

Housing for All

San Luis Obispo County Housing Trust Fund

Heritage Oaks Bank makes \$1,000,000 Investment

Heritage Oaks Bank has approved a \$1 million investment in the Housing Trust Fund's revolving loan funds.

This is the bank's first investment under

the CDFI Tax Credit program, which is generally referred to as the COIN program (see below). The tax credits are awarded competitively. Applications for tax credits



are due May 15th and awards will be announced on July 15th. The HTF has received tax credits three times in the past.

Heritage Oaks is one of our top financial supporters. The bank provided our original loan fund investment—a \$1 million line of credit. The bank is also the number one contributor to our George Moylan Fund (see www.sloctf.org/moylan-fund.htm).

Heritage Oaks' investment uses an unsecured note and simple agreement. If we receive tax credits, the investment will have a 0% interest rate and no payments for five years. The interest rate will be 4% and interest only payments if we do not secure the credits.

California CDFI Tax Credits

The CDFI Tax Credit program is administered by the California Organized Investment Network (COIN) in the Department of Insurance. The program provides a 20% state tax credit for qualified investments.

To qualify, investments must be for at least \$50,000 at a 0% interest rate for five years. The tax credits are available for corporations, insurance companies and individuals. For information on the CDFI tax credits, go to <http://tinyurl.com/ptpj6ex> or www.sloctf.org/tax-credits.htm.

Pacific Western Supports HTF



(L to R) Carl Dudley, Jerry Rioux, Nathan Roddick and Tom Strait smile at check presentation.

Pacific Western Bank has made a big commitment to the San Luis Obispo market since acquiring three local banks. Pacific Western just made a \$5,000 contribution to support the HTFs operations. Last year, the bank invested \$250,000 in our loan funds under the CDFI Tax Credit program (see article to the right). That investment helped us make a record number of loans in 2014. For more info, go to www.sloctf.org/grant-pwb.htm.

Wells Fargo Ups Moylan Support



HTF Executive Director, Jerry Rioux (l), receiving contribution from Mark Corella, Wells Fargo District Manager.

The Wells Fargo Foundation has awarded its third \$5,000 grant to the HTF's Moylan Fund. (see www.sloctf.org/moylan-fund.htm). The bank's contribution will be used exclusively to help finance the development of affordable housing for home buyers in SLO County. The bank's previous contributions helped us finance Peoples' Self Help projects in Oceano and San Miguel.

For more information, check out www.sloctf.org/grant-wells.htm.

SPRING 2015

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HTF Updates

Leadership Changes at HTF

HTF's leadership team has had a number of changes since the beginning of 2015. In April, the Board of Directors elected **Lenny** as its new Chair. **Clarence Cabrerros** became Vice-Chair as well as Treasurer. Earlier in the year, **Geri LaChance**, SESLOC's CEO, stepped down from the Board after SESLOC hired another HTF Director, Clarence Cabrerros, as its Chief Lending Officer. Geri had served on the Board since 2012.

Three people also joined the HTF Commission, which serves as our loan committee. Most of the Commissioners are appointed by the cities in our county. The City of Grover Beach appointed Councilmember **Mariam Shah** to the Commission. Morro Bay appointed **Dave Buckingham**, its City Manager. The City of Paso Robles appointed **Bob Fonarow**, who Chairs the Paso Robles Housing Authority.

Our Board and Commission members are listed at www.sloctf.org/our-team.htm.

Morro del Mar Senior Apartments



Morro del Mar emerges from the ground in the shadow of Morro Rock. This affordable 21-unit senior project is being built by the Pacific Southwest Community Development Corporation (www.pscdc.org). The homes should be available to rent by the end of the year.

South Street Ground Breaking

Dignitaries participate in the ground breaking for the South Street Family Apartments in San Luis. The 43-unit complex is a joint venture between HASLO (www.haslo.org) and ROEM (www.roemcorp.com). The homes will be available to rent in 12 to 18 months.



Oak Park 2 under Construction

Construction of Phase 2 of the Paso Robles Housing Authority's Oak Park redevelopment project is well under way. Phase 1 has 80 units and is completed and occupied. Phase 2 has 70 units and should be ready for occupancy in late 2015 or early 2016. This photo shows foundations for Phase 2 ready to be poured. Now, the walls are going up. Additional information on the Housing Authority and its Oak Park project are online at www.pasoroblesha.org.



New State Legislation

It is shaping up to be an interesting year for housing legislation at the State Capitol. Your support for the following bills will be important.

AB 1335 - Building Homes and Jobs Act

AB 1335 (Atkins) is the latest effort to create a permanent funding source for housing. It will place a \$75 fee on the recording of real estate-related documents up to a maximum of \$225 per transaction. Transactions subject to the documentary transfer tax will be exempt from the fee. The moneys generated by the fee will be used to fund a variety of state housing programs. The website for AB 1335 is <http://tinyurl.com/mlxg7wk>.

