RESOLUTION - ACTION REQUESTED 2020-483

MEETING: August 4, 2020

TO: The Board of Supervisors

FROM: Dallin Kimble, County Administrative Officer

RE: 2019-2020 Permanent Local Housing Allocation Plan Approval

RECOMMENDATION AND JUSTIFICATION:
Adopt the 2019-2020 Permanent Local Housing Allocation Five Year Funding Plan.

The County of Mariposa is, with Board approval, applying to receive an annual allocation of $128,455 in Permanent Local Housing Allocation (PLHA) grant funds for a five-year total of $770,732. In accordance with Housing and Community Development (HCD) guidelines, the proposed activities for the five-year PLHA program are:

1. Provide gap financing to the multifamily Creekside Terrace project equivalent to 100% of year one and two allocation.

2. Provide fee waivers, technical assistance, architectural plans and potential financing related to the development of new or rehabilitation an existing accessory dwelling units for low-to moderate income property owners utilizing 100% of years three through five.

3. Five-percent of each annual allocation can be used to cover administrative cost associated with the administration of the plan. Staffing and overhead cost directly related to carrying out the eligible activities are “activity costs” not subject to the cap on “administrative cost.”

Please reference the staff report and additional PLHA materials attached to PLHA public hearing item on this agenda and the HCD 302(c)(4)Plan attached here.

BACKGROUND AND HISTORY OF BOARD ACTIONS:

RES-2018-62 December 18th 2018. Board Approves No Place Like Home round 1 to begin funding of Creekside Terrace (Mariposa Village)

RES-2019-49 August 20th 2019. General Plan Housing Element Adoption and State Certification

RES-2019-70 December 10th 2019 Infill Infrastructure Grant applied for and awarded for onsite and offsite improvements for Creekside Terrace(Mariposa Village)
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February 19th 2019 Discussion and Direction given to pursue approved ADU plans


ALTERNATIVES AND CONSEQUENCES OF NEGATIVE ACTION:
Do not approve. Staff will need further direction about the eligible activities the Board would like to pursue.

FINANCIAL IMPACT:
PLHA formula awards do not require matching funds from local jurisdiction.
PLHA allows for 5% in administrative cost associated with eligible activities.

ATTACHMENTS:
Exhibit A MAR PLHA 302(c)(4)Plan (PDF)
Resolution PLHA Plan - REVISED (DOCX)

RESULT: ADOPTEO [UNANIMOUS]
MOVER: Rosemarie Smallcombe, District I Supervisor
SECONDER: Miles Menetrey, District V Supervisor
AYES: Smallcombe, Jones, Long, Cann, Menetrey
Resolution No. 2020-483

RESOLUTION OF THE MARIPOSA COUNTY BOARD OF SUPERVISORS
APPROVING THE 2019-2020 PERMANENT LOCAL HOUSING ALLOCATION FIVE
YEAR FUNDING PLAN. (Approved as to form by County Counsel)

WHEREAS, the Department is authorized to provide up to $195 million under the
SB 2 Permanent Local Housing Allocation Program Formula Component from the Building
Homes and Jobs Trust Fund for assistance to Cities and Counties (as described in Health and
Safety Code section 50470 et seq. (Chapter 364, Statutes of 2017 (SB 2)), and

WHEREAS, the State of California (the “State”), Department of Housing and Community
Development (“Department”) issued a Notice of Funding Availability (“NOFA”) dated 02/26/2020
under the Permanent Local Housing Allocation (PLHA) Program, and

WHEREAS, Applicant is an eligible Local government applying for the program to
administer one or more eligible activities, and

WHEREAS, the Department may approve funding allocations for PLHA Program, subject
to the terms and conditions of the Guidelines, NOFA, Program requirements, the Standard
Agreement and other contracts between the Department and PLHA grant recipients.

NOW THEREFORE BE IT RESOLVED THAT:

1. Applicant, pursuant with threshold requirements outlined in the PLHA NOFA, has provided
adequate opportunity for the public to review and comment on the proposed PLHA five-year
plan.

