



ALAMEDA COUNTY
Community Development Agency

OVERVIEW DRAFT FRAMEWORK FOR ALAMEDA COUNTY HOUSING BOND

May 2016

Presentation Outline

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- Housing Crisis
- Process and Stakeholder Input
- Criteria for Bond Programs
- Overview of Draft Bond Program Framework
 - Homeowner Programs
 - Down Payment Assistance
 - Accessibility Improvements
 - Housing Preservation Fund
 - Rental Housing Programs
 - Rental Housing Development Program
 - Innovation & Opportunity Fund
- Next Steps



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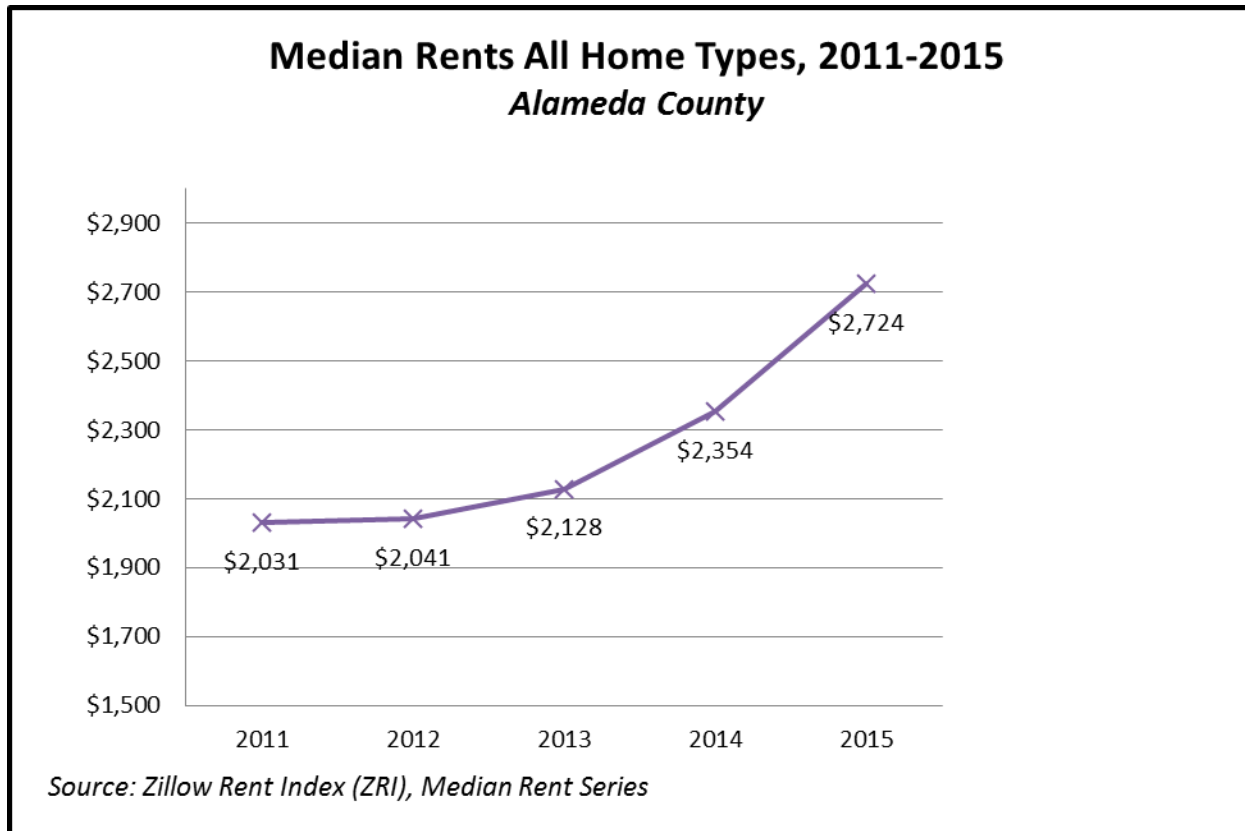
ALAMEDA COUNTY HOUSING CRISIS

