

Housing for All

San Luis Obispo County Housing Trust Fund

Founders Community Bank makes \$250,000 investment

Founders Community Bank has invested \$250,000 in the Housing Trust Fund's revolving loan fund.

"Founders Community Bank is pleased to support the Housing Trust Fund's efforts to increase the supply of affordable housing in our community," said Tom Sherman, President and CEO.

The investment was made under the COIN program, which provides a 20% state tax credit in exchange for a 0% interest rate. This was the bank's first investment in the HTF and also its first COIN investment.

"Founder's confidence in us is gratifying," added Jerry Rioux, the HTF's Executive Director. "Their funds will help us to finance affordable housing in SLO County."



Jay Beck, SVP/Branch Manager (right) and Gary Tanner, EVP/COO (middle) at Founders Community Bank present check to Jerry Rioux, HTF Executive Director (left).

HTF Public Workshop

Nov 5 at 3:00

Learn more on page 4 or at www.slochtf.org/workshop.htm

FALL 2015

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Homelessness Plummetes in San Luis Obispo County

San Luis Obispo County just released the results of its 2015 homeless count and survey. The number of homeless persons in the County dropped 31% over the past two years. While 2,186 persons were homeless in 2013, only 1,515 were in 2015.

Homelessness dropped in every area but the North County, which was up 35%. South County saw the largest drop—homelessness was down 69%. The number of homeless veterans dropped nearly in half - from 247 to 130.

The number of people who were unsheltered—living on streets, in vehicles, etc.—also dropped sharply from 1,951 to only 1,123. In 2013, HUD reported that SLO County had the third highest rate of unsheltered homeless in the nation.

In 2013, the incidence of homelessness in SLO County was higher than in the City of Los Angeles. This year, LA's is higher.

The report is at <http://tinyurl.com/pq6k2n3>.

HTF Updates

HTF assists Sunny Oaks MHP

The HTF has participated in a \$3 million loan from Coast National Bank for the Sunny Oaks Mobile Home Park in Los Osos. The loan will refinance current debt and replace the park's aging water and waste water systems. The monthly payments for the new loan will be roughly the same as those for the old loan.

“Let me be clear. There is no social or moral justification, no justification whatsoever, for the lack of housing.”

Pope Francis

Once the park's water and wastewater systems are replaced, the park will be connected to the new Los Osos sewer system. The park will also create five new spaces once the septic tanks and leach fields are abandoned. For more information, go to ROP's website: www.residentownedparks.com.

Alano rehab nears Completion

The Alano Club is a local nonprofit organization that hosts 12-step meetings and provides safe and sober housing for individuals in recovery. Each year, over 50,000 people attend meetings in Alano's clubhouse. Rooms are available above the clubhouse.

Soon, Alano will have room for more people to live. The rebuilding and expansion of the dilapidated old house on their property is nearing completion. The HTF helped Alano secure \$147,000 in CDBG funds and loaned \$50,000 for this project. For more information, go to Alano's website: www.sloalano.org.



Construction is nearing completion on Alano Club's transitional housing. The Club is completely rebuilding and expanding a dilapidated old house to provide safe and sober housing for more clients.



Near the entrance to the Sunny Oaks MHP in Los Osos. The HTF participated with Coast National Bank to refinance the park and replace the park's water and wastewater systems.

The Wye receives Tax Credits!

The HTF committed \$500,000 in loans that enabled 860 at the Wye to secure housing tax credits from the state. The Wye is a 20-unit apartment in the City of San Luis Obispo. It is primarily for veterans who are homeless or at risk of homelessness. The Wye will be developed by HASLO. Construction should start by March 2016.

SLO City supports HTF

At its October 20th meeting, the San Luis Obispo City Council unanimously approved \$60,000 in grants to support the HTF. The funds come from the City's Affordable Housing Fund and will support the HTF's general operations. The funds will be spread over two fiscal years—2015-6 and 2016-7. The City has supported the HTF and its mission since 2004.

Support 40 Prado Rd

The SLO Homeless Foundation is soliciting donations to build a new homeless center at 40 Prado Road in San Luis Obispo (see rendering below). The new center will replace both the Maxine Lewis Shelter and Prado Day Center. The site was purchased with a state grant and planning is well under way. Construction should start in the Spring of 2016. Donations can be made at <http://40prado.org/donatenow>.



Inclusionary & Related

It has been an interesting year for inclusionary housing, especially in California. While inclusionary is still up in the air here, some communities are implementing housing impact and/or linkage fees to accomplish similar goals. Following are some updates...

First, Supreme Court okays Inclusionary

In June, the California Supreme Court ruled in *CBIA v City of San Jose* that local governments could enact inclusionary housing ordinances under their police powers. The decision is online at <http://tinyurl.com/pzxz98j>.

Then, CBIA Appeals the Decision

After losing in the California Supreme Court, the Pacific Legal Foundation (PLF) has asked the US Supreme Court to review the decision that upheld San Jose's inclusionary housing ordinance. The PLF argues that the inclusionary ordinance violates the Constitution's ban on takings. It also singles out homebuilders to underwrite affordable housing, the cost of which should be borne by the entire community. The PLF's petition is online at <http://tinyurl.com/okxcvb7>. The Court should decide whether or not to consider this case by January, 2016.

Density Bonuses & Inclusionary

California Density Bonus Law (Gov Code §65915 et seq) and local inclusionary ordinances have long been linked—like yin and yang. Density bonuses provide voluntary incentives for developers to include affordable units in their projects while inclusionary ordinances require developers to include affordable units in their projects. In 2013, the appellate court ruled essentially that inclusionary units must be counted when determining a project's eligibility for density bonuses. Learn more about this decision at <http://tinyurl.com/p7tyw83> and <http://tinyurl.com/qczm2z7>.