2. Applicant hereby agrees the PLHA plan contains eligible activities as approved by the
Department and in accordance with all Program requirements, Guidelines, other rules and
laws, as well as in a manner consistent with Local government’s Housing Element.

3. Applicant is hereby authorized and adopts the PLHA five-year plan to provide gap financing
for the development of Creekside Terrace, a 42 unit multifamily project targeting
individuals/households with income at or below 60% of AMI in years one and two, and years
three through five will support an ADU program, by providing fee waivers, architectural plans,
technical assistance and potential financing to homeowners utilizing the formula allocations, as
stated in Appendix C of the current NOFA for $770,732 in accordance with all applicable rules
and laws.

4. The Mariposa County Board of Supervisors approves the PLHA application pursuant to HCD
form 302(c)(4), here to attached as exhibit A.

5. The Board Chairman or his designees are authorized to submit the hereby adopted five-year
PLHA plan and execute the PLHA Program Application, the PLHA Standard Agreement and
any subsequent amendments or modifications thereto, as well as any other documents which are related to the Program or the PLHA grant awarded to Applicant, as the Department may deem appropriate.

PASSED AND ADOPTED by the County of Mariposa Board of Supervisors by Motion of Supervisor Smallcombe, and Seconded by Supervisor Menetrey, at a regular meeting on Aug 4th, 2020 by the following VOTE:

AYES: SMALLCOMBE, JONES, LONG, CANN, MENETREY
NAYS: NONE
ABSTAIN: NONE
ABSENT: NONE

[Signature]
Board Chair
Kevin Cann

ATTEST:

[Signature]
Clerk of the Board
Rene LaRoche

[Signature]
County Counsel
Steven W. Dahlem
§302(c)(4)(A) Describe the manner in which allocated funds will be used for eligible activities.

The County of Mariposa will utilize 100% of year one and two funding to provide gap financing for the development of Creekside Terrace, a 42 unit multifamily project targeting individuals/households with income at or below 60% of AMI. Of the 42 units, 11 units are designated as ‘No Place Like Home’ permanent supportive housing units for homeless. The County will use 100% of years three through five to support an ADU program, by providing fee waivers, architectural plans, technical assistance and potential financing to homeowners looking to rehab an existing ADU or to construct a new ADU.

§302(c)(4)(B) Provide a description of the way the Local government will prioritize investments that increase the supply of housing for households with incomes at or below 60 percent of Area Median Income (AMI).

The five-year PLHA plan developed by the County will support and prioritizes investments that increase the supply of housing for households with incomes at or below 60% of AMI, through the development of a 42 unit multifamily project restricted to households with incomes at or below 60% of AMI. Households assisted under the ADU program in years two through five may have incomes up to 120% of AMI; however, occupancy of the ADU will be targeted to households below 60% of AMI in an effort to promote affordability that meets the needs of a growing workforce.

§302(c)(4)(C) Provide a description of how the Plan is consistent with the programs set forth in the Local Government’s Housing Element.

The County of Mariposa’s plan is consistent with the programs set forth in the Housing Element. The activities increases the number of affordable housing units, increases housing for those with special needs, and provides financing available for the repair or development of ADU’s, thereby increase the affordable housing stock. Both activities will aid in accommodating the 195 units identified in the County’s RHNA, providing 40 units of the 78 units for extremely low, very low, and low-income households plus an additional 21 units of 37 needed for households with incomes up to moderate income.

Activities Detail (Activities Detail (Must Make a Selection on Formula Allocation Application worksheet under Eligible Activities, §301))

§301(a)(1) The predevelopment, development, acquisition, rehabilitation, and preservation of multifamily, residential live-work, rental housing that is affordable to extremely low, very low, low, or moderate-income households, including necessary Operating subsidies.

§302(c)(4)(E)(i) Provide a description of how allocated funds will be used for each proposed Affordable Rental Housing Activity.