May 2016

Affordable Housing Crisis

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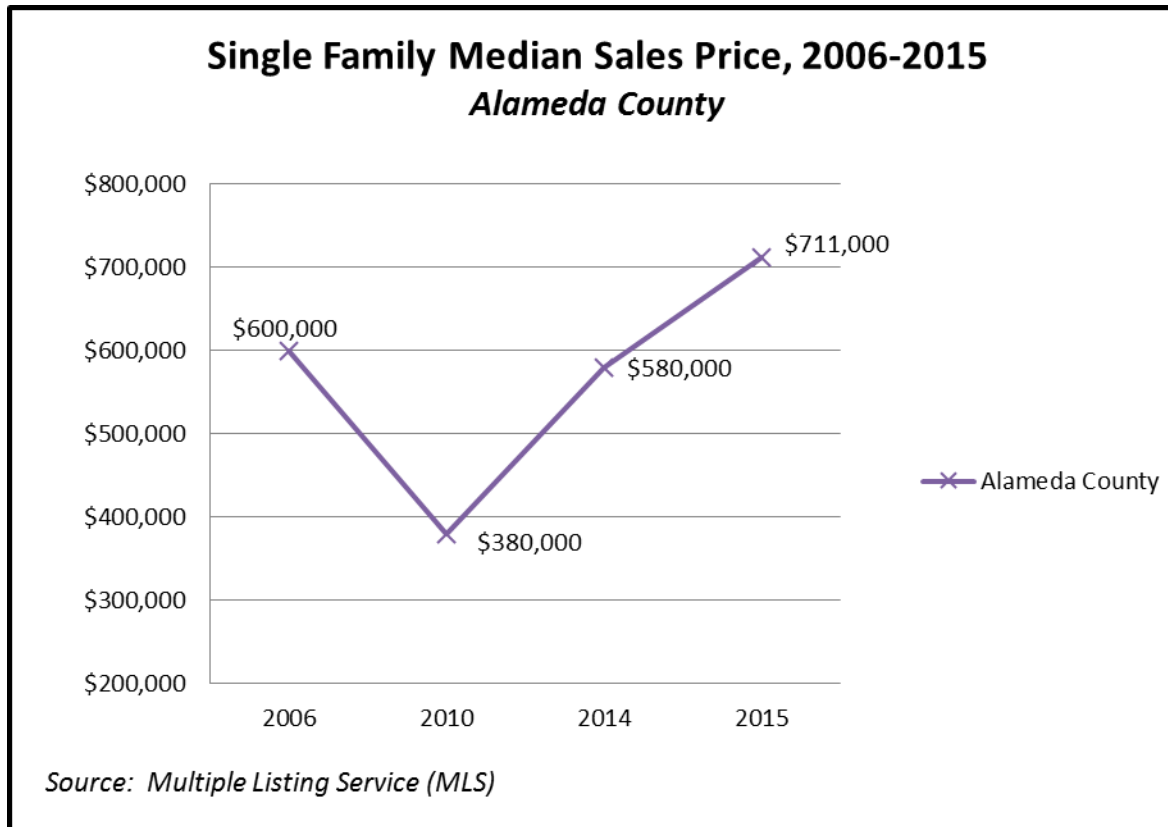
Rents Have Increased 34% since 2011 Countywide



Affordable Housing Crisis

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Home Prices Have Increased 19% since 2006 Countywide



