OF SANTA	BOARD OF SUPERVISORS AGENDA LETTER Clerk of the Board of Supervisors 105 E. Anapamu Street, Suite 407 Santa Barbara, CA 93101 (805) 568-2240	Agenda Number:	
		Department Name: Department No.: For Agenda Of: Placement: Estimated Tme: Continued Item: If Yes, date from: Vote Required:	Community Services 057 June 17, 2014 Departmental 30 minutes No Majority
то:	Board of Supervisors		
FROM:	DepartmentRenée E. Bahl, Interim CDirector(s):Contact Info:Laurie Baker, Grants and	,	
SUBJECT:	HOME Fund Reservations to Solva Maria III, and other HOME prog Districts.	•	
County Counsel Concurrence As to form: Yes		Auditor-Controller Concurrence As to form: Yes	

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<u>Risk Management</u>

As to form: Yes

# **Recommended Actions:**

That the Board of Supervisors:

- A. Approve a preliminary reservation of HOME funds, effective until December 31, 2014, in an amount not to exceed \$180,000 to the Solvang Senior Apartments project and authorize the Interim Director of Community Services to sign a letter to the project applicant indicating the approved reservation;
- B. Approve a preliminary reservation of HOME funds, effective until September 30, 2015, in an amount not to exceed \$448,852 to the Los Adobes de Maria III project and authorize the Interim Director of Community Services to sign a letter to the project applicant indicating the approved reservation;
- C. Approve a preliminary reservation of HOME funds, effective until September 30, 2015, in an amount not to exceed to \$139,335 (approximately \$70,000 per housing development project) in HOME funds to cover project oversight costs incurred by the Housing and Community Development Division;
- D. Determine that the approval of the HOME reservations is not the approval of a project that is subject to environmental review under the California Environmental Quality Act (CEQA) pursuant to

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CEQA Guidelines section 15378(b)(4), finding that the actions are not a project as they are the creation of government funding mechanisms or other government fiscal activities which do not involve any commitment to any specific project which may result in a potentially significant impact on the environment, and direct staff to file a Notice of Exemption.

#### Summary Text:

The Santa Barbara County HOME Consortium receives an annual allocation of HOME Investment Partnerships (HOME) funds from the U.S. Department of Housing and Urban Development (HUD). The County, through its Housing and Community Development Division (HCD) is the administrative entity for the County's HOME Consortium, which consists of the County and the Cities of Buellton, Carpinteria, Goleta, Lompoc, Santa Maria and Solvang."

The total amount of funds available for HOME Consortium projects is \$1,137,846. The amount is derived from uncommitted FY 2013-14 HOME funds (\$40,932), Program Income (\$295,357) and the County's FY 2014-15 allocation (\$801,557). The FY 2014-15 funds will be made available by HUD on or about September 2014.

Two HOME Consortium members, the City of Lompoc and the City of Santa Maria have identified eligible programs for their HOME sub-allocations. In addition, HCD received two housing development project applications in the spring of 2014 requesting allocations of HOME funds.

One applicant, Corporation for Better Housing for the Solvang Senior Apartments, is requesting \$180,000 in HOME funds and has been notified by the California Tax Credit Allocation Committee (CTCAC) that the project is being recommended for an allocation of Low-Income Housing Tax Credits (LIHTC) from the March 2014 funding round.

The other applicant, Peoples' Self-Help Housing Corp (PSHHC) for the Los Adobes de Maria III project, is requesting \$1,271,403 in HOME funds and had originally planned to apply to CTCAC on July 1, 2014 for an allocation of LIHTC, but may apply in future round(s). In order to compete favorably with other applicants in the same CTCAC geographic jurisdiction, the applicant must obtain a score that is sufficient to receive an allocation of LIHTC. The amount of soft debt, including any loans of HOME funds, may favorably affect its CTCAC score.

HCD staff will be convening the County's Capital Loan Committee on June 9, 2014 to recommend HOME reservations for both projects for consideration by the County Board of Supervisors (Board) at its June 17, 2014 hearing. During the June 17, 2014 Board hearing, HCD will report on the recommendations of the Capital Loan Committee. The Capital Loan Committee may concur with HCD recommendations or recommend an alternative.

HCD staff's recommendations are for preliminary reservations of HOME funds at this time. Staff will return to the Capital Loan Committee and the Board for approval of a final commitment of HOME funds following staff review of the projects' financing commitments from all sources, CTCAC action and other project information.