AB 35 - Low Income Housing Tax Credits

AB 35 (Chiu & Atkins) will increase the amount of State Low Income Housing Tax Credits by \$300 million per year. The new credits will help subsidize more affordable rental housing developments. They will also leverage an estimated \$200 million in federal tax credits and \$400 million in tax-exempt bonds. The website for AB 35 is <http://tinyurl.com/m6wd5og>.

SB 377 - Low Income Housing Tax Credits

SB 377 (Beall) will modify the rules for using State Low Income Housing Tax Credits. This will increase the value of the credits to the affordable rental housing projects that receive them. The website is <http://tinyurl.com/ov4dkhy>.

AB 90 - Federal Housing Trust Fund

AB 90 (Atkins) will implement the National Housing Trust Fund in California (see www.hudexchange.info/htf). The website is <http://tinyurl.com/mtly2qoe>.

Short Notes

SLO is Number 1!

The American Community Survey (ACS) estimates that SLO County had a 1.7% rental vacancy rate for 2013. This was the lowest rental vacancy rate in California.

For comparison, LA County had a rental vacancy rate of 3.7%. Santa Clara County (Silicon Valley) and San Francisco had vacancy rates of 2.9% and 2.5%, respectively. A 5% to 6% vacancy rate is needed for the rental market to function properly.

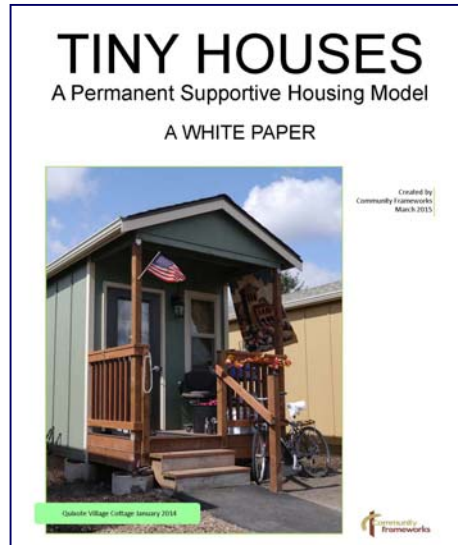
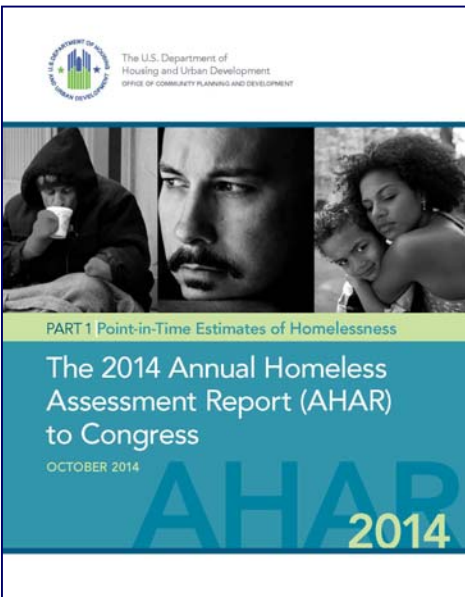
2014 Homeless Report

SLO County is highlighted in a number of tables of HUD's 2014 Annual Homeless Assessment Report to Congress (AHAR). This spotlight is definitely NOT good.

Our county again ranks among the worst in America for people who are homeless. We were the absolute worst area when it came to sheltering unaccompanied homeless children and youth (those under 25 years old) — 99% of ours were unsheltered. We also had the 4th highest rate of unsheltered homeless as a whole, at 89.7%.

Another distressing fact is that **41 states** had fewer veterans sleeping on their streets than our little county! Our county had 236 unsheltered homeless veterans. For comparison, the state of Colorado had only 225 and Arizona had 223.

The AHAR and its raw data can be downloaded from <http://tinyurl.com/mtl47x7>.



Home Petite Home

BuzzFeed recently published an extensive article on tiny home villages for the homeless. The article describes and contrasts three villages and includes references to others. The article includes photos and is online at <http://tinyurl.com/o76qdh9>.

One of the villages highlighted in the article is Quixote Village in Olympia, WA. [Tiny Houses. A Permanent Supportive Housing Model](#) was recently published by Community Frameworks, the village's developer. It describes the development process and provides guidelines that others can follow. The report is online at <http://tinyurl.com/p5ufj8g>.

Hope's Village (www.hopesvillageofslo.com) is trying to organize a similar village in SLO County. Photos of their model tiny home are displayed on the website and a short video is at <http://tinyurl.com/nes8cgh>.

HUD income limits

HUD has released its new income limits for 2015. The limits are based on HUD's estimate for SLO County's median family income of \$77,100. This income is only a \$100 or 0.13% increase from 2014.

