



NEWS

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Board of Supervisors Approve HTF Funding

Honoring a commitment made in December 2002, the County Board of Supervisors unanimously approved appropriation of up to \$225,000 from the General Fund to the San Luis Obispo County Housing Trust Fund (HTF) at the July 22 Board of Supervisors meeting.

This was the official culmination of action taken December 10, 2002 when the County Board of Supervisors unanimously approved matching funds for the San Luis Obispo County Housing Trust Fund start-up costs: \$1 for every \$1 received from other jurisdictions and sources – up to \$225,000 over the next two years.

During the December meeting, the Supervisors also signed a resolution declaring the county's housing situation "distressed" and that "the San Luis Obispo Housing Trust Fund offers a method to facilitate creation of the needed affordable housing through locally-generated financial resources."

This spring, a contract between the County and the Housing Trust Fund was drafted and finalized.

"The County Board of Supervisors has taken a leading role in our goal of financial support for the Housing Trust Fund from all eight jurisdictions in San Luis Obispo County," said Anita Robinson, Chair of the Housing Trust Fund Board, "and we applaud the Supervisors for taking the first step forward and appreciate their assistance."

Grant Monies Arriving

The SLO County Housing Trust Fund Board of Directors is pleased to announce that the following grant awards have been received:

May 2003: \$20,000 from the Housing Authority of the City of San Luis Obispo
June 2003: \$ 3,000 from the San Luis Obispo County Community Foundation
June 2003: \$ 5,000 from United Way of San Luis Obispo County

Board Chair Anita Robinson noted that "broad-level support from organizations such as these is a cornerstone in the organizational development of the Housing Trust Fund. We thank them for investing in our efforts to address the critical need for affordable housing in our county." Robinson added that these grants are eligible for dollar for dollar matching funds from the County of San Luis Obispo.

In addition to the \$28,000 mentioned above, official word has also been received that a grant request in the amount of \$50,000 has been approved by the State of California Department of Community Services and Development. Processing of this receivable is underway and HTF has been told to expect finalization before the end of summer. "The commitment of funding by this State agency is a tremendous boost to the Housing Trust Fund's organizational efforts," said Anita Robinson. The dollar-for-dollar match by the County of San Luis Obispo also applies to the funds committed by the Department of Community Services and Development agency for this grant.

Preparation of grant applications to other entities is presently underway by the Housing Trust Fund and we will keep you informed on the progress.

Recruitment Continues For Executive Director

The Housing Trust Fund (HTF) Selection Committee and Board of Directors are currently interviewing qualified candidates for the Executive Director position. A press release will be issued when the candidate who will be HTF's first Executive Director has been hired.

What Is a Housing Trust Fund?

Housing trust funds are established to provide the financial resources needed to facilitate development of affordable housing within a specific geographic area.

The San Luis Obispo County Housing Trust Fund (HTF) will support development of affordable housing for families and individuals with an annual income of up to 120% of county median income and to persons with special needs. HTF resources will support an array of housing options including home ownership and affordable rental housing.

Housing trust funds are local public funds established by the participating jurisdictions via legislation, ordinance or resolution. The key characteristic of a housing trust fund is that it receives on-going revenues from dedicated sources. The revenue source(s) may differ from jurisdiction to jurisdiction, based on local allocation of available resources.

Housing Trust Fund resources contributed by local jurisdictions will "leverage" additional resources from sources such as developers, banks, and state and federal housing programs. On average, county housing trust funds leverage \$7.50 for every dollar invested by the fund.

What is Leveraging?

One of the greatest successes of housing trust funds, and the one envisioned for San Luis Obispo County, is their ability to secure additional private and public funding for their approved housing developments. Time and again, housing trust fund monies are used to secure additional funding that makes developments work; they are rarely used to fund entire developments on their own.

The initial money provided by the trust fund enables a project to leverage additional funds from public and private investors who may require evidence of support from other sources before committing their money to the project.