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HCD also is requesting Board action on defining a definitive period for which the HOME Reservation(s) will be effective.

If the Board takes no action, or continues the item, the developers may need to postpone the projects while the Board reconsiders, or while the developers seek other funding sources to complete the necessary financing for the projects.

Finally, HCD is restating to the Board of the planned uses of HOME funds by the City of Lompoc and the City of Santa Maria, which are HOME Consortium partner cities. These uses were included in the FY 2014-15 annual Action Plan

HCD will return to the Board at a later date for approval of an amendment to the FY 2013-14 to include an additional \$10,000 in HOME funds to the City of Santa Maria's Tenant-Based Rental Assistance Program, and amendment to the FY 2014-15 annual Action Plans to include the recommended project reservations. (The FY 2014-15 already included the programs to be administered by the cities of Lompoc and Santa Maria.) The Board-approved amendments will then be submitted to HUD.

## **Background:**

HOME funds may be used to provide grants and loans for eligible activities, including the development of housing for low-income households. The County's HOME Consortium members each receive a percentage of the annual HOME allocation to commit to projects within their own communities. The Cities undergo their own city council processes and public comment period to award their HOME funds to projects. If the Cities do not have projects ready to utilize the funds, then the County may commit those funds to other projects. The funded projects then are added to the County's annual Action Plan, or in an amendment to the Annual Action Plan, that is submitted to HUD. Annual Action Plans and amendments are approved by the Board prior to submission to HUD.

Beginning in 2013, HOME funds for housing development (acquisition, rehabilitation and/or new construction) to be funded by the County portion of HOME, are no longer included in the County's Notice of Funding Availability (NOFA) published in the fall each year; instead, housing development project applications are accepted by HCD on a year-round basis. HOME programs, such as Tenant Based Rental Assistance, may be included in the County's annual NOFA. By allowing the submission of HOME housing development project applications throughout the year, the County can better respond to the changing housing market and the availability of real estate for housing development. It also helps developers plan the submittal of HOME applications around the application deadlines for Low-Income Housing Tax Credits (LIHTC) and to apply for HOME funds only when their projects are in a sufficient state of readiness to proceed.

HCD staff will be presenting its recommendations to the Capital Loan Committee (Committee) on June 9, 2014. The Committee and the Board will be asked to provide "*reservations*" of HOME funds to the two proposed projects.

A "Reservation" is an understanding between the County and the applicant that a certain amount of funds will be earmarked for a specific project for a specific time period. Generally, a reservation is made to demonstrate the County's support for a project while the applicant HOME Fund Reservations to Solvang Senior Apartments and Los Adobes de Maria III, and other HOME program uses; Third and Fifth Supervisorial Districts. June 17, 2014 Page 4 of 12

continues the process of securing all necessary funding for the project. As part of the review process, the County's Capital Loan Committee (Committee) will establish milestones and a performance timetable for each project recommended for a Reservation of funds. Where a Reservation of funds is recommended for a high priority project that involves the applicant securing complex and/or multiple funding sources, an additional level of review the by Committee will be required.

The Committee may concur with the staff recommendations or recommend an alternative plan to the Board at its June 17, 2014 hearing. If approved by the Board, the applicant(s) will be provided letter(s) to include with their applications for LIHTC and/or other financing. HCD will return to the Committee and Board with a request for firm commitments of HOME funds and approval of HOME Loan Agreements and associated documents after HCD staff completes a thorough review of the projects' committee financial sources, development budgets and operating proformas.

#### **HOME Funds Summary:**

The total amount of HOME funds available for HOME Consortium projects is \$1,137,846. The amount is derived from uncommitted FY 2013-14 HOME funds (\$40,932), Program Income (\$295,357) and the County's FY 2014-15 allocation. The FY 2014-15 funds will be made available by HUD on or about September 2014.

