



ALAMEDA COUNTY
Community Development Agency

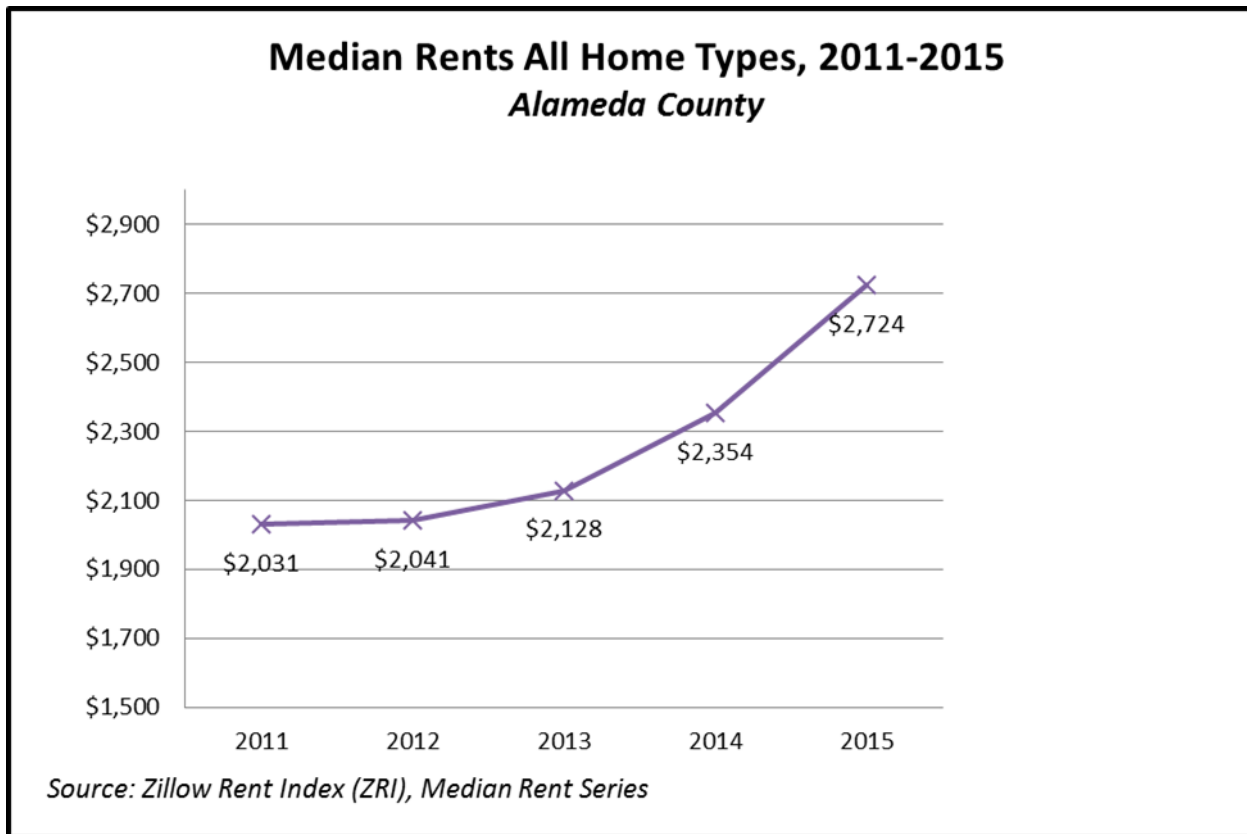
ALAMEDA COUNTY HOUSING BOND: OVERVIEW

San Leandro City Council,
September 6, 2016

Affordable Housing Crisis

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Rapidly Increasing Rents Countywide