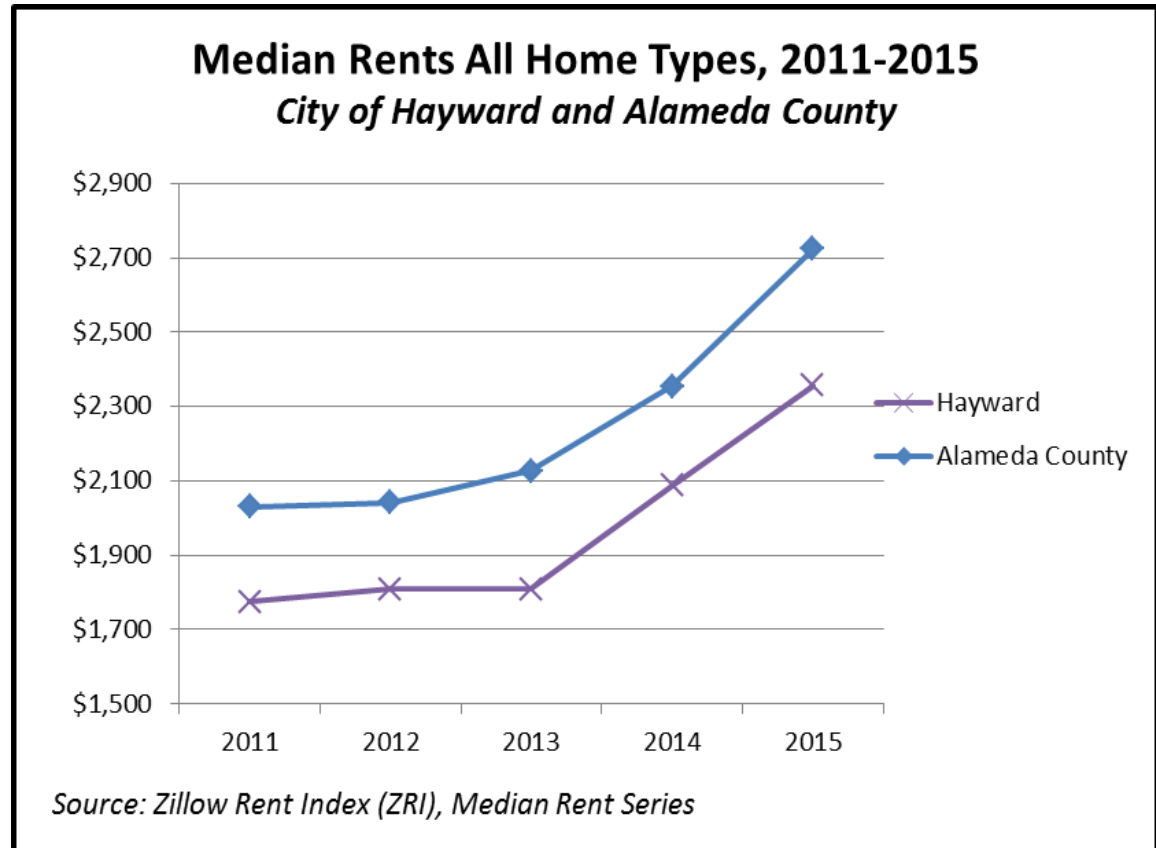
Housing Crisis in Hayward*

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Hayward sales prices have risen 84% since the 2010 market bottom.

91% of Very Low Income renters pay over 30% of their incomes for rent, and 36% pay more than half of their incomes for rent.