HOME allocation	Program Income	Uses	Project Name/Notes
40,932			FY 2013-14 uncommitted HOME funds
	295,357		
		10,000	Santa Maria Tenant-Based Rental Assistance FY 2013-14
801,557			FY 2014-15 HOME allocation*
		252,651	Santa Maria TBRA (to be expended over 2 years)
		107,008	Lompoc Homebuyer Assistance Program
		180,000	Solvang Senior Apartments
		448,852	Los Adobes de Maria III
		139,335	HCD project oversight costs (~\$70,000/development project funded)

TOTALS 1,137,846 1,137,846

\*2014-15 Allocation

Total	Less admin	Less implementation costs (5%)
\$937,493	93,749	42,187

The 2014-15 annual Action Plan that was approved by the Board on April 15, 2014 included the programs to be administered by the cities of Lompoc and Santa Maria. HCD will return to the Board at a later date for approval of an amendment to the FY 2013-14 annual Action Plan to include the additional \$10,000 in HOME funds to the City of Santa Maria's Tenant-Based Rental Assistance Program. HCD also will return to the Board to amend the FY 2014-15 annual Action Plans to include the approved project reservations and/or firm commitments (execution of HOME Loan Agreement and associated documents). The Board-approved amendments will be submitted to HUD.

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The following projects and other uses of HOME funds are under consideration for the remaining, unclaimed \$768,187.

### I. Solvang Senior Apartments

The following information is from the project application to the County for HOME funds and is subject to changed based on the amount of HOME funds reserved by the County.

<u>Project Summary</u>: The Solvang Senior apartments will be located at 1758 Laurel Avenue in the City of Solvang. It is a proposed 45 unit multi-family rental housing development for low-income seniors.

The project will have rents affordable to households with incomes at or below 30%, 45%, 50% and 60% of the area median income. The building will be three stories with an elevator and on-site parking. There will be a community room with computer lab, kitchen and space for resident services programs and classes. The development's open space will include gardens and passive recreations areas.

The developer and owner is Corporation for Better Housing (CBH), a non-profit corporation with experience in developing affordable housing in southern and central California. The project will be managed by CBH Property Management, an affiliate of CBH. Once the project receives all of its financing commitments, CBH expects to start construction by December 2014 and have it completed by December 2015.

CBH has been notified by CTCAC that the Solvang Senior apartments is being recommended for LIHTC in the rural set-aside of round one of the 2014 LIHTC competition. CBH notified the County that CBH is reducing its HOME loan request from \$580,000 (requested in its County HOME application) to \$180,000. CBH submitted its application to CTCAC without HOME funds but with a funding gap of just under \$300,000. CBH deferred a portion of it developer fee to fill the gap. With the \$180,000 reservation of HOME funds, CBH will be able to reduce the deferred portion of its developer fee to just under \$118,000.

<u>Project Background</u>: The following is a preliminary review of the project. Financial analysis of the project's sources and uses, and operating proforma will continue to determine reasonableness, the need for County funding and in what amount (gap analysis and subsidy layering review) and County HOME loan terms. If a HOME reservation is approved by the County, HCD will return to the Capital Loan Committee and County Board of Supervisors to seek a formal commitment of HOME funds based on HCD's financial analysis and firm funding commitments from the other sources.

Solvang Senior Apartments will be comprised of the following units:

No.	No.	Target Income
Units	Bdrms	
1		Manager's unit
4	1	30% AMI
1	2	30% AMI
6	1	45% AMI

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1	2	45% AMI
20	1	50% AMI
3	2	50% AMI
9	1	60% AMI
45	Total	
	Units	

Estimated Permanent Source and Uses (subject to change based on final financing commitments):

Total Development Costs		\$9,002,323
Tax Credit Equity	\$5,824,813	
Affordable Housing Fund	900,000	
Bank Loan	1,585,400	
City of Solvang loan	394,404	
County HOME loan	180,000	
Deferred Developer Fee	117,706	
Total Sources		\$9,002,323

- No. of proposed HOME-assisted units: 11
- Cost per unit: \$220,101
- Total square feet: 39,808
- Cost per square foot: \$248.80
- The market study supports the project:
  - Project will be the only LIHTC development in Solvang; overall LIHTC vacancy rate is 3.5%
  - Proposed project rents are about 30% 66% below market rents in the area;
  - There are no other planned developments;
  - Only other age-restricted new development in the market area is Cypress Court, completed in May 2013 and is 17.6 miles from the proposed project site. Cypress Court is 100% occupied with a waiting list of 174 households;
  - $\circ$  Expected absorption rate: 11 15 units per month, with overall capture rate 4.5 to 8.6

<u>Additional Project Considerations</u>: HCD received a letter from the City of Solvang, dated November 18, 2013, demonstrating its support of the Solvang Senior apartments with a financing commitment of \$394,404 in Affordable Housing In-Lieu fee funds to the project, and City Council approval of the project that included a density bonus and parking reduction. The project also has a firm funding commitment from the Federal Home Loan Bank Affordable Housing Fund, in the amount of \$900,000.