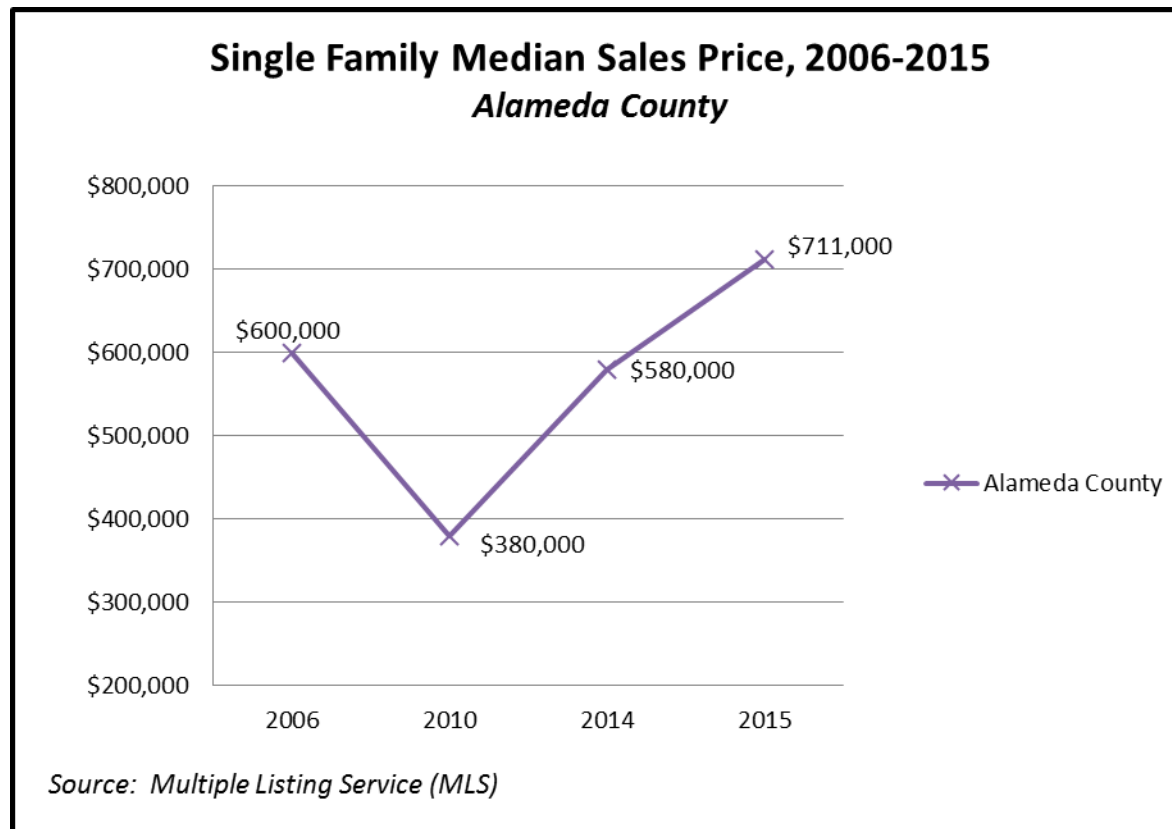


Rents Increased 34% between 2011 – 2015 Countywide

Affordable Housing Crisis

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Home Sales Prices Rapidly Increasing Countywide