Rents have increased 33% since 2011

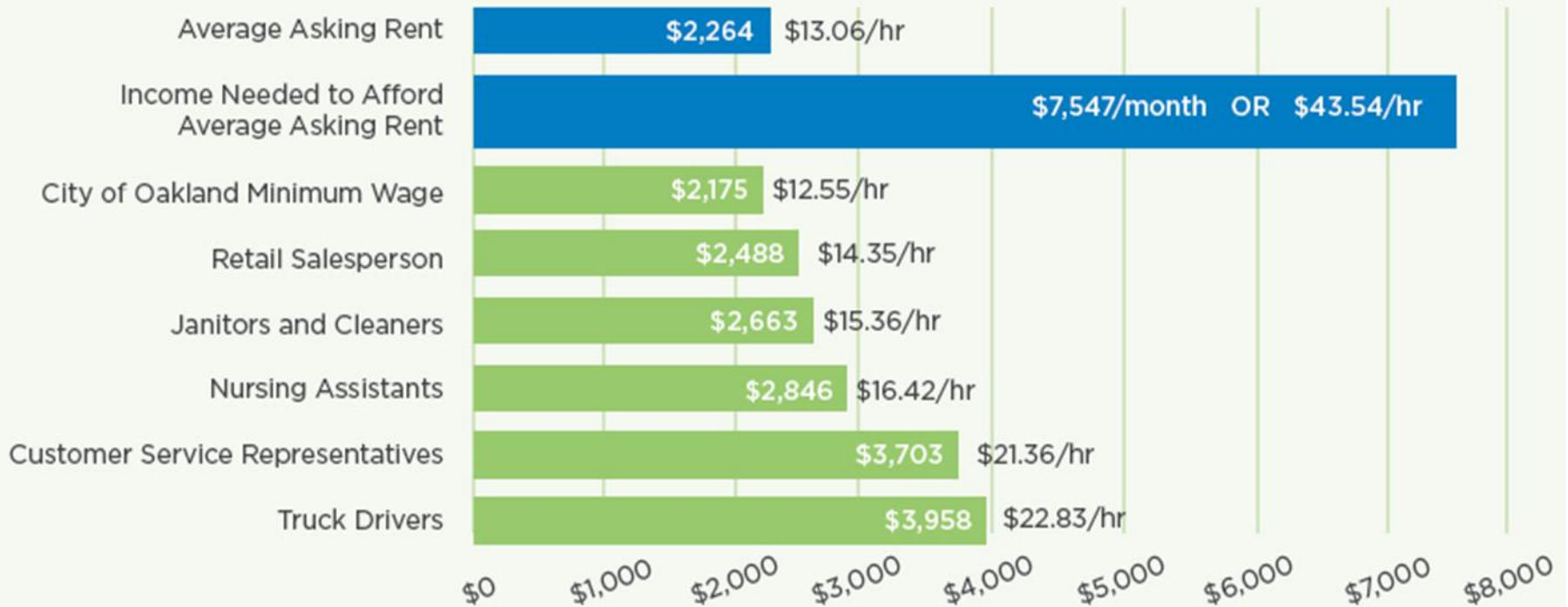


*Data includes Unincorporated Cherryland and Fairview

Incomes Not Keeping Up with Rents

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ALAMEDA COUNTY RENTERS NEED TO EARN \$7,547 A MONTH TO AFFORD AVERAGE ASKING RENTS



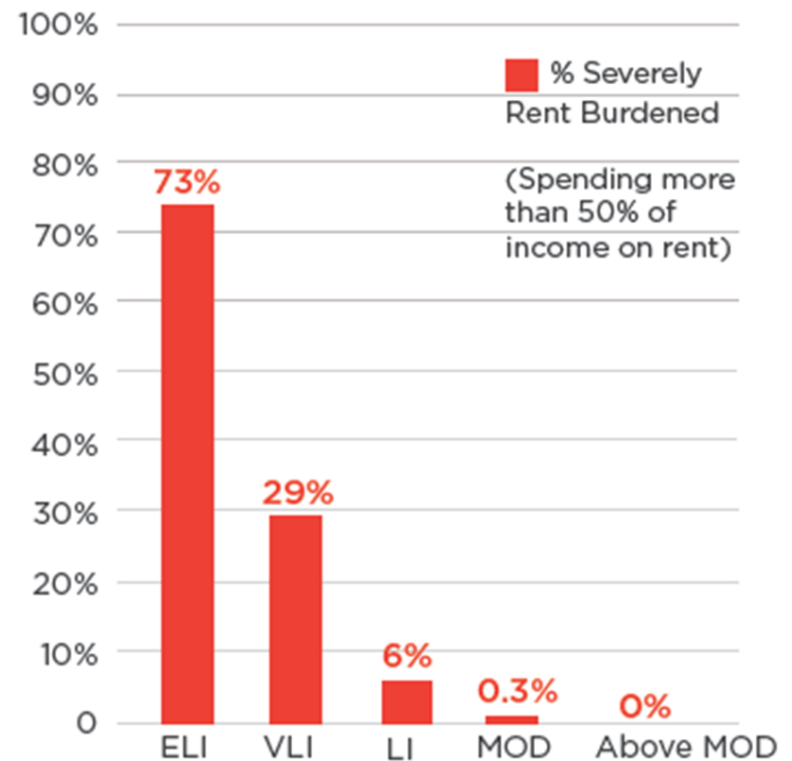
Source: CHPC Analysis of Real Answers Alameda County average rent data for the 1st Quarter 2016 and Bureau of Labor Statistics Average Annual Wage Data for CA Occupations 2015.