The County has not previously invested HOME funds for an affordable housing project in the City of Solvang.

<u>Project Strength</u>: The developer has site control and all entitlements in place, and is permit ready. It has firm commitments of soft debt from both the City of Solvang and Federal Home Loan Bank Affordable Housing Fund (AHP), totaling \$1,294,404. CBH has developed 15 affordable senior housing developments totaling approximately 900 units throughout California.

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<u>Project Weakness</u>: CBH has not completed the Environmental Assessment (EA) that HUD requires for new construction. However, CBH is working with an environmental consultant, the City of Solvang and HCD to complete the EA and is expected to have it completed by the CTCAC deadline. HOME regulations require that the EA be completed prior to executing an agreement for HOME funds.

CBH has not previously worked with the County and, therefore, does not have a performance history with the County. CBH carries a heavy debt load on other housing properties and could, if the situation warrants, be called upon to provide financial support to an underperforming property. However, the assets are viewed by the industry as low-risk investments and have multiple layers of oversight. All CBH projects were underwritten by private and government lenders for long-term feasibility and most loans are low interest rate, residual receipt loans secured by the respective asset.

#### II. Los Adobes de Maria III

The following information is from the project application to the County for HOME funds and is subject to changed based on the amount of HOME funds reserved by the County.

<u>Project Summary</u>: Los Adobes de Maria III will be located on the corner of Boone Street and Russell Avenue in the City of Santa Maria. It is a proposed 34 unit multi-family rental housing development primarily for low-income farm workers and their families.

The project will have rents affordable to households with incomes at or below 30%, 50% and 60% of the area median income. The site will have on-site parking, on-site property management, a community center and on-site laundry. Residents will have access to PSHHC's Supportive Housing Program, a clinical case management and social services program administered by certified social workers.

The developer and owner is Peoples' Self-Help Housing Corporation (PSHHC), a non-profit corporation with experience in developing affordable housing in the Counties of Santa Barbara and San Luis Obispo. The project will have two- and three-bedroom units to accommodate larger families. The project will be managed by the Duncan Group, an affiliate of PSHHC.

PSHHC is requesting \$1,271,403 in HOME funds for the project.

<u>Project Background</u>: The following is a preliminary review of the project. Financial analysis of the project's sources and uses, and operating proforma will continue to determine reasonableness, the need for County funding and in what amount (gap analysis and subsidy layering review) and County HOME loan terms. If a HOME reservation is approved by the County Board of Supervisors, HCD will return to the Capital Loan Committee and County Board of Supervisors to seek a formal loan commitment of HOME funds based on HCD's final financial analysis, whether LIHTCs were awarded to the project and if other firm funding commitments were obtained.

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No. Units	No. Bdrms	Target Income
1		Manager's unit- rent not collected
2	2	30% AMI
2	3	30% AMI
6	2	45% AMI
3	3	45% AMI
11	2	50% AMI
3	3	50% AMI
3	2	60% AMI
3	3	60% AMI
34	Total Units	

Los Adobes de Maria III will be comprised of the following units:

Estimated Permanent Source and Uses (subject to change based on final financing commitments):

Total Development Costs		\$12,449,169
Tax Credit Equity	\$8,910,465	
Housing Trust Fund loan	340,000	
Bank Tranche A loan	1,108,704	
City of Santa Maria CDBG	801,148	
loan		
County HOME loan	1,288,852	
Total Sources		\$12,449,169

- No. of proposed HOME-assisted units: 11
- Cost per unit: \$366,152
- Total square feet: 19,150
- Cost per square foot: \$650
- Project will be subject to the payment of Davis-Bacon prevailing wages
- The Market Study supports the project:
  - Theoretical demand for 556 units targeting farmworker housing
  - No other affordable properties with 3-bedroom units within a mile of the site;
  - $\circ~$  Estimated absorption rate is 1 4 months with overall capture rate of 2% (3-bdrm) to 5.4% (2 bdrm);
  - Overall vacancy rate: 0.5%;
  - Project's proposed rents are 23% 29.8% below market rents;
  - No other new farmworker housing planned;

Only 4 vacancies found in competitive complexes; 63 other proposed residential units; one is a special needs project; the other is Casa de Familia.