Home Prices Increased 22.5% between 2014 and 2015 Countywide

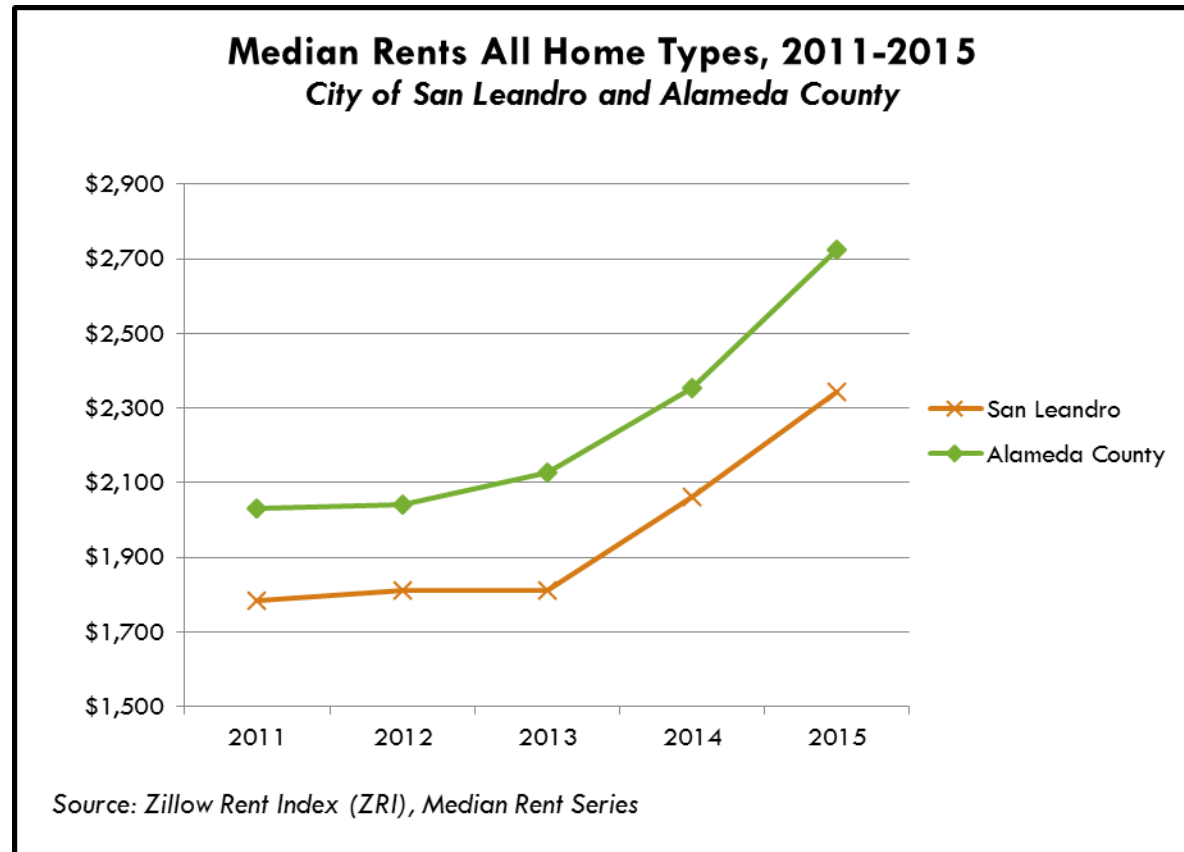
Housing Crisis in San Leandro

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San Leandro sales prices have risen 69% since the 2010 market bottom.

87% of Very Low Income renters pay over 30% of their incomes for rent, and 49% pay more than half of their incomes for rent.

Rents increased 31% between 2011 - 2015



Affordable Housing Crisis

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There is a 60,911 unit shortfall for homes affordable to very low- and extremely low-income households in Alameda County alone.

- California Housing Partnership Corporation, May 2016 Alameda County Housing Report

Impacts of the Affordable Housing Crisis

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- Long term residents have to leave
- More traffic congestion
- Too much income spent on housing costs
- Overcrowding
- Harder to attract and retain employees
- Homelessness
- Undermines safety net

Stakeholder Input Process & Schedule

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□ **Board of Supervisors Committee Work Sessions:**

6 Sessions: March – June

Stakeholder Meetings:

- March 17th – Oakland
- April 13th – San Leandro
- May – 8 Town hall meetings in Supervisorial Districts
- **On-line Survey:** www.tinyurl.com/alcoholhousingbond
- **Email:** alcoholhousingbond@acgov.org
- **Website:** www.acgov.org/board/housingbond.htm
- **Adoption:** June 28th - Board of Supervisors passed bond measure language and authorizing resolution to place measure on November 8, 2016 ballot.



