



Housing for All

San Luis Obispo County Housing Trust Fund

Why Inclusionary Housing is Needed

San Luis Obispo County has a severe shortage of housing that is affordable to people who live and work in the county, especially those who do not already own a home. Inclusionary housing is a requirement that builders include some affordable units in their development projects.

While the recent housing bust has caused home sales to plummet and prices to drop, it has done little to make housing more affordable for most county residents. The lower prices have no impact on most current renters.

The National Association of Home Builders reported that San Luis Obispo County was the seventh least affordable housing market in the United States during the fourth quarter of 2007. Only 9.9% of the new and existing homes sold in our county from October through December of 2007 were affordable to a family that earned the median income. There were 213 housing markets in the United States that were more affordable, including New York City.

The California Association of Realtors reported that homes were more affordable for first-time homebuyers during the fourth quarter of 2007. CAR figured that a first time home buyer only needed to earn \$84,300 to buy a modest home during the quarter — a drop of over \$15,000 from the previous quarter.

CAR assumes that first time home buyers buy a home priced at 85% of the median sales price (\$421,550) and pay 40% of their gross income for an adjustable rate mortgage, property taxes and insurance. HUD estimates that only about one third of the county's population earns more than \$84,300.

A more realistic measure of affordability for first time home buyers would compare home prices to the incomes of renters. Unfortunately, the estimated median income of renters in San Luis Obispo County is only \$33,700 according to the National Low Income Housing Coalition.

Proposition 98 will Kill Inclusionary Housing

Prop. 98 on the June 2008 ballot is called the California Property Owners and Farmland Protection Act. While it claims to be about eminent domain reform it does far more.

It will, for example, prohibit new inclusionary housing ordinances and make existing affordability covenants unenforceable. A house that was purchased at an affordable price could be resold at market value. The rents for affordable apartments and mobile home park spaces will also soar after the initial tenants move.

Prop. 98 will have a significant impact on affordable housing since one third of the cities and counties in California have inclusionary ordinances. Over 30,000 affordable units were built from 1999-2005 under these ordinances. These units will no longer be affordable if Prop. 98 passes.

Environmentalists are also concerned about Prop. 98 because it will eliminate and weaken many environmental laws. Learn more about Prop. 98 and the competing eminent domain measure — Prop. 99, the Homeowners Protection Act, at www.eminentdomainreform.com.

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Inclusionary Housing Files

Inclusionary housing is an increasingly popular tool for creating affordable housing in California and other high cost areas. One-third of the local governments in California have already adopted inclusionary housing. Here is a sampling of the new inclusionary programs that have recently been adopted or proposed in the state and elsewhere in the country. They are followed by information on a study of inclusionary ordinances in Southern California.

Tuolumne Sups Approve Inclusionary

The Tuolumne County Board of Supervisors reached agreement on inclusionary housing and directed county staff to prepare an ordinance for adoption. The ordinance will include a 10% inclusionary requirement for projects with 10 or more units. Affordability will be set at the median income level. The ordinance will have fees for developments of less than 10 units. The ordinance will also create a county housing trust fund.

San Francisco Voters to Consider 50% Inclusionary Requirement

A measure on the June ballot will require that half the new housing in San Francisco's planned Bayview-Hunters Point redevelopment be affordable to people earning 30% to 80% of the city's median income. The developer of the 10,000 new homes planned for the distressed area says that the measure will kill the project if passed.

New York State Legislature Proposes Inclusionary for Long Island

The Long Island Workforce Housing Act has been introduced in both the State Assembly and Senate. The Act requires that at least 10% of the housing in developments of five or more units be affordable to buyers earning up to 130% of the area median income. The Act provides density bonuses for developers who build the units on site. It also allows building the units off-site or paying in-lieu fees.

Philadelphia Adopts Inclusionary

The Philadelphia City Council approved a requirement that developers include affordable housing as part of every project with 20 units or more or pay an in-lieu fee to the city Housing Trust Fund. Under the law, the housing must target families making up to \$90,000 a year, or 125% of the area's median income. Half of the units must be affordable to families earning up to 80% of the median income. The law will only become operational when the city passes incentives for builders to help offset the cost of the program.

