



PROPOSED ALAMEDA COUNTY HOUSING BOND OVERVIEW

June 21, 2016 Work Session

Presentation Outline

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- Process and Stakeholder Input
- Criteria for Bond Programs
- Overview of Proposed Bond Program
 - ▣ Homeowner Programs
 - ▣ Rental Housing Programs
- Next Steps



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HOUSING BOND PROCESS AND STAKEHOLDER INPUT

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Stakeholder Input Process & Schedule

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- **Board of Supervisors Committee Work Sessions:**
6 Sessions: March - June

Stakeholder Meetings:

- March 17th – Oakland
- April 13th – San Leandro
- May – 8 Town hall meetings in Supervisorial Districts
- **On-line Survey:** www.tinyurl.com/alcohousingbond
- **Email:** alcohousingbond@acgov.org
- **Website:** www.acgov.org/board/housingbond.htm

Goal: to present the final housing bond measure language and authorizing resolution to be voted on by the full Board of Supervisors on June 28, 2016.

Stakeholder Input Highlights

Who Should the Housing Serve?

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- House the most vulnerable
- Homeless people:
 - with disabilities, including mental illness
 - Chronically homeless people with substance abuse issues
 - Homeless families with children
 - Homeless youth/foster care youth
- People with Disabilities
 - Physical, mental, developmental
- Low-income seniors
- Extremely Low Income people
- Very Low Income people

Stakeholder Input Highlights

Who Should the Housing Serve, cont.

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- Elderly homeowners and tenant families at risk of displacement
- Veterans
- Re-entry
- Youth aging out of Foster Care
- Moderate-income renters
- Renters who don't qualify for Section 8
- Teachers and First Responders
- Working poor/Workforce housing
- First-time homebuyers
- Current County Residents
- Displaced Count Residents

Stakeholder Input Highlights

Affordability/Income Levels

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- Deeply affordable housing for lowest income levels
 - ▣ SSI income level (15% of Area Median Income - AMI)
 - ▣ 20% of funds for 20% of AMI
 - ▣ Extremely Low Income (30% AMI)
 - ▣ Very Low Income (50% of AMI)
 - ▣ Under 60% AMI
 - ▣ Under 80% AMI
- Middle income
 - ▣ Focus on (80-120% of AMI)
 - ▣ Create flexibility to go up to 150% of AMI if needed
 - ▣ Population mix in rental
 - ▣ Homeownership
- Maintain long-term/permanent affordability

Stakeholder Input Highlights

Types of Housing/Programs

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- **Rental Housing Programs**
 - ▣ New Construction
 - ▣ Acquisition
 - ▣ Rehabilitation
 - ▣ Innovations and Opportunities
 - Tiny houses
 - ▣ Nonprofit developers, including Land Trusts
- **Interim Crisis/Transitional Housing for homeless**
- **Homeownership Programs**
 - ▣ Low-Income homeownership development for 50-80% AMI
 - ▣ Limited Equity Co-ops
 - ▣ Down payment assistance loans
 - ▣ Homeowner rehabilitation loans
 - ▣ Disabled homeowner accessibility loans

Stakeholder Input Highlights

Additional Themes

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□ Other Factors:

- ▣ Increase the total amount of the bond (more than \$500 Million)
- ▣ Increase the allocation for Home Preservation Loan Fund
- ▣ Increase the allocation for Innovation & Opportunity Fund
- ▣ Increase the allocation for Rental Housing Development Fund
- ▣ Consider other factors as basis for geographic distribution formulas for Rental Housing Development



CRITERIA FOR BOND PROGRAMS

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Criteria for Bond Program

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- Eligible uses of G.O. Bond proceeds:
 - ▣ Capital investment related to acquisition or development of real property
- Addresses critical housing needs
- Simple to explain
- Simple and cost effective to administer
- Assures all parts of the County benefit
- Allocates funds over time
- Builds on successful program models within Alameda County and elsewhere
- Leverages other funds where possible
- Allows for innovation and creativity