CRITERIA FOR BOND PROGRAMS

Criteria for Bond Program

- Eligible uses of G.O. Bond proceeds:
 - Capital investment related to acquisition or development of real property
- Addresses critical housing needs
- Simple to explain
- Simple and cost effective to administer
- Assures all parts of the County benefit
- Allocates funds over time
- Builds on successful program models within Alameda County and elsewhere
- Leverages other funds where possible
- Allows for innovation and creativity



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ALAMEDA COUNTY HOUSING BOND PROGRAM

Overview of Program Framework

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- Total Bond - \$580 Million

- Homeowner programs - \$120 Million
 - Down Payment Assistance Loan Program
 - Homeowner Development Program
 - Home Preservation Loan Program

- Rental Housing Programs - \$460 Million
 - Rental Housing Development Fund
 - Innovation and Opportunity Fund



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HOME OWNER PROGRAM COMPONENTS



Homeowner Programs

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- **Three Program Areas - \$120 million**
 - Down Payment Assistance Loan Program
 - Homeowner Housing Development Program
 - Home Preservation Loan Program

- **Common Components:**
 - Countywide Allocations
 - Revolving Loan Funds

Homeowner Programs

Down Payment Assistance Loan Program

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- **Estimated Funding Amount: \$50 Million**
 - Goal: Assist middle income working families to purchase homes and stay in Alameda County
- **Program Parameters:**
 - Income limit: Target 80-120% of Area Median Income (AMI) but allow up to 150% of AMI for flexibility
 - e.g. Teachers, Electricians, Plumbers, Firefighters, Truck Drivers, EMT workers
- Design features to encourage program to benefit current Alameda County residents, for example:
 - Workforce Proximity Homeownership
 - Assist current residents to buy homes and stay in County
 - Working with Counsel re: possible inclusion of displaced former residents
 - Educators/First Responders

Homeowner Programs

Homeowner Housing Development Program

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- ❑ **Estimated Funding Amount: \$25 Million**
- ❑ **Goal: Assist in the development and long-term affordability of homeownership housing for Low-Income households to become first-time homebuyers while staying in the County.**

- ❑ **Program Parameters:**
 - Income limit: 80% of Area Median
 - Construction loans to nonprofit developers
 - New Construction, Acquisition, Rehabilitation
 - Loans converted to Down Payment Assistance Loans when homes are purchased.
 - May involve a sweat-equity component.

Home Preservation Loan Program

- **Estimated Funding Amount: \$45 Million**
- **Goal: Assist Low-Income Seniors, People with Disabilities, and other low-income homeowners to remain safely in their homes**

- **Program Parameters:**
 - Income limit: 80% of Area Median
 - Accessibility improvements
 - Health and Safety-focused Owner-Occupied Housing Rehabilitation



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RENTAL HOUSING PROGRAM COMPONENTS



Rental Housing Programs

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- **Two Program Areas - \$460 Million**
 - ▣ Rental Housing Development
 - ▣ Innovation & Opportunity Fund

Rental Housing Program

Rental Housing Development Program

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- Estimated Funding Amount: \$425 Million
- Goal: Create and preserve affordable rental housing for vulnerable populations, including low-income workforce housing

- Program Parameters:
 - Income levels:
 - Most = 30-60% of Area Median Income (AMI)
 - At least 20% of units to 20% AMI or below (Homeless, SSI level), will require operating subsidies
 - Allow a portion of units for up to 80% AMI in mixed income developments
 - Leverage tax credits, other state, federal and local funds
 - Require City financial contribution
 - Long-term affordability (55 year minimum)

Rental Housing Program

Rental Housing Development Program

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- **Use of funds:**
 - ▣ Rental Housing development gap financing:
 - Predevelopment and Development financing
 - New Construction, Acquisition, Rehabilitation
 - ▣ Allow a portion of City allocations for interim crisis/Transitional Housing for homeless
 - ▣ **Target populations:**
 - Homeless (chronic, families)
 - Seniors
 - Veterans
 - People with disabilities (physical, developmental, mentally ill)
 - Re-entry
 - Transition age youth aging out of foster care
 - Workforce housing (including working poor)

