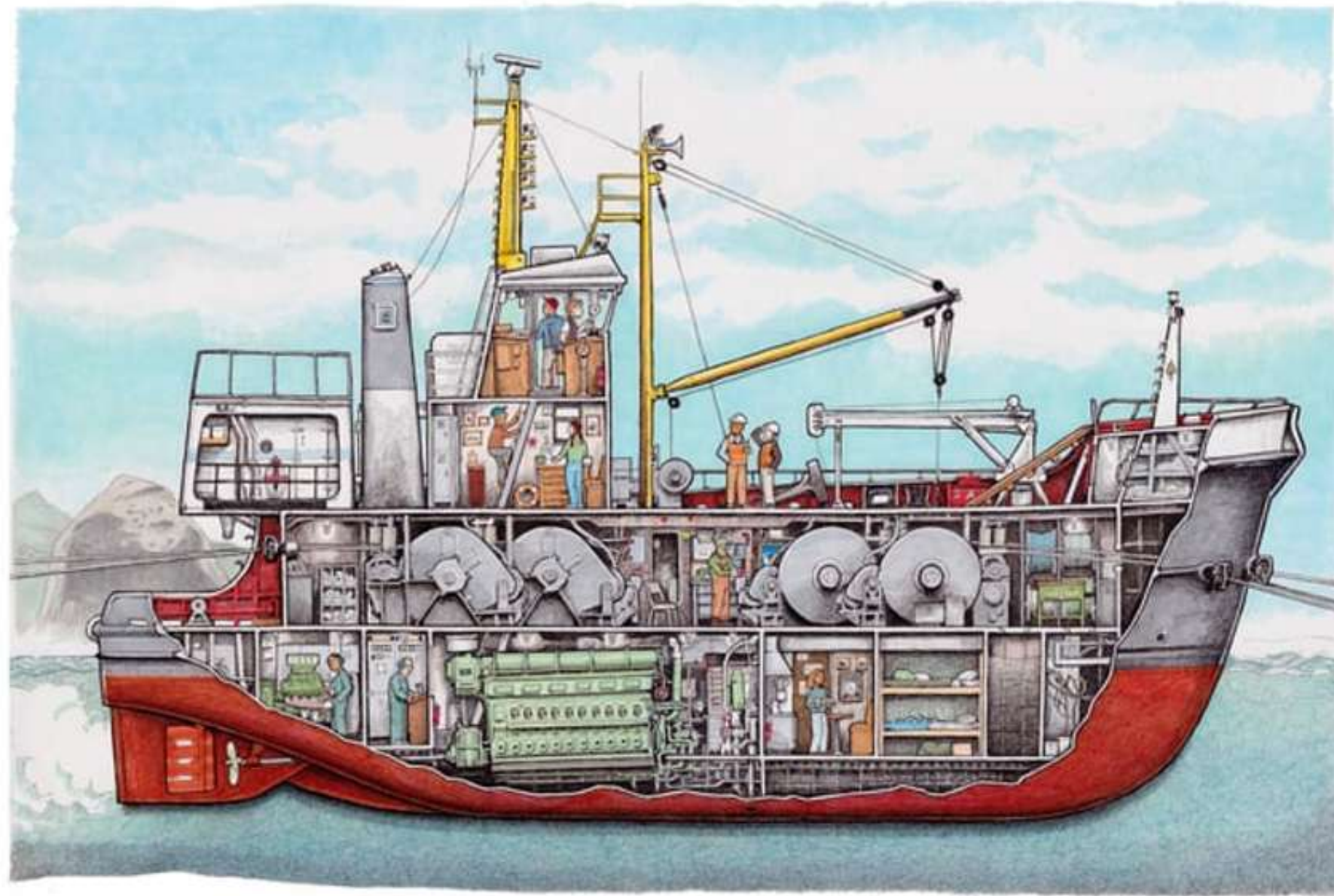
Identify land for affordable housing communities, through donation or aligned partnership

Build homes through mix of homeowner sweat equity hours, volunteer labor (& professional contractors)

Partner with philanthropy, community organizations, corporations and the public sector for grants and in kind donations to cut costs

Sell to qualified buyers at a price they can afford – ie 30% of their specific gross income

HABITAT'S MODEL **BELOW DECK**



Prepare 1st time/LMI homebuyers with home purchase, financial education and counseling – months before move in

Originate or source mortgages at terms that are both more favorable and accessible than general market

Preserve long term affordability with a first right to purchase – ensuring for sale income restricted homes stay affordable after the 1st owner

Support homeowners and their communities on an ongoing basis

99.5% mortgage portfolio performance rate (San Diego Habitat 2025)

SAN DIEGO HABITAT **BUILT HOMES STRATEGY**

- Started with pilot in Oceanside in fall 2024
- Initial development featured 11 income restricted homes out of 80 in market rate townhome development
- Partners needed different things:
 - developer: w/ buyer sourcing, financing, compliance over long and short term
 - City of Oceanside: successful homeownership outcomes, compliance, equity sharing, long term affordability
- Homes purchased and resold to below 80% AMI buyers
- One of 4 partnerships featuring 26 homes, with 3 builders in two cities – so far
- Extension of other affiliate surplus land and density bonus strategies around the state