Incomes Not Keeping Up with Rents

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- 29% of Very Low and 73% of Extremely Low Income households spend more than 50% of their incomes on rent.

PERCENTAGE OF SEVERELY BURDENED HOUSEHOLDS BY INCOME GROUP



Source: NLIHC analysis of 2014 PUMS data.

Affordable Housing Crisis

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There is a 60,911 unit shortfall for homes affordable to very low- and extremely low-income households in Alameda County alone.

- California Housing Partnership Corporation, May 2016 Alameda County Housing Report

Impacts of the Affordable Housing Crisis

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- Long term residents have to leave
- More traffic congestion
- Too much income spent on housing costs
- Overcrowding
- Harder to attract and retain employees
- Undermines safety net
- Homelessness

County Responding in Many Ways

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- Continued State and Federal Advocacy
- “Boomerang Funds” for affordable housing development and helping homeless people
- Housing Bond



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HOUSING BOND PROCESS AND STAKEHOLDER INPUT

May 2016

Process Overview & Schedule

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- **March 2 – April 8, 2016 – Stakeholder Process**

County-facilitated stakeholder process to discuss county housing needs, receive input and feedback on desired programs, and engage other interested parties.

- **April 10 – May 22 – Draft Bond Program**

Policy and programmatic proposals discussed with stakeholders, city housing staff and officials, County housing staff, and Supervisors to develop a proposed program for use of housing bond funds.

- **May 2 – May 22 – Supervisorial District Town Hall Meetings**

District town hall meetings to be held in each Supervisorial district to inform and educate constituents about the housing bond, and to garner feedback.

Goal: to present the final housing bond measure language and authorizing resolution to be voted on by the full Board of Supervisors on June 14, 2016.

Stakeholder Input Process

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□ **Board of Supervisors Committee Work Sessions:**

5 Sessions March - June

Final: June 6, 9:30 am, 1401 Lakeside Dr., 11th Floor

GSA Conference Room 1107

Stakeholder Meetings:

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

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
- Moderate-income renters
- Renters who don't qualify for Section 8
- Tenants
- Teachers and First Responders
- Working poor/Workforce housing
- First-time homebuyers

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 (80-120% of AMI)**
 - Population mix in rental
 - Homeownership

- **Maintain long-term/permanent affordability**



CRITERIA FOR BOND PROGRAMS

May 2016

Criteria for Bond Program

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- Eligible uses of G.O. Bond proceeds
- Addresses critical housing needs
- Simple to explain
- Simple to administer
- Assures all parts of the County benefit
- Allocates funds over time
- Builds on successful program models within Alameda County and elsewhere
- Leverage other funds where possible
- Allows for innovation and creativity

Basic Working Assumptions

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- \$500 Million Total
- Issue bonds in 3 issuances, approximately 2 years apart, e.g.:
 - \$200 Million 2017
 - \$200 Million 2019
 - \$100 Million 2021
- Each Program Component to start at 1st issuance and continue through 2nd and 3rd