Rental Housing Development Program

Geographic Allocations of Funds

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- **Based on:**
 - Related to need
 - Assure that funds are available for projects throughout County

- **Geographic Allocation Model:**
 - \$225 Million as a base allocation for use in each city*
 - \$200 Million to regional pools to be drawn on by projects in any city in region

*including allocation to unincorporated county

Rental Housing Development Program Geographic Allocation Model

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Rental Housing Development Program Funds		\$225 Million to City Base Allocations
Base City Allocations:		
Alameda city		\$10,370,727
Albany city		\$2,588,918
Berkeley city		\$15,796,369
Dublin city		\$8,831,465
Emeryville city		\$2,799,109
Fremont city		\$33,264,459
Hayward city		\$20,298,294
Livermore city		\$12,722,700
Newark city		\$6,029,275
Oakland city		\$54,803,565
Piedmont city		\$2,431,300
Pleasanton city		\$13,720,684
San Leandro city		\$11,907,775
Unincorporated		\$19,671,892
Union City city		\$9,763,468
Alameda County Total		\$225,000,000

Allocations based on average of % AV & % Total

Population, with minimum no less than original projections.

Rental Housing Development Funds			\$200 Million to Regional Pools
Regional Pools Allocated by:	% of Total	Need - Blend of Poverty and RHNA LI&VLI	
North County	44.7%	\$89,325,065	
Mid County	24.9%	\$49,803,134	
East County	13.7%	\$27,332,372	
South County	16.8%	\$33,539,429	
Alameda County Total	100.0%	\$200,000,000	

No Co: Albany, Berkeley, Emeryville, Oakland, Piedmont

Mid Co: Alameda, Hayward, San Leandro, Unincorporated

East Co: Dublin, Livermore, Pleasanton

South Co: Fremont, Newark, Union City

Rental Housing Program

Innovation & Opportunity Fund

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- Estimated Funding Amount: \$35 Million
- Goal: Respond quickly to capture market opportunities, preserve and expand affordable housing, tenant anti-displacement

- Program Possibilities - Examples:
 - Rapid response high-opportunity pre-development and site acquisition loans
 - Purchase problem motels and convert to affordable housing

 - Bond-qualified rental anti-displacement opportunities
 - Acquire apartment buildings on market to renovate and make/retain affordability

- Countywide Allocation



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NEXT STEPS



Title and Ballot Question

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BALLOT MEASURE: ALAMEDA COUNTY AFFORDABLE HOUSING BOND. To provide affordable local housing and prevent displacement of vulnerable populations, including low- and moderate-income households, veterans, seniors, and persons with disabilities; provide supportive housing for homeless people countywide; and help low- and middle-income households purchase homes and stay in their communities; shall the County of Alameda issue up to \$580 million in general obligation bonds to acquire or improve real property, subject to independent citizen oversight and regular audits?

Next Steps

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- Further development of program policies and terms

- “Boomerang” funds - development of program options:
 - Anti-Displacement
 - Homeless responses



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DISCUSSION



Alameda County Income Limits

Persons in Household	Extremely Low		Very Low		Low	Median	Moderate
	20%	30%	50%	60%	80%	100%	120%
1	\$13,660	\$20,500	\$34,150	\$40,980	\$52,650	\$68,300	\$81,960
2	\$15,600	\$23,400	\$39,000	\$46,800	\$60,150	\$78,000	\$93,600
3	\$17,560	\$26,350	\$43,900	\$52,680	\$67,650	\$87,800	\$105,360
4	\$19,500	\$29,250	\$48,750	\$58,500	\$75,150	\$97,500	\$117,000

Effective March 2016

Adjusted annually

Based on HUD Extremely (30%), Very Low (50%) and Low (80%) Income limits

Alameda County Housing and Community Development, April 2016