Basic Working Assumptions

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- \$580 Million Total
- Tentative Issuance Schedule: Issue bonds in up to 3 issuances, approximately 2 years apart, e.g.:
 - ▣ 2017
 - ▣ 2019
 - ▣ 2021
- Each Program Component to start at 1st issuance.
- Possibly front load some program components



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ALAMEDA COUNTY HOUSING BOND PROGRAM

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Broad Goals of the Bond Program

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- Help people who are struggling with housing costs
- Help homeless and other vulnerable populations with long-term affordable rental housing
- Help moderate and lower income Alameda County residents buy homes

Overview of Program Framework

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- Homeowner programs - \$120 Million
 - ▣ Down Payment Assistance Loan Program
 - ▣ Homeowner Development Program
 - ▣ Home Preservation Loan Program
- Rental Housing Programs - \$460 Million
 - ▣ Rental Housing Development Fund
 - ▣ Innovation and Opportunity Fund



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HOME OWNER PROGRAM COMPONENTS

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Homeowner Programs

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- **Three Program Areas** - \$120 million
 - ▣ Down Payment Assistance Loan Program
 - ▣ Homeowner Housing Development Program
 - ▣ Home Preservation Loan Program
- **Common Components:**
 - ▣ Countywide Allocations
 - ▣ Revolving Loan Funds

Homeowner Programs

Down Payment Assistance Loan Program

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- **Estimated Funding Amount: \$50 Million**
 - ▣ Goal: Assist middle income working families to purchase homes and stay in Alameda County
- **Program Parameters:**
 - ▣ Income limit: Target 80-120% of Area Median Income (AMI) but allow up to 150% of AMI for flexibility
 - e.g. Teachers, Electricians, Plumbers, Firefighters, Truck Drivers, EMT workers
- Design features to encourage program to benefit current Alameda County residents, for example:
 - Workforce Proximity Homeownership
 - Assist current residents to buy homes and stay in County
 - Working with Counsel re: possible inclusion of displaced former residents
 - Educators/First Responders

Homeowner Housing Development Program

- **Estimated Funding Amount:** \$25 Million
- **Goal:** Assist in the development and long-term affordability of homeownership housing for Low-Income households to become first-time homebuyers while staying in the County.

- **Program Parameters:**
 - ▣ Income limit: 80% of Area Median
 - ▣ Construction loans to nonprofit developers
 - ▣ New Construction, Acquisition, Rehabilitation
 - ▣ Loans converted to Down Payment Assistance Loans when homes are purchased.
 - ▣ May involve a sweat-equity component.

Home Preservation Loan Program

- Estimated Funding Amount: \$45 Million
- Goal: Assist Low-Income Seniors, People with Disabilities, and other low-income homeowners to remain safely in their homes
- Program Parameters:
 - ▣ Income limit: 80% of Area Median
 - ▣ Accessibility improvements
 - ▣ Health and Safety-focused Housing Rehabilitation



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RENTAL HOUSING PROGRAM COMPONENTS

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Rental Housing Programs

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- Two Program Areas - \$460 Million
 - Rental Housing Development
 - Innovation & Opportunity Fund

Rental Housing Program

Rental Housing Development Program

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- Estimated Funding Amount: \$425 Million
- Goal: Create and preserve affordable rental housing for vulnerable populations, including low-income workforce housing
- Program Parameters:
 - ▣ Income levels:
 - Most = 30-60% of Area Median Income (AMI)
 - Match with operating subsidies to target at least 20% of funds to 20% AMI or below
 - Allow a portion of funds for up to 80% AMI in mixed income developments
 - ▣ Leverage tax credits, other state, federal and local funds
 - ▣ Require City financial contribution
 - ▣ Long-term affordability

Rental Housing Program

Rental Housing Development Program

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□ Use of funds:

- Rental Housing development gap financing:
 - Predevelopment and Development financing
 - New Construction, Acquisition, Rehabilitation
- Allow a portion of City allocations for interim crisis/Transitional Housing for homeless

□ Target populations:

- Homeless (chronic, families)
- Seniors
- Veterans
- Workforce housing (including working poor)
- People with disabilities (physical, developmental, mentally ill)
- Re-entry
- Transition age youth aging out of foster care

Rental Housing Development Program

Geographic Allocations of Funds

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- **Based on:**
 - Related to need
 - Assure that funds are available for projects throughout County
- **Geographic Allocation Model:**
 - \$225 Million as base allocations for use in each city*
 - \$200 Million to regional pools to be drawn on by projects in any city in region

*including allocation to unincorporated county

Rental Housing Development Program Geographic Allocation Model

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Rental Housing Development Program Funds		\$225 Million to City Base Allocations
Base City Allocations		
Alameda city		\$10,259,369
Albany city		\$2,563,249
Berkeley city		\$15,628,531
Dublin city		\$8,734,044
Emeryville city		\$2,768,232
Fremont city		\$32,897,512
Hayward city		\$20,097,169
Livermore city		\$12,582,353
Newark city		\$5,962,765
Oakland city		\$54,253,205
Piedmont city		\$2,404,480
Pleasanton city		\$13,569,329
San Leandro city		\$11,782,963
Unincorporated		\$19,310,878
Union City city		\$12,185,922
Alameda County Total		\$225,000,000

Allocations based on average of % AV & % Total

Population, with minimum no less than original projections.

Rental Housing Development Program Funds		\$200 Million to Regional Pools	
Regional Pools Allocated by:	% of Total	Need - Blend of Poverty and RHNA LI&VLI	
North County	44.7%	\$89,325,065	
Mid County	24.9%	\$49,803,134	
East County	13.7%	\$27,332,372	
South County	16.8%	\$33,539,429	
Alameda County Total	100.0%	\$200,000,000	

North Co: Albany, Berkeley, Emeryville, Oakland and Piedmont

Mid Co: Alameda, Hayward, San Leandro, and Unincorporated Co

East Co: Dublin, Livermore, and Pleasanton

South Co: Fremont, Newark and Union City

Rental Housing Program Innovation & Opportunity Fund

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- Estimated Funding Amount: \$35 Million
- Goal: Respond quickly to capture market opportunities, preserve and expand affordable housing, tenant anti-displacement
- Program Possibilities - Examples:
 - ▣ Rapid response high-opportunity pre-development and site acquisition loans
 - Purchase problem motels and convert to affordable housing
 - ▣ Bond-qualified rental anti-displacement opportunities
 - Acquire apartment buildings on market to renovate and make/retain affordability
- Countywide Allocation

NEXT STEPS

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Draft Title and Ballot Question

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BALLOT MEASURE: ALAMEDA COUNTY AFFORDABLE HOUSING BOND. To provide affordable local housing and prevent displacement of vulnerable populations, including low- and moderate-income households, veterans, seniors, and persons with disabilities; provide supportive housing for the homeless countywide; and help low- and middle-income households purchase homes and stay in their communities; shall the County of Alameda issue up to \$580 million in general obligation bonds to acquire or improve real property, subject to independent citizen oversight and regular audits?

Next Steps

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- June 21st Work Session:
 - Committee and stakeholder review and comment
 - Committee direction and recommendations
- Finalize program proposal and materials for Board consideration
- June 28th Board of Supervisors Meeting:
 - Board consideration to place measure on November 2016 ballot

DISCUSSION

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Alameda County Income Limits

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Persons in Household	Extremely Low		Very Low		Low	Median	Moderate
	20%	30%	50%	60%	80%	100%	120%
1	\$13,660	\$20,500	\$34,150	\$40,980	\$52,650	\$68,300	\$81,960
2	\$15,600	\$23,400	\$39,000	\$46,800	\$60,150	\$78,000	\$93,600
3	\$17,560	\$26,350	\$43,900	\$52,680	\$67,650	\$87,800	\$105,360
4	\$19,500	\$29,250	\$48,750	\$58,500	\$75,150	\$97,500	\$117,000

Effective March 2016

Adjusted annually

Based on HUD Extremely (30%), Very Low (50%) and Low (80%) Income limits

Alameda County Housing and Community Development, April 2016