



## 2014 Annual Report

The San Luis Obispo County Housing Trust Fund (the “HTF”) is a private nonprofit corporation that was incorporated in 2003. We are a mission-driven lender and certified Community Development Financial Institution (CDFI).<sup>1</sup>

### Mission & Purpose

The HTF’s mission is to increase the supply of affordable housing for very low, low and moderate income households in San Luis Obispo County.

### Programs & Services

The HTF provides financing and technical assistance (TA) for local affordable housing projects. We also provide TA on housing programs and policies. In addition, we advocate for affordable housing legislation, programs and projects at the local, state and federal levels.

### Local Housing Needs

San Luis Obispo County is consistently one of the least affordable housing markets in California and the nation. The National Association of Home Builders found that this county was the 11th least affordable out of 226 metro housing markets in the nation for the fourth quarter of 2014.

The 2010 Census found that 35.8% of the renters in San Luis Obispo County had a severe housing cost burden.<sup>2</sup> This was a higher percentage than in the Los Angeles, San Francisco and New York City metro areas. Based on HUD data, our county also had a higher incidence of homelessness in 2013 than those metro areas. The same HUD data showed that our small county had more unsheltered<sup>3</sup> homeless than eleven states combined.

<sup>1</sup> Learn more about CDFIs at [www.ofn.org](http://www.ofn.org).

<sup>2</sup> “Severe housing cost burden” means they paid more than half of their gross incomes for housing.

<sup>3</sup> Living in vehicles, on the streets and in other places not suitable for human habitation.

### Revolving Loan Funds

The HTF operates revolving loan funds to finance affordable housing projects. These loan funds include both grants and investments. As of December 31, 2014, over \$9.7 million was committed to our revolving loan funds.<sup>4</sup> The sources and amounts of our loan funds were:

#### Loan Fund Investments

Rabobank	\$1,500,000
Heritage Oaks Bank <sup>5</sup>	1,000,000
Dignity Health	750,000
Erich & Hannah Sachs Foundation	300,000
Pacific Western Bank	250,000
Religious Communities	250,000
SLO County Community Foundation	100,000

#### Contributed Loan Funds

CDFI Fund of the US Treasury	\$3,300,000
California LHTF Program	2,075,000
California Association of Realtors	125,000
George Moylan Affordable Housing Fund	102,124
Create Jobs for USA (Starbucks)	34,500

**Total Lending Capital** \$9,786,624

### Accomplishments

Since 2005, the HTF has provided more than \$16 million in loans to assist 572 units of affordable housing. We had a record setting year in 2014, lending over \$5 million to assist 240 housing units. The vast majority of the units we have financed (94.4%) are for low income households.

During 2014, we helped finance the development of four apartment complexes and a single-family home subdivision. We also financed a licensed care facility and improvements to a transitional housing facility. In addition, we refinanced apartments for both seniors and the disabled.

<sup>4</sup> Includes commitments and available lines of credit.

<sup>5</sup> Formerly Mission Community Bank.

**Operating Support**

The HTF has two general sources of operating revenue – earned income and grants. In 2014, our earned income – loan fees and interest – covered all of our operating expenses. We also received over \$1.2 million in grants that were restricted for our loan fund.

**Board of Directors**

The following individuals served on the HTF’s Board of Directors at the end of 2014.<sup>6</sup>

- Dr. Julian D. Crocker, Chair  
County Superintendent of Schools
- Lenny Grant, AIA, Vice Chair  
RRM Design Group
- Clarence Cabrerros, Treasurer  
SESLOC Federal Credit Union
- Marianne Kennedy, Secretary  
Women’s Shelter Program
- Dick Willhoit,  
Estrella Associates, Inc.
- Geri LaChance,  
SESLOC Federal Credit Union

**HTF Commission**

The HTF Commission serves as our loan committee. The following individuals served on the HTF Commission at the end of 2014.

- David Athey, City of Atascadero
- Karen Bright, City of Grover Beach
- Tyler Corey, City of San Luis Obispo
- Al Garcia, City of Paso Robles
- Kelly Heffernon, City of Arroyo Grande
- Joe Hoeflich, Supportive Housing Consortium
- Christine Johnson, City of Morro Bay
- Ken Litzinger, HASLO
- Tony Navarro, County of San Luis Obispo
- John Stocksdale, City of Pismo Beach

**Staff**

- Jerry Rioux, Executive Director
- Vivian Krug-Cotton, Administrative Director

<sup>6</sup> Our current Board and Commission members are listed online at [www.slocthf.org/our-team.htm](http://www.slocthf.org/our-team.htm).

**Financial Statements**

Our audited financial statements for 2013 and 2014 are summarized below. Our 2014 audit was prepared by Caliber Audit & Attest, LLP and our 2013 audit was prepared by The Crosby Company, CPAs. All of our audits since 2004 are available online at [www.slocthf.org/about-us.htm](http://www.slocthf.org/about-us.htm).

**Statement of Financial Position**

	12/31/14	12/31/13
<b>Assets</b>		
<b>Current Assets:</b>		
Cash & Cash Equivalents	\$1,004,380	\$2,099,140
Receivables & Prepaids	11,653	6,829
Interest Receivable	19,097	7,619
Notes Receivable (Current Portion)	1,348,859	762,030
<b>Total Current Assets</b>	<b>\$2,383,989</b>	<b>\$2,875,618</b>
<b>Non-Current Assets:</b>		
Notes Receivable (Non-Current)	5,096,092	2,550,769
<b>Total Assets</b>	<b>\$7,480,081</b>	<b>\$5,426,387</b>
<b>Liabilities</b>		
<b>Current Liabilities:</b>		
Payable & Accruals	\$34,352	\$26,749
Notes Payable (Current)	250,000	25,000
<b>Total Current Liabilities</b>	<b>\$284,352</b>	<b>\$51,749</b>
<b>Long-Term Liabilities:</b>		
Notes Payable (Non-Current)	1,700,000	1,200,000
<b>Total Long-Term Liabilities</b>	<b>\$1,700,000</b>	<b>\$1,200,000</b>
<b>Total Liabilities</b>	<b>\$1,984,352</b>	<b>\$1,251,749</b>
<b>Net Assets</b>		
Unrestricted <sup>7</sup>	\$2,072,183	\$1,327,692
Temporarily Restricted	3,200,000	2,590,000
Permanently Restricted	223,546	256,946
<b>Total Net Assets</b>	<b>\$5,495,729</b>	<b>\$4,174,638</b>
<b>Total Liabilities and Net Assets</b>	<b>\$7,480,081</b>	<b>\$5,426,387</b>

**Statement of Activity**

	2014	2013
<b>Revenue</b>		
Government Grants	\$1,288,161	\$438,161
Private Contributions	28,606	33,977
Interest & Loan Fees	292,167	154,793
<b>Total Revenue</b>	<b>\$1,608,934</b>	<b>\$626,931</b>
<b>Expenses</b>		
Program Services	\$228,621	\$211,899
Management & General	48,430	35,165
Fund Raising	10,792	10,148
<b>Total Expenses</b>	<b>\$287,843</b>	<b>\$257,212</b>
<b>Increase In Net Assets</b>	<b>\$1,321,091</b>	<b>\$369,719</b>

<sup>7</sup> Includes federal grants that became unrestricted.