<u>Additional Project Considerations</u>: Each year, the Santa Barbara County HOME Consortium receives an allocation of HOME Investment Partnerships (HOME) funds from the U.S. Department of Housing and

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Urban Development (HUD). As a member of the County's HOME Consortium, the City of Santa Maria receives a sub-allocation of the County's HOME funds to utilize for projects within its own community. In 2011, the City of Santa Maria reserved \$257,597 in HOME funds to the Los Adobes de Maria III project and in 2012, the City of Santa Maria reserved \$191,255 in HOME funds to the Los Adobes de Maria III project, for a total of \$448,852. Reservations of HOME funds that were included in the County's annual Action Plans were \$305,000 (2011-12) and \$81,956 (2012-13). The HOME fund reservations published in the Action Plans were preliminary and based on estimated HOME funds at the time. However, on March 25, 2013, PSHHC sent a letter to HCD stating that another pending project – Casa de las Flores in Carpinteria – was "...most critical to prioritize over the Santa Maria project at this time."

In 2012, the City of Santa Maria provided \$801,148 in federal Community Development Block Grant (CDBG) funds as a forgivable loan to PSHHC to acquire the land for the Los Adobes de Maria III project. The City invested the CDBG funds anticipating that the reservations of HOME funds would be formally committed to the project at such time that all other financing sources are committed. If the project is successful in receiving an allocation of LIHTC, the equity generated will fund the majority of the development costs, leaving only the construction/permanent loan and other soft debt to be formally committed to the project.

The federal regulations for the HOME program require that HOME funds be formally committed<sup>1</sup> to a project within 24 months of the date that the HOME agreement is executed between HUD and the County – generally about September. To receive a formal commitment of HOME funds, projects must be reasonably expected to begin within 12 months of the commitment of funds.

On April 9, 2013, the County received a letter from HUD indicating a potential recapture of HOME funds if not committed by July 1, 2013. To avoid recapture, the County re-allocated HOME funds, including prior reservations to the Los Adobes de Maria III project to other projects.

The Los Adobes de Maria III project was not in a state of readiness to receive a formal commitment of funds within the required timeframe and the County re-allocated the funds to avoid recapture by HUD. Although the County is under no obligation to do so, it is the HCD Staff's desire to honor the prior reservations of HOME funds to the project. The City of Santa Maria has made funding commitments to the Los Adobes de Maria III project with the understanding that the prior reservations of HOME funds will be made available to the project when the project is ready to proceed. In addition, Peoples' Self-Help Housing Corp. has relied on the availability of the funds during the project planning process.

<u>Project Strength</u>: The developer has site control and all entitlements in place, and is permit ready. PSHHC is an experienced affordable housing developer and has developed properties in Santa Barbara and San Luis Obispo Counties.

<u>Project Weakness</u>: The County HOME funds being recommended for the project are about one-third of the amount requested. The developer will need to seek other sources of funds and/or increase the amount of LIHTC it will request, which may adversely affect the project's competitiveness for LIHTC.

<sup>&</sup>lt;sup>1</sup> "Commitment" is defined in the HOME regulations as a fully executed written agreement. Projects are expected to begin within 12 months of the commitment, be completed within 4 years of the commitment, and have all funds drawn within 5 years from year that HUD allocated the funds.

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PSHHC maintains a high debt to income ratio. The County is working with PSHHC to understand their future plan to pay off debt

In the past, PSHHC has not made annual payments on County residual receipt loans. According to PSHHC, County assistance for affordable housing projects was historically provided as functional grants, albeit in the form of loans. PSHHC had requested that HOME funds be provided in the form of loans in order to increase the amount of tax credits awarded to projects. Accordingly, PSHHC operated their affordable housing projects with little or no expectation of making annual payments on the County's residual receipt loans and there is no evidence in County records that the County pursued loan payments from PSHHC. Payments on any loan provided to PSHHC for the Los Adobes de Maria III project will be expected, providing there are sufficient cash receipts after required operating and debt payments. Additionally, the County loan will be secured by the property and all outstanding principal and interest will be due upon the expiration of the loan term.

# III. HCD Project Oversight Costs

HUD permits up to ten-percent of a HOME allocation to be used for planning and administration costs incurred by the County. However, additional costs are borne by HCD for project management and oversight and HUD allows those costs to be covered outside the administration cap if those costs are specifically related to a HOME-funded project (Project-Related Soft Costs). If the proposed projects are approved, HCD will use those funds for staff costs incurred to adequately provide project management and oversight. In addition to covering HUD staff costs, HCD utilizes the services of County General Services staff to conduct construction management, review of draw requests to assure that the funds requested are for construction or materials that are completed or on-site, and perform reviews of certified payrolls required by the Davis-Bacon Act, if applicable to the project. To cover these costs, HCD is including up to \$70,000 per development project in the funding recommendations. These funds will not be part of the funds provided to the applicant; however, the addition of those funds must be considered when determining the number of housing units to designate as HOME units and when calculating HOME Match requirements.