PLHA funds will be used to support construction costs within the first three months of construction set to begin March 2021 and may include grading, site work, compaction, utilities to serve the buildings, foundation and structures.

Complete the table below for each proposed Affordable Rental Housing Activity to be funded with 2019-2023 PLHA allocations. If a single Activity will be assisting households at more than one level of Area Median income, please list the Activity as many times as needed to capture all of the AMI levels that will be assisted, but only show the percentage of annual funding allocated to the Activity one time (to avoid double counting).

<table>
<thead>
<tr>
<th>Funding Allocation Year</th>
<th>2019</th>
<th>2020</th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>§302(c)(4)(E)(i) Percentage of Funds Allocated for the Proposed Affordable Rental Housing Activity</td>
<td>100.00%</td>
<td>100.00%</td>
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<tr>
<td>§302(c)(4)(E)(ii) Area Median Income Level Served</td>
<td>60%</td>
<td></td>
<td>TOTAL</td>
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<tr>
<td>§302(c)(4)(E)(ii) Unmet share of the RHNA at the AMI Level</td>
<td>78</td>
<td></td>
<td>78</td>
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<tr>
<td>§302(c)(4)(E)(ii) Projected Number of Households Served</td>
<td>41</td>
<td></td>
<td>41</td>
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$\text{§302(c)(4)(E)(iv) Period of Affordability for the Proposed Affordable Rental Housing Activity (55 years required for rental housing projects)}$

<table>
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<tr>
<th></th>
<th>55 Years</th>
<th>55 Years</th>
<th>55 Years</th>
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$\text{§302(c)(4)(E)(iii) A description of major steps/actions and a proposed schedule for the implementation and completion of the Activity.}$

Construction will begin March 2021 with site preparation, which will include the removal/demolishment of an existing single-family home and a trailer on the property, tree removal, grading and installation of a retaining wall. Off-site improvements will also start as of March 2021 and include street improvements adjacent to the property, including extending water and sewer laterals and curb/gutter/sidewalk. Actual unit construction is expected to be underway no later than XXX, with construction completing by March 2022 and occupancy of all units by July 2022.

$\text{§301(a)(2) The predevelopment, development, acquisition, rehabilitation, and preservation of Affordable rental and ownership housing, including Accessory Dwelling Units (ADUs), that meets the needs of a growing workforce earning up to 120 percent of AMI, or 150 percent of AMI in high-cost areas. ADUs shall be available for occupancy for a term of no less than 30 days.}$

$\text{§302(c)(4)(E)(ii) Provide a description of how allocated funds will be used for each proposed Affordable Rental and Ownership Housing Activity.}$

<table>
<thead>
<tr>
<th>Percentage of Funds Allocated for Affordable Owner-occupied Workforce Housing</th>
<th>0%</th>
</tr>
</thead>
</table>

100% of year three through five funding will be utilized to cover the cost of permits, fees, technical assistance and possible financing to property owners participating in the County’s Accessory Dwelling Unit program. Participants that receive and build County Sponsored Architectural Plan and/or resources will be required to deed restrict the unit for 20 years. Rental units will be used for workforce population with incomes not to exceed 120% AMI, with efforts made to predominately serve populations with incomes at or below 80% AMI.

Complete the table below for each proposed Affordable Rental and Ownership Housing Activity to be funded with 2019-2023 PLHA allocations. If a single Activity will be assisting households at more than one level of Area Median Income, please list the Activity as many times as needed to capture all of the AMI levels that will be assisted, but only show the percentage of annual funding allocated to the Activity one time (to avoid double counting).