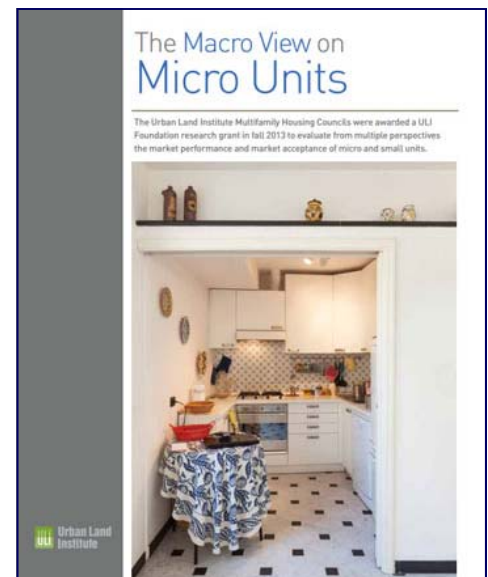
Despite this negligible increase in income, HUD increased the income limit by about 2.6%. For example, the low income limit for a four person household increased from \$60,150 in 2014 to \$61,700. The HTF has new income limits online at www.sloctf.org/files/income-limits.pdf.

Micro Units are BIG

The Urban Land Institute (ULI) recently published research on micro units—small apartments that are generally smaller than a two-car garage. Interest in micro units has increased. A majority of the apartments built in 2012 and 2013 were studio and one-bedroom units.

ULI found that units with less than 600 sq ft outperform larger units in the market. Their occupancy rates are higher and they also have higher rents per square foot. Micro units are particularly attractive to young professionals who want their own homes, rather than share with roommates.

Learn more at <http://tinyurl.com/lf3jpg3>.



AirBnB worsens LA's Housing Crisis

A study from the Los Angeles Alliance for a New Economy concludes that AirBnB and similar short-term rentals worsen the housing crisis in the LA metro area. The study estimates that more than 7,000 units have been removed from the rental market, which reduces vacancy rates and increases rents. In Venice, 12.5% of all the housing units are listed with AirBnB rather than be available to permanent residents.

The study can be downloaded from <http://tinyurl.com/mh7qoj3>.

Items of Interest...

Publications & Websites

California's High Housing Costs: Causes and Consequences is a new report from the Legislative Analyst's Office that concludes that California's high housing costs are due to not enough housing being built, especially in coastal areas. The report also identifies what must be done to address the problem. The report is online at <http://tinyurl.com/myfwodb>.

California's Future: Housing is a recent report from the Public Policy Institute of California, which documents that California's housing market is rebounding, but that long-term issues remain. The short report is one of 11 that highlight our state's most pressing long-term policy challenges. All 11 reports can be downloaded from www.ppic.org/main/publication.asp?i=895.

Affordable Housing is Nowhere to be Found for Millions is the title for the March 2015 issue of the National Low Income Housing Coalition's **Housing Spotlight**. NLIHC reports that 24% of renters had extremely low incomes in 2013 and that 75% of these households spent more than half of their income on rent and utilities. The report is online at <http://tinyurl.com/ngbbebw>.

Comparison of Housing Trust Fund and the HOME Investment Partnerships Program is a new chart recently released by HUD that can be downloaded from www.hudexchange.info/resources/documents/Comparison-Chart-HTF-vs-HOME.pdf.

The Advocates' Guide is a compendium of federal housing, community development, and related programs and issues published annually by the National Low Income Housing Coalition. The 2015 edition is available at <http://nlihc.org/library/guides>.

Is Dodd-Frank killing community banks? The State and Fate of Community Banking, a Harvard Kennedy School working paper, concludes the increased costs of regulation under the Dodd-Frank Act are a likely cause for the loss of community banks, though not the only one. The report can be downloaded from www.hks.harvard.edu/centers/mrcbg/publications/awp/awp37.

Recorded Webinars & Presentations

Inclusionary Housing – Fees vs Units is a webinar from Cornerstone Partnership (www.affordableownership.org) that reviews the pros and cons of inclusionary housing programs either allowing in-lieu fees or requiring that units actually be built. The webinar is online at <http://impact.adobeconnect.com/p2rnqcdlidf>.

Low Income Housing Tax Credits 101 is an extensive two-part webinar from Enterprise Community Partners that provides an overview of the LIHTC program. The slides and case study can be downloaded separately. The webinars and handouts can be accessed from www.enterprisecommunity.com/resources/ResourceDetails?ID=0099611.

"**Brilliant Designs to Fit More People Into Every City**" is a TED Talk by Kent Larson, MIT architect, on redesigning cities to function better. See this 16-minute talk at <http://tinyurl.com/m6l2vpb>.

2015 Events

Oct 5-7 — **I'M HOME Conference** (manufactured homes), Minneapolis, MN — <http://tinyurl.com/kvl2zag>

Oct 19-22 — **National Community Land Trust Conference**, Lexington, KY — <http://tinyurl.com/p2qbv5z>

Oct 21-23 — **Rural Housing Summit 2015**, Asilomar — <http://tinyurl.com/px7ue55>

Nov 9-12 — **Opportunity Finance Network Conference**, Detroit — <http://tinyurl.com/o3y2pzd>

"Housing for All" has active links when you view this newsletter in Acrobat Reader



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