



Housing Recovery Bond

Housing Authority Meeting
August 27, 2018

Housing and Community Services
David Gouin, Director

BACKGROUND

- May 2016 - Housing Action Plan
- August 2017 - Council Support for State Housing Measures
- June 2018 - Directed Staff to return with Housing Recovery Bond Ballot Measure for November 6, 2018 General Election
- July 2018 – Ballot Measure Approved
- August 2018 – Program Guidelines Adopted

ANALYSIS

- Association of Bay Area Governments Needs Assessment for 2015-2023 = 5,083 housing units
- Santa Rosa Housing Trust has an active “pipeline” of 400 pending housing units/additional with solicitation
- Housing Authority has existing administrative systems in place

ANALYSIS

Updated Polling Results-Amt. per \$100k Assessed Value:

<u>Levy</u>	<u>Project Funds</u>	<u>Total Yes Votes</u>
• \$19	\$81,000,000	64.7%
• \$29	\$124,000,000	58.8%
• \$39	\$167,000,000	53.4%
• \$49	\$209,500,000	49.7%

EXPENDITURE PLAN

- Financial Assistance to those who lost their homes in October 2017 Disaster
- Down Payment Assistance for first time homebuyers
- Housing for households at or below 80% Area Median Income - Working families, Seniors, Veterans, those living with a disability
- Permanent Supportive Housing to serve homeless populations
- Preservation of Affordable Housing

EXPENDITURE PLAN Cont.

- Oversight and Accountability - City Council & Housing Authority
- Funding - Affordable Housing via Santa Rosa Housing Trust
- Investing - Leverage additional Federal, State and Private Capital
- Project Selection - per Housing Trust policies; readiness, depth of affordability, Transit, Populations Served

FUNDING CATEGORIES

- At least 75% Bond Revenue to serve 80% AMI or below \$78,550 family of four
- Rental Housing, Permanent Supportive Housing, Manufactured Homes, ADU's
- Up to 25% Bond Revenue to serve up to 120% AMI \$100,900 family of four
- Homeownership, low interest financing for rebuilding; down payment assistance, Manufactured Home repair/replacement

BALLOT LANGUAGE

“To aid recovery and provide affordable housing for low-middle income families, veterans, seniors, disabled, and other vulnerable populations, provide supportive housing for the homeless; and help low- and middle-income households purchase homes in their communities, shall the City of Santa Rosa’s measure to issue \$124 million in bonds, levying approximately \$8.6 million annually at approximately \$29 per \$100,000 of assessed value through final maturity, with oversight and audits, be adopted.”

Program Criteria 1 of 3

- All projects will require prevailing wage, except on the self-help ownership projects and projects to be occupied by lower – income households at restricted rents or sales prices, which qualify for the “safe harbor” provisions in state law, including labor code Section 1720C and elsewhere;
- All projects shall prioritize local hire from workers within Sonoma County and adjoining counties;
- All projects shall prioritize developments that utilize net-zero, climate-smart, all electric, and electric-ready construction standards, are near transit, and are within the Priority Development Areas.
- No bond funds shall support projects propose outside that urban growth boundary or conflict with Urban Growth Boundaries and community separators;

Program Criteria 2 of 3

- Bond resources must be expended on an affordable housing development within five years of being allocated to the project developer/applicant. Funds that fail to be expended in time shall be returned to the Housing Authority to support affordable housing in the project
- For purposes of maximizing the number of housing units produced, and to obtain the best result for the taxpayer, these public benefit principles shall guide all decisions not in conflict with match funding opportunities. No provision in the public benefits section shall impede, hinder, or negate a projects eligibility for existing or future funding opportunities made available by the State or Federal government.

Program Criteria 3 of 3

- A strong oversight committee shall be created to evaluate: bond expenditures; identify the projects assisted; determine the number of project hours carried out by organized labor and apprentices; state the number of units assisted, and their sponsor, character, location and income-occupancy; state the proportion of bond fund that have been used for the associated administrative overhead; and shall validate by supermajority vote that bond funds have been lawfully expended and in accordance with the rules set forth in the statement
- At least 75% for 80% or less AMI

Discussion