OCEANSIDE COMMUNITIES

2 developments w/ same builder
19 homes

Mix of 2, 3, & 4 bedrooms

Mortgages from mid \$200s

AMI 58% and up



WHY DID THE OCEANSIDE PARTNERSHIP **WORK?**

Excellent City of Oceanside staff work

- Were very clear on priorities and desired outcomes, plus
- Excellent coordination with city attorney and internal stakeholders

Habitat brought:

- **Interest Alignment** – Habitat mission is affordable home ownership for LMI populations
- **Tailored Financing** – capital stacks built around financing that works for 1st time LMI buyers
- **Brand Reach** – 10 to 30 applications per home available for sale
- **Experience with Compliance** – CalHome, State and Federal funding programs, and their regulatory agreements
- **Continuing Buyer Support** – Habitat affiliates have a vested interest in successful communities
- **Infrastructure** – enables equity sharing and long term, recurring affordability cycles

REPLICATING STRATEGY SUCCESS



1

Early notice and connection with city staff & legal if possible

2

Identified priorities/desired outcomes: AMI, target population, local live work, long term & recurring affordability, equity growth

3

Introduction to and setting expectations with builder

4

Adaptability re. processes & forms; including home buyer selection, financing, first right to purchase, and equity sharing



A STATEWIDE PERSPECTIVE:

SCALING SUCCESS:

LEGISLATION, FUNDING,

& STATEWIDE

PARTNERSHIPS

Debbie Arakel | CEO
Habitat for Humanity California

PARTNERSHIP **PERSPECTIVE**



Collaborate Early

Bringing nonprofit developers to the table early can identify barriers, align community priorities and prevent costly delays later in the development process.

Habitat affiliates contribute development expertise, philanthropic dollars, volunteers, community relationships and a long-term commitment to affordability and successful homeownership.

Remove Barriers

Fee reductions, expedited permitting, creative land disposition and thoughtful application of local requirements can dramatically improve project feasibility.

Build for the Long Term

The strongest relationships create an ongoing pipeline—identifying land, anticipating funding opportunities and developing solutions together.

We share the same goal. Cities and Habitat both want strong communities where working families can put down roots, build stability and create generational opportunity.

LEGISLATIVE **OPPORTUNITIES**

Create a policy environment where cities and nonprofit developers can turn affordable homeownership goals into homes.

INVEST

Dedicated funding for affordable homeownership

UNLOCK

Public land for nonprofit development

STREAMLINE

Approvals, permitting and development processes

MODERNIZE

Laws that inhibit condos, townhomes and other attainable ownership

PRESERVE

Long-term affordability while creating opportunities to build equity

FUNDING TOOLS FOR CITIES & NONPROFIT PARTNERS

1

CalHome Program

2

Local Housing Trust Funds

3

Permanent Local Housing Allocation (PLHA)

4

HOME Investment Partnerships Program

5

Public Land & In-Kind Contributions

6

Philanthropic & Private Capital

The key is leverage:

City resources + state/federal funding + nonprofit investment = more affordable homes.

LEVERAGING RESOURCES **MAXIMUM IMPACT**

The greatest impact comes when local, state, and federal resources are used as a catalyst, not a standalone solution.

Investment goes further when local government and nonprofit partners bring land, resources, and expertise to the table together.

1

LEVERAGE

Layer state, local, federal & private resources

2

ALIGN

Coordinate land, funding, approvals & nonprofit expertise

3

SCALE

Turn individual projects into a sustainable homeownership pipeline

CASE STUDY:

HABITAT GREATER SACRAMENTO AND THE CITY OF FOLSOM

Habitat + City + CalHome = Affordable Homeownership

The property for this development was acquired through partnership with the City of Folsom. Community donors contributed funding and in-kind products, and volunteer hours to help build these homes.

CalHome, the state's only program dedicated to affordable homeownership, provided the critical gap funding to help build these homes.

Five 2-story, 4-bedroom/2 bath homes w/ 1-car garage, 1268 s.f.

Five 1-story, 2 bedroom/1 bath homes w/ 1 parking space, 750 s.f.



FUTURE OPPORTUNITIES: **FROM SUCCESSFUL PARTNERSHIPS TO STATEWIDE SCALE**

California nonprofits, cities and counties have successful models for affordable homeownership. The opportunity now is to make them easier to replicate, expand and sustain.

Build stronger pipelines.

Move from one-off projects to ongoing city-nonprofit partnerships that proactively identify land, funding and future development opportunities.

Replicate what works.

Capture successful local approaches and create models that other communities can adapt rather than reinventing the wheel.

Engage nonprofits earlier.

Include mission-driven developers in housing planning, land-use discussions and funding strategies from the outset.

Create more predictable resources.

Advocate for sustained state and local investment in affordable homeownership so partners can plan beyond individual funding cycles.

Share risk and solutions.

Use public, nonprofit, philanthropic and private-sector strengths to tackle barriers no single partner can solve alone.

Elevate homeownership statewide.

Ensure affordable homeownership is fully integrated into California's broader housing strategy alongside rental production and preservation.

The next generation of affordable homeownership won't be built by cities, the state, or nonprofits alone. It will be built through partnership.



Q & A

THANK YOU

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