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DRAFT FRAMEWORK FOR ALAMEDA COUNTY HOUSING BOND

May 2016

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 Draft Program Framework

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- Homeowner programs - \$75 million
 - Down Payment Assistance Loan Program
 - Accessibility Loan Program
 - Housing Preservation Loan Program

- Rental Housing Programs - \$425 Million
 - Rental Housing Development Fund
 - Innovation and Opportunity Fund



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DRAFT HOME OWNER PROGRAM COMPONENTS

May 2016

Homeowner Programs

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- **Three Program Areas - \$75 million**
 - Down Payment Assistance Program
 - Senior/Disabled Home Accessibility 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: 80-120% of Area Median
 - 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
 - Teachers/First Responders

Homeowner Programs

Accessibility Loan Program

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- Estimated Funding Amount: \$10 Million
- Goal: Assist Seniors and People with Disabilities to remain in their homes

- Program Parameters:
 - Income limit: 80% of Area Median
 - Accessibility improvements up to \$15,000

Homeowner Programs

Home Preservation Loan Program

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- Estimated Funding Amount: \$15 Million
- Goal: Assist Low Income homeowners to retain their housing and stay in their homes

- Program Parameters:
 - Income limit: 50% or 80% of Area Median
 - Possible Program Areas:
 - Owner-Occupied Housing Rehabilitation
 - One-time back taxes and/or overdue mortgage payments



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DRAFT RENTAL HOUSING PROGRAM COMPONENTS

May 2016

Rental Housing Programs

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- **Two Program Areas - \$425 Million**
 - ▣ Rental Housing Development
 - ▣ Innovation & Opportunity Fund

Rental Housing Program

Rental Housing Development Program

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- Estimated Funding Amount: \$400 Million
- Goal: Create and preserve affordable rental housing for vulnerable populations, including 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
 - Possibly 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:**
 - ▣ **Development gap financing:**
 - Predevelopment and Development financing
 - New Construction, Acquisition, Rehabilitation
 - ▣ **Target populations:**
 - Homeless (chronic, families)
 - Seniors
 - Veterans
 - Workforce housing (including working poor)
 - People with disabilities (physical, developmental, mentally ill)

Rental Housing Development Program

Geographic Allocations of Funds

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- **Based on:**
 - Simple to explain
 - Related to need
 - Assure that funds are available for projects throughout County

- **Geographic Allocation Model:**
 - Half of funds as a base allocation for use in each city*
 - Half of funds 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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Half of Funds to Base City Allocations

City Base Allocations By:	Total Population	
Alameda city	4.9%	\$9,746,699
Albany city	1.2%	\$2,445,077
Berkeley city	7.4%	\$14,855,841
Dublin city	3.1%	\$6,206,424
Emeryville city	0.7%	\$1,329,557
Fremont city	14.2%	\$28,421,727
Hayward city	9.6%	\$19,171,235
Livermore city	5.4%	\$10,739,893
Newark city	2.8%	\$5,619,809
Oakland city	25.9%	\$51,719,462
Piedmont city	0.7%	\$1,413,713
Pleasanton city	4.7%	\$9,312,893
San Leandro city	5.6%	\$11,208,352
Unincorporated	9.3%	\$18,600,773
Union City city	4.6%	\$9,208,545
Alameda County Total	100.0%	\$200,000,000

Half of Funds to Regional Pools

Regional Pools Allocations 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: \$25 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



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NEXT STEPS

May 2016

Next Steps

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- Continue stakeholder input
 - Town Hall meetings
- Further develop and refine program options
- Prepare materials for Board consideration to place measure on November 2016 ballot