Costa-Hawkins & Inclusionary

California's Costa-Hawkins Rental Housing Act (Civil Code §1954.50 et seq) generally prohibits rent control. In 2009, the state appeals court ruled in the Palmer case that local inclusionary ordinances that regulate rental units conflict with Costa-Hawkins. Under Costa-Hawkins, rents can only be controlled in exchange for benefits, such as funding or density bonuses. In 2013, the Legislature passed AB 1229 with the intent of overturning Palmer, however the Governor vetoed the bill.

Housing Impact or Linkage Fees

Many inclusionary ordinances allow fees to be paid in-lieu of providing units. As an alternative to inclusionary, some communities now simply charge housing impact fees on market rate units. Some also charge commercial linkage fees or housing impact fees on non-residential development to raise funds for affordable housing. Both the City and County of SLO essentially have housing impact fees on non-residential development. The City actually requires affordable housing in commercial developments, but allows in-lieu fees to be paid. A summary of the City's requirements are online at <http://tinyurl.com/oak3uyh>. The County's housing impact fees are in Title 29 of the County Code, which is online at <http://tinyurl.com/pd9qsme>.

Inclusionary Housing Report

The Lincoln Institute of Land Policy recently published a new report, [Inclusionary Housing: Creating and Maintaining Equitable Communities](#), that takes a national perspective. It reviews the literature and case studies from the roughly 500 communities in the US that developed inclusionary housing policies to provide affordable housing. The report can be downloaded from <http://tinyurl.com/p236zg3>.



Legislative Updates

Affordable housing developers had a disappointing year in Sacramento. The Governor vetoed two key bills and another was stalled in the legislature. However, some other bills did become law.

Vetoed!

AB 35 - Housing Tax Credits. AB 35 would have increased State Low Income Housing Tax Credits by \$100 million per year for five years. It would have leveraged \$1 billion in federal funds and produced 3,000 affordable homes.

SB 377 - Housing Tax Credits. SB 377 would have changed the rules for state housing tax credits, making them more usable and valuable for developers. It would have produced more affordable homes at absolutely no cost to the state.

Delayed!

AB 1335 - Building Homes and Jobs Act. AB 1335 is the latest effort to create a permanent funding source for housing. It will increase recording fees to raise funds for affordable housing. Since a 2/3rds vote is needed to pass, it is now a two year bill. The website for AB 1335 is at <http://tinyurl.com/mlxg7wk>.

Passed and Signed!

AB 90 - National Housing Trust Fund. AB 90 implements the NHTF in California and places the program in HCD.

AB 2 - Community Revitalization and Investment Authorities. AB 2 allows local governments to create revitalization areas, which are similar to redevelopment areas. These areas must meet various criteria, including that a majority of residents be low income. The authorities can receive tax increments and must use 25% of the increments for affordable housing.

AB 744 - Density Bonus Law. AB 744 reduces the parking standards for affordable housing that is adjacent to transit or serves either seniors or special needs groups. Reduced parking should make it easier to develop affordable apartments.

Items of Interest...

Publications & Websites

Moylan Terrace Case Study. HUD has posted a case study of HASLO's Moylan Terrace project as an example of mixed-income affordable housing in an expensive housing market. The case study is online at <http://tinyurl.com/ommgvj3>.

Update on California's Affordable Housing Crisis: The Critical Role of Housing Access and Affordability in Reducing Poverty is a recent report from the California Housing Partnership. It is available at <http://tinyurl.com/pqvpe5b>.

Impact of Affordable Housing on Families and Communities is a review of the literature on the many ways that affordable housing helps both its occupants and the community as a whole. Get the report at <http://tinyurl.com/qdj4vdv>.

Projecting Trends in Severely Cost-Burdened Renters: 2015-2025 is a report from the Joint Center for Housing Studies of Harvard University and Enterprise Community Partners. It projects that more households will be forced to spend more than half of their income for housing as rental cost increases outpace income growth. The report is available at <http://bit.ly/1WeclwG>.

Webinars & Videos

What Everyone Needs to Know About the Community Reinvestment Act is a video from the Federal Reserve Bank of San Francisco. The video and other information on the CRA are online at <http://tinyurl.com/ozfghnw>.

CBIA v City of San Jose: Potential Implications for Inclusionary Housing is a recording of a recent webinar on a landmark court decision. A description and link to the video are online at <http://tinyurl.com/pbgtqnf>.

Getting to Know the National Housing Trust Fund (NHTF) Law and Regulations is a series of five videos from the National Low Income Housing Coalition on the NHTF. Information and links to the videos are at www.nlihc.org/issues/nhtf/videos.

Gaining Community Acceptance for Affordable Housing is a recorded webinar from the National Housing Conference and Center for Housing Policy. It is online at www.youtube.com/watch?v=XGQAhC5iFI8.

The **Make It Fair California** coalition released a short video featuring Robert Reich that addresses a Prop 13 loophole that corporations exploit to drain communities of greatly needed funding. Check out the video at <https://goo.gl/h61O3M>.

Upcoming Events

Nov 5 — **HTF Public Workshop** — Learn about our financing — www.sloctf.org/workshop.htm.

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

"Housing for All" has active links when viewed with Acrobat Reader



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HTF Workshop

Nov 5 at 3 pm in HTF Offices

The HTF has financing for affordable housing projects in SLO County.

Housing developers, nonprofit corporations and local government representatives are invited to attend a public workshop to learn more about our LHTF grant and our various loan programs.

Additional information on the workshop is online at www.sloctf.org/workshop.htm.
RSVPs to 805-543-5970 will be appreciated.