

Housing for All

San Luis Obispo County Housing Trust Fund

Construction on Schedule for Hidden Creek Village



Photo of Hidden Creek Village in early February. More photos are available online at www.sloctf.org/hidden-creek.htm.

The new rental homes at the Hidden Creek Village in Paso Robles are scheduled for completion by September 2011. The development is located on South River Road just north of Niblick Road and close to shopping, jobs and transportation.

Hidden Creek has 81 units that will be affordable to a wide range of individuals and families. There are 22 one bedroom units, 31 two bedroom units and 28 three bedroom units. Rents will range from less than \$500 to about \$1,100 per month depending on the number of bedrooms and the income targeting of the units.

The developer and general partner for the project is the San Luis Obispo Nonprofit Housing Corporation, which is affiliated with the Housing Authority of the City of San Luis Obispo (HASLO). Since its incorporation in 1986, SLO Nonprofit has built six affordable rental developments. The corporation acquired and rehabilitated several others.

SLO Nonprofit has contracted with Fresno-based Ashwood Construction, Inc. to actually build Hidden Creek. Ashwood specializes in affordable housing and has built more than 16,500 units throughout California since 1976. Additional information on Ashwood is available at www.ashwoodco.com.

Once completed, Hidden Creek will be managed by HASLO. An interest list has been started for the project, but applications will not be accepted before July. HASLO's website is www.haslo.org and the phone number is (805) 543-4478.

The San Luis Obispo County Housing Trust Fund initially assisted Hidden Creek in December 2009 by providing a \$300,000 loan to help finance the development's predevelopment costs. In June 2010, we increased our loan to \$800,000 to also help pay for the permits and fees. Our loan will be repaid once the project has reached full occupancy. This is the largest development that we have assisted to date.

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Housing Trust Fund Updates

HTF's Impact in 2010

The HTF made a significant impact on San Luis Obispo County's housing market and economy in 2010. Of the 425 housing starts in the entire county, 123 were in projects that the HTF helped finance. This is nearly 30% of the housing starts county-wide. These projects will leverage about \$30 million in construction contracts, 148 construction jobs and 37 permanent jobs.

New Commissioners Begin

The Cities of Grover Beach and Morro Bay have appointed new representatives to the HTF Commission, which serves as our loan committee. Councilmember Phyllis Molinar now represents Grover Beach and Councilmember George Leage represents Morro Bay. A list of our commissioners is online at: www.sloctf.org/our-team.htm.



The Housing Trust Fund is on Facebook. Check us out at: www.facebook.com/pages/San-Luis-Obispo-County-Housing-Trust-Fund/118422001518357.

Bank of America grant

Bank of America has contributed an additional \$7,500 to support the HTF's operations. This was the bank's seventh contribution since 2005 and brings their total support to \$77,500. BofA is the number one corporate supporter of our operations. Additional information is online at: www.sloctf.org/grant-bofa-10.htm.



Seton Enablement Fund

The Sisters of Charity of Cincinnati have provided their third investment in the HTF with a \$100,000 loan from their Seton Enablement Fund. The Sisters have now invested a total of \$250,000 in the HTF and are our fourth largest investor. Information on the Seton Fund is online at: www.srcharitycinti.org/enablement.htm.

Local Government Support

The HTF is grateful for the ongoing support of San Luis Obispo County and every city in the county. In 2010, they contributed nearly \$100,000 or about 40% of our operating budget. We received the following support from each jurisdiction:

- County of San Luis Obispo — \$42,750
- City of San Luis Obispo — \$30,000
- City of Paso Robles — \$7,500
- City of Atascadero — \$7,000
- City of Arroyo Grande — \$5,000
- City of Grover Beach — \$5,000
- City of Pismo Beach — \$2,000
- City of Morro Bay — \$1,000

George Moylan Fund

The George Moylan Affordable Housing Fund was established in 2005 to honor the memory and continue the work of George Moylan, one of our founding directors. Contributions to the Moylan Fund are used exclusively to finance affordable housing projects in San Luis Obispo County.

