



OVERVIEW OF DRAFT FRAMEWORK FOR ALAMEDA COUNTY HOUSING BOND

Housing Bond Work Session 4-11-16

Presentation Outline

- Process and Stakeholder Input
- Criteria for Bond Programs
- Overview of Draft Bond Program Framework
 - Homeowner
 - Down Payment Assistance
 - Accessibility
 - Rental Housing Development
 - Development
 - Innovation/Opportunity Fund
- Bond Programs and Boomerang Funded Programs Framework

Process Overview & Schedule

□ March 2 – April 8, 2016 – Stakeholder Process

County-facilitated stakeholder process to discuss county housing needs, receive input and feedback on desired programs, and engage other interested parties.

□ April 10 – May 22 – Draft Bond Program

Policy and programmatic proposals discussed with stakeholders, city housing staff and officials, County housing staff, and Supervisors to develop a proposed program for use of housing bond funds.

■ May 2 – May 22 – Supervisorial District Town Hall Meetings

Propose at least one district town hall be held in each Supervisorial district to inform and educate constituents about the housing bond, and to garner feedback.

Goal: to present the final housing bond measure language and authorizing resolution to be voted on by the full Board of Supervisors on June 14, 2016.

Stakeholder Input Process

- Stakeholder meetings:
 - March 17, 2016
 - April 13, 2016 6-7:30pm, San Leandro Library 300 Estudillo Ave., Dave Karp Room
 - May Town hall meetings in Supervisorial Districts
- On-line Survey: www.tinyurl.com/alcohousingbond
- **Email: alcohousingbond@acgov.org**
- Board of Supervisors Committee Work Sessions:

Next: April 25th, 9:30 am, 1221 Oak St., 5th Fl, Board Chambers





CRITERIA FOR BOND PROGRAMS

Housing Bond Work Session 4-11-16

Criteria for Bond Program

- □ Eligible uses of G.O. Bond proceeds
- Addresses critical housing needs
- Simple to explain
- □ Simple to administer
- Assures all parts of the County benefit
- Allocates funds over time
- Builds on successful program models within Alameda County and elsewhere
- □ Leverage other funds where possible
- Allows for innovation and creativity

Basic Assumptions

□ Issue bonds in 3 issuances, approximately 2 years apart, e.g.:

■ \$200 Million 2017

■ \$200 Million 2019

■ \$100 Million 2021

□ Each Program Component starts at 1st issuance and continues through 2nd and 3rd





DRAFT HOME OWNER PROGRAM COMPONENTS

Homeowner Programs

Down Payment Assistance Loan Program

□ Program Parameters:

- 10-15 % of total bond funds
- Funding Allocation: \$50 Million \$75 Million
- Countywide Allocation
- □ Income limit: 80-120% of Area Median
 - e.g. Teachers, Electricians, Plumbers, Firefighters, Truck Drivers
- Maximum Sales Price (e.g. \$600,000)
- Buyer to put minimum 3-5% down payment
- Maximum Down Payment Assistance Loan = lesser of \$100K or 15% of Sales Price
- Shared Equity "silent second" loan

Homeowner Programs

Down Payment Assistance Loan Program

- Design features (priorities/incentives) to encourage program to benefit current Alameda County residents, for example:
 - Workforce Proximity Homeownership
 - Assist current residents to buy homes and stay in County
 - Teachers/First Responders

■ Estimated Households Assisted: 600-1000

Down Payment Assistance Loan Program – Response to Stakeholder Input

Populations:

- First-time homebuyers
- Teachers and First Responders
- Work force housing
- Anti-Displacement

□ Income levels:

■ Middle income (80-120% of AMI)

□ Program Types:

- Down payment assistance (with equity component)
- Anti-Displacement

Homeowner Programs

Accessibility Loan Program

□ Program Parameters:

- Funding Allocation: \$7.5 Million
- Countywide Allocation
- □ Income limit: 80% of Area Median
- Target populations: Seniors, People with Disabilities
- Accessibility improvements up to \$15,000
- Silent second, deferred payment loan

■ Estimated Households Assisted: 500 - 750

Homeowner Programs

Accessibility Loan Program – Response to Stakeholder Input

13

□Populations:

- Seniors
- People with Disabilities

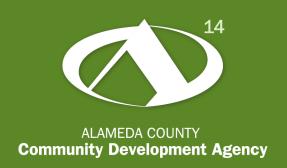
■Income levels:

Very Low to Low income (At or Below 80% of AMI)

□Program Types:

- Owner-occupied housing rehabilitation
- Disabled accessibility rehabilitation/improvements
- Anti-Displacement





DRAFT RENTAL HOUSING PROGRAM COMPONENTS

Rental Housing Programs - Response to Stakeholder Input

Populations:

- Homeless people:
 - with disabilities, including mental illness, substance abuse
 - Chronically homeless individuals
 - Homeless families with children
 - Homeless youth
- Extremely Low Income people
- Very Low Income people
- Moderate-income renters
- Renters who don't qualify for Section 8
- Working poor
- Work force housing

Rental Housing Programs - Response to Stakeholder Input

■ Income levels:

- SSI income level (15% of AMI)
- Extremely Low Income (30% AMI)
- Very Low Income (50% of AMI)
- under 60% median household income
- Middle income (60-80% of AMI)
- Deep affordability: extremely low to low
- Working Poor
- Workforce housing
- Population mix

Rental Housing Programs - Response to Stakeholder Input

□ Program Types:

- New construction of rental units
- New construction or Acquisition/Rehabilitation of:
 - Permanent Supportive Housing
- Rental housing rehabilitation
- Disabled accessibility rehabilitation/improvements
- Acquisition/Rehabilitation
 - Hotels/Motels SROs
 - Vacant/multi-family properties /Apartment complexes
- Anti-Displacement
- Maintain long-term/permanent affordability
- Leverage other state, federal and local funds

Rental Housing Program Program Parameters

- **□** Funding Allocation: 80-85% of bond funds
 - □ \$417.5 \$442.5 Million
- **□** Income limits:
 - Most = 30-60% of Area Median Income
 - Match with operating subsidies to target below 30% AMI, including below 15% AMI
 - Possibly permit portion of funds for up to 80% AMI in mixed income developments

□ Target populations:

- Seniors
- Homeless (chronic, families)
- Working poor
- Workforce housing
- People with disabilities

Rental Housing Program Program Parameters

- **□** Use of funds:
 - Development gap financing:
 - Predevelopment financing
 - Development financing
 - New Construction
 - Acquisition
 - Rehabilitation
 - Innovation/Opportunity Fund
- Leverage tax credits, other state, federal and local funds
- Require City financial contribution
- Long-term affordability

Estimated Households Assisted: 2,000 – 3,000

Rental Housing Program Program Parameters

- □ Innovation/Opportunity Fund Possible Examples:
 - Rapid response high-opportunity pre-development and site acquisition loans
 - Bond-qualified rental anti-displacement opportunities

Rental Housing Program Geographic Allocation Models

□ Based on:

- Simple to explain
- Assure that funds are available for projects throughout County

□ Geographic Allocation Models:

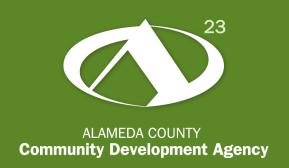
- Allocate all funds by city*
- Allocate all funds by region
- Allocate by a combination of base city allocation and regional pools, based on need:
 - eg, allocate funds by region, with ½ of regional allocation prioritized by city

^{*}including allocation to unincorporated county

Rental Housing Program Geographic Allocation Models

- Regional allocation possible formula basis:
 - Total population
 - Population in poverty
 - Homeless population
 - Housing Need Allocation
 - Combination of one or more of the above
 - e.g. regional allocations based on poverty, city allocations based on total population
- City allocations possibilities:
 - □ Could be same as regional basis, or
 - Minimum amount for all cities





BOND PROGRAMS AND BOOMERANG FUNDS PROGRAM FRAMEWORK

Annual Boomerang Funds (with G.O. Bond) - Example

- **☐** Affordable Rental Housing
 - Rental housing operating subsidies to reach lowest incomes
 - Little, if any, for development subsidies
- Anti Displacement Programs
- **□** Homeless Response
 - Coordinated Assessment/Housing Resource Centers
 - Interim Housing
- **Bond and Boomerang Program Delivery**

Next Steps

- ■Bond Counsel review
- Continue stakeholder input
- Further develop and refine program options
- Refine bond cost projections
- Draft measure language
- County Counsel and Auditor-Controller analysis

DISCUSSION