<table>
<thead>
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<th>Funding Allocation Year</th>
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<th>2021</th>
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<thead>
<tr>
<th>Type of Affordable Housing Activity</th>
<th>ADU</th>
<th>ADU</th>
<th>ADU</th>
<th>ADU</th>
<th>ADU</th>
<th>ADU</th>
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<table>
<thead>
<tr>
<th>$\text{§302(c)(4)(E)(ii) Area Median Income Level Served}$</th>
<th>60%</th>
<th>80%</th>
<th>120%</th>
<th>60%</th>
<th>80%</th>
<th>120%</th>
<th>60%</th>
<th>80%</th>
<th>120%</th>
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<table>
<thead>
<tr>
<th>TOTAL</th>
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<tr>
<th>$\text{§302(c)(4)(E)(ii) Unmet share of the RHNA at AMI Level}$</th>
<th>78</th>
<th>37</th>
<th>81</th>
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<tr>
<th>$\text{§302(c)(4)(E)(ii) Percentage of Funds Allocated for Each Affordable Housing Activity}$</th>
<th>100%</th>
<th>100%</th>
<th>100%</th>
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<th>$\text{§302(c)(4)(E)(ii) Projected Number of Households Served}$</th>
<th>2</th>
<th>2</th>
<th>2</th>
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<th>2</th>
<th>2</th>
<th>18</th>
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<table>
<thead>
<tr>
<th>$\text{§302(c)(4)(E)(iv) Period of Affordability for the Proposed Activity (55 years required for rental housing projects)}$</th>
<th>20 years</th>
<th>20 years</th>
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<th>20 years</th>
<th>20 years</th>
<th>20 years</th>
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<th>20 years</th>
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</thead>
</table>

| $\text{§302(c)(4)(E)(iii) A description of major steps/actions and a proposed schedule for the implementation and completion of each Affordable Rental and Ownership Housing project.}$ | | | | | | | | | |
The County is utilizing LEAP funds to produce a set of unit plans, development checklist and partner resources sheet, as well as, to complete a countywide marketing campaign via media, social media, professional associations, public notices and word of mouth. Public Meetings will be held that will provide interested individuals an orientation to the program, sample house and floor plans, cost sheet, development checklist, and partner resources sheet. Applicants interest in participating in the program will sign up for the program on a first come first serve basis. Individuals meeting program participation requirements will receive plans, permit and fee waivers, as well as technical assistance to aid in the development of a new ADU. The program development is expected to be completed and marketing to begin in June 2021, with applications being accepted beginning July 1, 2021. We anticipate construction of the first unit to be under way by September 2021 with the first completion by the end of December 2021. The first year we expect three units to

| §301(a)(3) Matching portions of funds placed into Local or Regional Housing Trust Funds. |
| §301(a)(a) Matching portions of funds available through the Low- and Moderate-Income Housing Asset Fund pursuant to subdivision (d) of HSC Section 34176. |
| §301(a)(6) Capitalized Reserves for Services connected to the preservation and creation of new permanent supportive housing. |
| §301(a)(6) Assisting persons who are experiencing or at risk of homelessness, including, but not limited to, providing rapid rehousing, rental assistance, supportive/case management services that allow people to obtain and retain housing, operating and capital costs for navigation centers and emergency shelters, and the new construction, rehabilitation, and preservation of permanent and transitional housing. |
| §301(a)(7) Accessibility modifications in Lower-income Owner-occupied housing. |
| §301(a)(8) Efforts to acquire and rehabilitate foreclosed or vacant homes and apartments. |
| §301(a)(9) Homeownership opportunities, including, but not limited to, down payment assistance. |
| §301(a)(10) Fiscal incentives made by a county to a city within the county to incentivize approval of one or more affordable housing Projects, or matching funds invested by a county in an affordable housing development Project in a city within the county, provided that the city has made an equal or greater investment in the Project. The county fiscal incentives shall be in the form of a grant or low-interest loan to an affordable housing Project. Matching funds investments by both the county and the city shall be a grant or low-interest deferred loan to the affordable housing Project. |

| File Name | Plan Adoption | §302(c)(4)(D) Evidence that the Plan was authorized and adopted by resolution by the Local jurisdiction and that the public had an adequate opportunity to review and comment on its content. | Attached and on USB? | Yes |