Pinellas Co. Intends to Adopt Inclusionary

The Pinellas County, Florida (Clearwater area) Board of County Commissioners has given notice that it intends to adopt an inclusionary housing ordinance. The proposed ordinance would require that housing developments with twenty or more units include between 5% and 15% affordable units. (The inclusionary percentage depends on the income targeting.) A 50% density bonus is proposed for developers who build the affordable units on site. Off-site development, land dedications and in-lieu fees are proposed as alternatives to building the units on site.

How Does Inclusionary Housing Work? A Profile of Seven Southern California Cities

The Southern California Association of Non Profit Housing (SCANPH) analyzed inclusionary housing policies in seven Southern California cities (Brea, Irvine, Oxnard, Pasadena, Port Hueneme, San Clemente, and Santa Paula) to learn about the productivity of their policies. SCANPH analyzed the codes for each city and spoke with city planners and local developers to understand the factors that influence the productivity of the ordinance in each city. They also looked at how population, land availability and overall housing development influence productivity in these cities. The report is available online at www.scanph.org/files/IZ.Guide_.pdf.

HTF Funding Updates

Union Bank contributes \$10,000

The Union Bank Foundation has contributed \$10,000 in general operating support to the HTF. The Bank has awarded a total of \$35,000 to the HTF since 2005. They are one of our more generous supporters.



Heritage Oaks Fun Run nets \$6,000

Heritage Oaks Bank selected the George Moylan Affordable Housing Fund as one of the benefactors of their 2007 Fun Run. The event raised \$6,000 for the HTF. The George Moylan Fund will benefit from the Fun Run in 2008 as well.



Cities Renew Commitment to HTF

The cities of Paso Robles and Morro Bay have renewed their commitments to the Housing Trust Fund. Paso Robles contributed \$7,500 and Morro Bay \$1,000. We again have financial support from every city in the county for FY 2007-8.

George Moylan Fund

The George Moylan Affordable Housing Fund was established in October 2005 to honor the memory and continue the work of George Moylan, a founding director of the Housing Trust Fund. To date, more than 300 individuals, firms and organizations have contributed more than \$76,000 to the Moylan Fund. Additional information on the Moylan Fund can be found online at: www.sloctf.org/moylan-fund.htm.

Short Notes

New Loan Limits \$687,500

The federal economic stimulus package has increased the Fannie Mae, Freddie Mac and FHA loan limits in high cost areas. For San Luis Obispo County the new limit for a single-family home loan increased to \$687,500. The new limits apply to loans originated through December 31, 2008.

USDA \$ for NP & Community Facilities

The USDA offers a combination of grants, loans and loan guarantees for nonprofit and community facilities. These funds can be used for a variety of purposes including offices, childcare, service and treatment facilities and equipment. Grants of up to \$50,000 and low interest loans of up to \$2 million are available in rural areas. For San Luis Obispo county, the only exclusions for these programs are the cities of San Luis Obispo, Paso Robles and Atascadero. Guaranteed loans up to \$25 million are available in most of the county except for the area immediately adjacent to Santa Maria.

For more information check out www.rurdev.usda.gov/ca or call Al Correale in USDA's Santa Maria office at 928-9269 x119.

Permanent Source of Funds for Housing

With the full support of Gov. Arnold Schwarzenegger, Lynn Jacobs, director of the Department of Housing and Community Development (HCD), is leading the effort to find a permanent source of funds for affordable housing. Director Jacobs is holding a series of regional meetings with stakeholders. She plans to make recommendations to the Governor's office no later than September 30, 2008. Additional information is available online at www.hcd.ca.gov/permsource.



Rural Homelessness Capacity Building

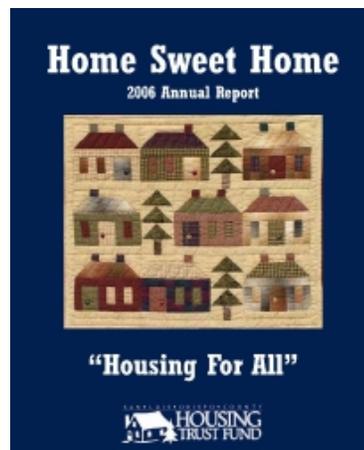
The Housing Assistance Council (HAC) is now offering technical assistance, audio-web trainings, and online information for organizations serving rural homeless populations in cooperation with the National Alliance to End Homelessness. For more information, visit their website www.ruralhome.org/rhcbindex2.php, phone 1-877-842-RHCB or e-mail RHCBinfo@ruralhome.org.