During 2010, a total of \$3,375 was contributed to the Moylan Fund. The largest contribution came from Heritage Oaks Bank (\$2,000) followed by WalMart in Paso Robles (\$750).

Nearly \$80,000 has been contributed to the Moylan Fund by over 300 individuals, firms and organizations. More information on the Moylan Fund is available online at: www.sloctf.org/moylan-fund.htm.

Short Notes

SLO Housing Affordability Improves

Housing affordability in San Luis Obispo County improved again during the last quarter of 2010. According to the National Association of Home Builders, 45.6% of the homes sold were affordable to buyers that earned the county median income. A year ago, only 32.1% were affordable.

However, the county remains the eighth least affordable metropolitan area in the nation. For most of the last three years, only New York and San Francisco were less affordable. Learn more at: http://www.nahb.org/reference_list.aspx?sectionID=135

The Role of Affordable Housing in Creating Jobs and Fostering Economic Growth

The Center for Housing Policy has released two publications that summarize recent research on the ways that affordable housing creates jobs and spurs local economic development — "Evidence in Brief" and "A Review of the Literature." Both publications are available online at: www.nhc.org/publications/index.html.

Search for the publications by name once you are on the website.

HUD 202 and 811 Programs Update

New laws that modernize HUD's Sec 202 (senior housing) and Sec 811 (housing for the disabled) programs take effect in 2011. A summary of the new Sec 202 program is available from the American Association of Homes and Services for the Aging at www.aahsa.org. A summary of the Sec 811 program is available from the Technical Assistance Collaborative at www.tacinc.org.

State redefines "Farm Worker"

The state definition of farm worker has been updated and is now the same as the Federal definition. The revised definition allows more agricultural employees to qualify for state-assisted farm labor housing. The biggest impact, locally, will be for winery workers. Those who work in processing, as well as in the fields, are now considered agricultural workers.

Nine Steps Toward Green Development

This is a simple, step-by-step guide that covers low cost green retrofit measures. It is intended as a starting point for property managers and housing professionals looking to make their projects more sustainable without breaking the bank. Download report at: www.lisc.org/docs/LISC_9_Steps_Toward_Green.pdf.

Government Funding Crisis, part two

In an effort to combat deficits, both the state and federal governments are proposing major cuts to housing, economic development and human service programs. Some of the proposed cuts are highlighted below.

RDAs on chopping block

Governor Brown has proposed eliminating Redevelopment Agencies as a way to increase funding to schools and other local districts by about \$3 billion per year. Unfortunately, this proposal will also cut about \$1 billion per year in funding for affordable housing.

Even if RDAs survive, there are legislative proposals to “reform” their housing program due to abuses. SB450 (Lowenthal), would severely limit planning and administrative expenses, regulate land purchased with housing funds and require audits and state oversight.

Housing California has also floated a proposal to retain most of the housing funds even if RDAs are eliminated.

HCD Prop 1C & Prop 46 Programs on Hold, Again

State HCD has announced a “pause” in all of its bond-funded programs for first-time home buyers, rental housing, transitional housing and emergency shelters. Since they are federally funded, the State CDBG and HOME programs continue to operate.

When (and if?) the paused programs will be reinstated will depend on the state and the ability to continue selling bonds.

Major Federal cuts proposed for both FY11 & FY12

To tame the deficit, the House Appropriations Committee (HR 1) and Obama Administration have proposed drastic budget cuts for the current year (FY11) and upcoming year (FY12), respectively.

HR 1 will cut the Community Development Block Grant (CDBG) Program by 66% and the CDFI Fund by 80% in the FY11. The Administration proposes cutting these programs in FY12 by only 14%

and 7%, respectively. Neither has proposed any cuts for the HOME program.

The Administration proposes devastating cuts to USDA housing programs for FY12 including eliminating the Sec 523 self-help housing program and the Section 538 loan guarantees for multifamily rental housing. They also slash the Sec 502 Direct single family home loans by 82%. HR 1 leaves these specific programs unscathed.

The Administration’s housing cuts are partially offset by including \$1 billion for the National Housing Trust Fund, which HR 1 does not.

