

For Immediate Release:

October 28, 2003

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**San José Honored for Innovative Teacher Homebuyer
Program by League of California Cities**
Collaboration helped over 350 teachers purchase homes since 1999

San José --- The League of California Cities presented the City of San José with the prestigious 2003 Helen Putnam Award for Excellence in recognition of the San José Teacher Homebuyer Program that has allowed over 375 teachers to purchase homes in the community where they teach.

The Putnam Award commends outstanding achievement and innovation by California cities whose contributions have resulted in lower costs or more effective delivery of services and that provide models for other communities to emulate. Dwight Stenbakken, LCC Legislative Director, presented the award to San Jose Mayor Ron Gonzales today before the San José City Council.

The Teacher Homebuyer Program was one of the mayor's first commitments when he was first elected to improve public education in San José in response to the growing difficulties of recruiting and retaining teachers in the San José's high-cost housing market.

"We have helped ensure that good teachers can come to San José and stay to make our schools better and our kids successful," said Gonzales. "This award recognizes the creative efforts and hard work of our Housing Department to build a model program that has helped hundreds of teachers in almost every school district in our city."

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Gonzales proposed the Teacher Homebuyer Program when he came into office in 1999 to address the severe challenges of teacher recruitment and retention. Silicon Valley and the Bay Area continue to be one of the nation's most expensive areas for homebuyers, and local school districts have great challenges in hiring teachers from out of the area because of the shortage of affordable homes.

The Teacher Homebuyer Program was designed to help low and moderate-income San José public school teachers to buy their home in San José through down payment assistance and deferred repayment loan programs.

The City makes a zero percent-interest loan of up to \$40,000 toward down payment and closing costs, and the teacher household typically contributes three to five percent. The program increases affordability of homes by enabling teachers to reduce their monthly payments through reductions in loan principal, interest, and mortgage insurance premiums. The City's total investment since the beginning of the program is over \$12 million.

Through a collaboration among the San José Housing Department, realtors, outside lenders, and other public and nonprofit groups, the program also helps eligible teachers assemble financing for purchasing their first home in San José.

"We have developed many effective community partnerships to help us market the program to teachers, provide homebuyer education, and maximize teacher purchasing power," said Leslye Corsiglia, San José Director of Housing.

"We work with our 19 school districts and community organizations and agencies like Neighborhood Housing Services Silicon Valley, County of Santa Clara, Housing Trust of Santa Clara County, and the California Housing Finance Agency."

The Helen Putnam Award is given annually in nine categories, and of the 175 nominations submitted in 2003, only 22 cities were honored with awards. San José was recognized in the category of Housing Programs & Innovations.

Established in 1898, the League of California Cities represents all of California's 478 cities. The League strives to protect the local authority and autonomy of city government, helping California's cities to better serve their residents through legislative advocacy, information, and professional development.

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