Applications Available for Housing Internship

The California Coalition for Rural Housing (CCRH) is accepting applications for its Internship Program for Diversity in Nonprofit Housing and Community Development. Learn more at www.calruralhousing.org/programs/internship-program. While applications will be accepted through April 1, 2008, it is advisable to apply early.

HTF Annual Report

The HTF Annual Report for 2006 is now available online at: www.slochtf.org/files/annual-report-2006.pdf



Pursuit of the Dream: Cars & Jobs in

America, is a new documentary produced by the Annie E. Casey Foundation that explains the importance of affordable, reliable transportation for the economic success of low-income families. The DVD and study material are available free from www.kidscount.org/news/fes/request_onlineform.pdf.

Housing a Growing Priority for Americans

According to the Housing America Campaign, housing is becoming a higher priority among individuals in America. When asked "On a list of your own individual/family priorities, how important is having a decent affordable place to live on that list?" people responded as follows:

	2007	2008
Top priority	34%	38%
A high priority	54%	56%
A low priority	3%	4%
Not on my list	6%	4%

For more info, go to: www.nahro.org/pressroom/2008/poll.pdf.

Housing the Presidential Campaign

The National Low Income Housing Coalition offers information about the presidential candidates' views on housing issues and a nonpartisan forum for discussing housing issues. Visit www.housing2008.org or email info@housing2008.org.

The Olympics and Housing?

"The Olympic Games have displaced more than two million people in the last 20 years," according to the Geneva-based Centre on Housing Rights and Evictions (COHRE). COHRE's new report — "Fair Play for Housing Rights: Mega-Events, Olympic Games and Housing Rights" — found that the homeless, poor, Roma (Gypsies) and African-Americans were disproportionately impacted. Learn more at www.cohre.org/mega-events.

Items of Interest...

Publications

The Housing Bottom Line is a recent study from the building industry that concludes that new housing pays its own way for government services — www.cbiam.org/go/cbiam/?LinkServID=15E85BB6-0ECB-6F37-179D4439C07525A3.

The National Low Income Housing Coalition has updated its **Advocates' Guide on Housing and Community Development Policy** for 2008. A guide is a compendium of federal housing and community development programs and related issues with over 60 chapters. It can be downloaded from www.nlihc.org/./doc/AdvocacyGuide2008-web.pdf.

Environmental Review: A Guide for Applicants Seeking HUD or USDA Rural Development Financial Assistance is a new Housing Assistance Council guide that explains processes step by step, with developers' responsibilities clearly noted, along with definitions and tips. It can be downloaded free from www.ruralhome.org/manager/uploads/EnvironmentalReviewGuide.pdf.

The Homeless and Runaway Youth Project has released a preliminary report that includes an annotated bibliography of research and informational material on homeless and runaway youth. This report is online at www.library.ca.gov/crb/08/08-000.pdf.

Vital Mission: Ending Homelessness Among Veterans found that veterans account for 26% of the homeless in the US but only 11% of the adult population. With 49,724 homeless veterans, California has the highest number in the nation. The full report is available at www.naeh.org/content/article/detail/1839.

Websites

Go Solar California — www.gosolarcalifornia.ca.gov — is the focal point of all things solar at the California Energy Commission. Check it out for information on solar equipment, studies and grants.

Events

April 17 — SLO Candidate's Debate, Workforce Housing Coalition, Creekside Center, 6:30 to 8:30 p.m. — www.slowhc.org.

April 24, May 22 and May 29 — Hearings on Inclusionary Housing — County Planning Commission, Board of Supervisors Chambers, SLO www.slocounty.ca.gov/planning/meetingcalendar/Planning_Commission_Hearings_9791.htm

April 28-30 — Housing CA 2008 Annual Conference, Sacramento — www.housingca.org/events/annualconference.

Note: "Housing for All" has active links — when you view this newsletter in Acrobat Reader, referenced documents and websites open when you click on them.



Loan Funds Available: \$3.5 Million

Approximately \$3.5 million is currently available from the Housing Trust Fund to help finance affordable housing projects located in San Luis Obispo County. Loans for up to five years are available for rental and ownership housing, including transitional housing for individuals and households with special needs.

Loans may be used for site acquisition, site development, construction or other activities that will create or preserve affordable housing for very low, low or moderate income individuals or households.

Visit our website - www.slochtf.org/loans.htm - to learn more and download our Program Guidelines, Loan Review Process and Underwriting Guidelines and other documents.

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