The history of housing trust funds across the U.S. is that for each dollar raised and expended they attract seven to ten additional dollars. That means that each \$5 million raised can generate some \$35 to \$50 million in construction spending for our local economy.

In addition to adding greatly needed affordable units to the County's housing inventory, sources indicate that for every \$1 million in construction spending 34 jobs are created in the economy. That means \$50 million in construction spending could create as many as 1,700 jobs for county residents.

Many Thanks to the Following ...

We salute these members of the Steering Committee who have volunteered their time to Housing Trust Fund organizational activities. In the six month period of October 2002 through March 2003, hours donated individually ranged from 4 to 48 and totaled 160 hours. The value of the contributed hours by these seven volunteers is \$6,692.50.

Eileen Allen	(North County Women's Shelter)	
Leslie Halls	(SLO County Builders Exchange)	
Lillian Judd	(EOC)	
Marianne Kennedy	(Women's Shelter Program)	48 hours!
Mark Satterfield	(Brothers of Electrical Workers No. 639)	
Ann Travers	(SLO County Dept. of Social Services)	35 hours!
Patricia Wilmore	(SLO Chamber of Commerce)	

There are also some additional "special friends" we'd also like to thank for their contributions:

Ted Bench (coordination of County contract)	County Planning Dept.
Jim Brabeck (for his continuous support)	Farm Supply
Mary Brooks (consultant)	Center for Community Change
Sharon Fuller (data entry)	Sojourn, Inc.

Dana Lilley (coordination of County contract)
Elizabeth Nagano (bookkeeping)
Scott Smith (for his continuous support)
Biz Steinberg (grant go-getter)
Susan Talbot (grant writing)

County Planning Dept.
Women's Shelter Program
People's Self-Help Housing
EOC
Women's Shelter Program

How to Contact the Housing Trust Fund

If you wish to add (or delete) a name to our e-mail newsletter and/or for general questions:

Phone/Fax: 805-786-4026
solutions-mm@thegrid.net
P.O. Box 1506
San Luis Obispo, CA 93406

The five persons serving as the SLO County Housing Trust Fund Board of Directors are:

Chair Anita Robinson	(Mission Community Bank President/CEO)
Vice-Chair Rachel Richardson	(SLO Supportive Housing Consortium Chair and AIDS Network)
Secretary Dr. Allen Haile	(Economic Advisory Committee and Cal Poly University)
Treasurer Janna Nichols	(United Way of San Luis Obispo County Executive Director)
George Moylan	(Housing Authority of the City of SLO Executive Director)

Did You Know?

- "Affordable" is defined by the U.S. Dept. of Housing and Urban Development (HUD) as a household using no more than 30% of annual income on housing.
- The affordability index, or percentage of residents who can afford to buy the median priced home in San Luis Obispo County is in a downspin. It was approximately 39 percent in 1998, 33 percent in 1999, and 24 percent in 2000 and 2001.¹ In April 2003, affordability plummeted to 17 percent, the lowest in a decade.²
- To be considered affordable, no more than \$886 per month (including an allowance for utilities) should be paid for a 2-bedroom unit by a moderate (120% of median) income household.³ In the Saturday, July 12, 2003 issue of The Tribune newspaper, 147 two-bedroom units were advertised in the "For Rent" classified section. Of the 147, only 20 were priced at \$886/mo. or less (and usually did not include utilities.) The average advertised cost for a 2-bedroom apartment or condo was \$1103/mo. + utilities; \$1223/mo. + utilities for a 2-bedroom home.⁴



"Housing for all."

¹ SOURCE: The 2003 SLO County Economic Outlook, UCSB Economic Forecast Project, Nov. 2002, page 88.

² SOURCE: California Association of Realtors, www.car.org

³ SOURCE: Affordable Housing Standards bulletin effective March 2003 and updated June 3, 2003, San Luis Obispo County Dept. of Planning and Building, 781-5600.

⁴ SOURCE: The Tribune newspaper, San Luis Obispo, CA. Classified real estate section published July 12, 2003.