#### IV. Effective Period for HOME Fund Reservations

The County and its HOME Consortium partner cities have historically reserved HOME funds to specific projects by including the reservations in the County's annual Action Plans. The funds were not formally committed to a project via written agreement, until the project was in a state of readiness to proceed, meaning that land use entitlements were in place and all financing sources had been committed to the project. Construction projects may take several years to obtain the necessary entitlements through the local jurisdiction's planning and development process and to complete the due diligence process when acquiring real estate.

However, HOME regulations require that HOME funds be formally committed to projects within two years of the date that the County and HUD sign a mutual agreement for the HOME allocation and expended within five years. In addition, projects that receive an award of HOME funds must be reasonably expected to begin within 12 months. Reserving funds to a project that is not in a sufficient state of readiness to proceed can jeopardize the County's HOME funds, potentially resulting in recapture of HOME funds by HUD.

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Most affordable multi-family housing development projects utilize Low-Income Housing Tax Credits to complete the necessary financing to complete the project. The California Tax Credit Allocation Committee accepts applications in March and July of each year. Projects that are not successful in receiving an allocation of LIHTC on the first try may reapply during the following funding cycle. Also, due to the high cost of housing development and the decreasing amount of HOME funds received by the County over the last five years, some projects may need a HOME reservation from more than one year's funding allocation.

Therefore HCD staff recommends that the Board authorize HCD staff to limit the time that a HOME Reservation is effective for a period not to exceed:

- a) Solvang project: The Reservation will expire on December 31, 2014. This will give the applicant time to finalize all funding commitments and execute legal documents, and break ground by the end of the year.
- b) Los Adobes de Maria: the Reservation will expire on September 30, 2015. This will give the applicant time to apply to the CTCAC at the July 2014, March 2015 or July funding rounds.

Reservations are contingent upon receipt of HOME funds by the County from HUD and may be cancelled at any time, at the discretion of the Board.

## HCD Staff Impact/Fiscal Analysis:

HOME funds are allocated to the County by the U.S. Department of Housing and Urban Development (HUD). Approximately \$70,000 in HOME funds per development project will be used by HCD to cover HCD costs for project management and oversight.

In addition, HOME regulations require that the County match 25% of HOME funds expended with non-federal funds. HCD reviews projects' financing commitments to identify potential sources of HOME Match. Non-federal funds expended on the project(s) may be eligible sources of HOME match.

The HOME funds available are from the County's 2014-15 allocation and must be committed to eligible HOME activities by June 30, 2016. If one or both proposed projects do not receive all required financing commitments or, for other reasons do not go forward, at the County's option, the reservation of HOME funds may be:

- a) Retained by the County as reserved funds for the same project;
- b) Immediately awarded to one or more other HOME-eligible activities;
- c) Retained by the County and made available to future HOME-eligible activities; or
- d) Retained by the County and added to the County's 2015-16 HOME allocation to be awarded to future HOME-eligible activities.

#### Performance Measure:

The projects, if later provided a firm commitment of HOME funds, will be required to maintain a certain number of housing units for low-income occupants for a period of 20 years, which is the HUD minimum "affordability period". A HOME Regulatory Agreement will be executed between the owner and the County, and will be recorded in the real estate records of the County. Periodic on-site monitoring of the project will be conducted by HCD to assure ongoing compliance.

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## **Fiscal and Facilities Impacts:**

Budgeted: Yes, from federal HOME fund allocation and County General Fund HOME funds are allocated to the County by the U.S. Department of Housing and Urban Development on an annual basis. County staff that provide contract and project management, and long-term monitoring of HOME-funded projects are paid from HOME and County general funds.

#### **Special Instructions:**

Please provide a copy of the Minute Order to Laurie Baker, HCD

#### **Attachments:**

Attachment A - Letter to the County from HUD, dated April 19, 2013 regarding "Deadline Compliance Status Report" regarding County HOME funds Attachment B – CEQA Notice of Exemption

Authored by: Laurie Baker, Grants and Program Manager, HCD

cc: Dinah Lockhart, Deputy Director, HCD