Keep informed!

To learn more about the proposed cuts and what you can do to help, please go to:

State Programs — www.housingca.org

RDA Programs — www.calredevelop.org

HUD Programs — www.nlihc.org

USDA Programs — www.ruralhome.org

Short Notes (continued from Page 2)

CalHFA re-starts SFF Program

The California Housing Finance Agency has revived its School Facility Fee Down Payment Assistance Program (SFF). The SFF program offers forgivable loans to moderate income first-time home buyers of newly built homes. The loans reimburse buyers for the school impact fees paid by the home developer. The loans are forgiven over five years. CalHFA reports that the average SSF loan has been \$5,100, but loans in the \$3,000 range are more typical. More information is available at www.calhfa.ca.gov/homebuyer/programs/sff.htm.

Housing for All Americans 2011 — The Low-Income Housing Tax Credit Report

Affordable Housing Finance magazine has published a report commemorating the 25th anniversary of the Federal Low-Income Housing Tax Credit (LIHTC) program.

LIHTCs are currently the primary housing production program in the nation. They embody public-private partnerships. Private developers, lenders and investors partner with federal, state and local governments to produce affordable housing.

The report, which includes numerous examples of successful tax credit projects, is available online at <http://mydigimag.rrd.com/publication/frame.php?i=60594>.

HTF VISA Cards

Support the Housing Trust Fund by getting a Capital One VISA Platinum card. Capital One will contribute \$50 plus 1% of your purchases to the George Moylan Fund. For more info, go to: www.sloctf.org/htf-visa.htm.



Items of Interest...

Publications, Videos, Websites and E-Mail Lists

“The Role of Housing in Recessions and Recoveries” is an authoritative and extensive FAQ from the Harvard Joint Center for Housing Studies that is available at www.jchs.harvard.edu/publications/faq-housing_in_recessions_and_recoveries_8-09.pdf.

State Housing eLists — Receive updates and notices from CalHFA and the Dept. of Housing and Community Development. Sign up for emails from CalHFA at: http://visitor.constantcontact.com/manage/optin/ea?v=001te_v6vSd9jvMztLoq_-aag%3D%3D. Sign up for emails from HCD at: www.hcd.ca.gov/fa/DFA_Subscriber.html.

The new **Consumer Financial Protection Bureau (CFPB)** recently launched its website at www.consumerfinance.gov. An introductory video on the CFPB is online at www.consumerfinance.gov/the-bureau.

Webinars

Strategies for Finding Homebuyers in Today’s Challenging Market — Watch the recording of this webinar and download the presentation slides and handouts at http://affordableownership.org/events/marketing_strategies.

What makes a good small business video? is a short online class from Hewlett-Packard that shows small businesses how to effectively communicate with videos. Learn more and enroll at <http://h30187.www3.hp.com/articles/viewArticle/p/courseId/39932>.

Events

Peoples’ Self-Help Housing Corporation Free Seminars — check for details and dates and locations:

First Time Home Buyer Education Seminars — www.pshhc.org/homebuyer_seminars.html

Foreclosure Prevention Seminars — www.pshhc.org/foreclosure_prevention_seminars.html

Mar 1-2 — CDFI Institute, Washington, DC — CDFI Coalition — www.cdfi.org.

Mar 27-30 — **Annual Housing Policy Conference**, Washington, DC — National Low Income Housing Coalition — www.nlihc.org.

Apr 8-9 — **California Co-ops and Communities Conference**, Berkeley — California Center for Cooperative Development — www.cccd.coop/announcements/posts/435.

Apr 26-28 — **Housing California**, Sacramento, CA — www.housingca.org/site/PageServer?pagename=events_annualconference.

Oct 24-25 — **Rural Housing Summit**, Asilomar (Pacific Grove, CA) — California Coalition for Rural Housing — www.calruralhousing.org.

Nov 14-17 — **Opportunity Finance Network Conference**, Minneapolis — www.opportunityfinance.net.

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.



\$2.2 Million Available

The Housing Trust Fund has roughly \$2.3 million available 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 and supportive housing.

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

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

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