DISCUSSION

Alameda County Income Limits

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



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DISCUSSION AND FEEDBACK

May 2016

Projected Additional Need for Affordable Housing: RHNA 2014-21

Alameda County					
Alameda County	Very Low 0-50%	Low 51-80%	Moderate 81-120%	Above Moderate 120%+	Total
Alameda	444	248	283	748	1,723
Albany	80	53	57	145	335
Berkeley	532	442	584	1,401	2,959
Dublin	796	446	425	618	2,285
Emeryville	276	211	259	752	1,498
Fremont	1,714	926	978	1,837	5,455
Hayward	851	480	608	1,981	3,920
Livermore	839	474	496	920	2,729
Newark	330	167	158	423	1,078
Oakland	2,059	2,075	2,815	7,816	14,765
Piedmont	24	14	15	7	60
Pleasanton	716	391	407	553	2,067
San Leandro	504	270	352	1,161	2,287
Union City	317	180	192	417	1,106
Alameda County Unincorporated	430	227	295	817	1,769
Total	9,912	6,604	7,924	19,596	44,036

Source: Association of Bay Area Governments (ABAG) 2013

Affordable Housing Crisis

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Over Payment

Paying more than 30% of income towards rent is very common in all of Alameda County.

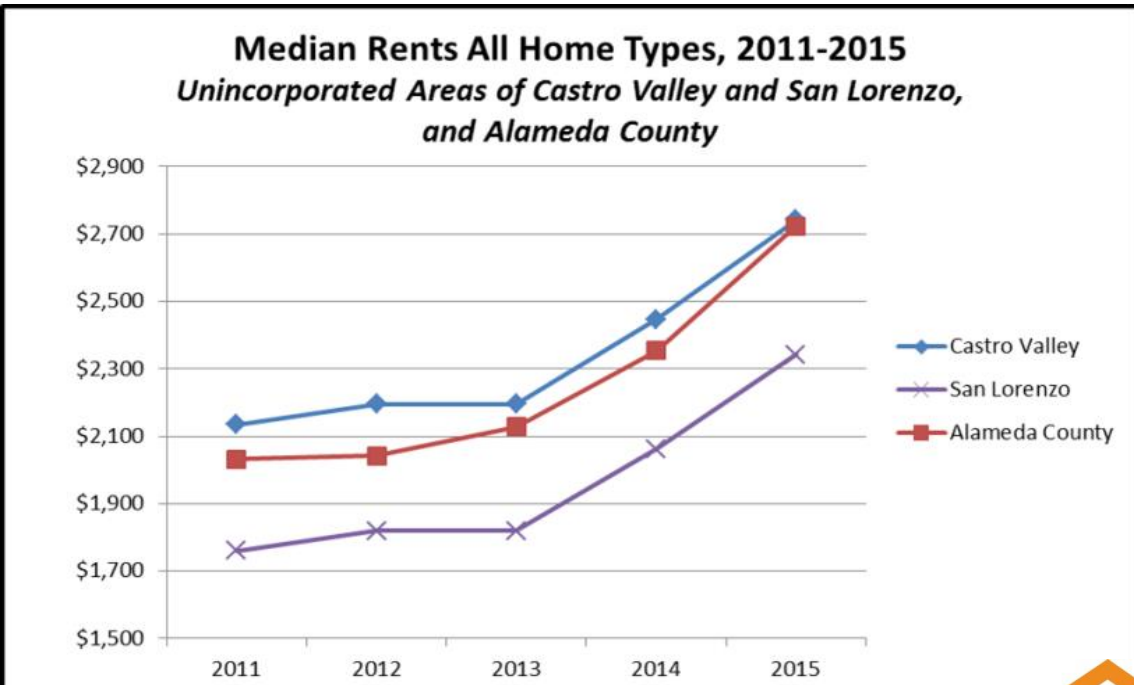
Berkeley	55.90%
Hayward	54.30%
Albany	53.40%
Oakland	52.60%
Union City	51.00%
Unincorporated	49.30%
Emeryville	48.10%
San Leandro	48.00%
Livermore	46.10%
Newark	44.70%
Alameda	42.50%
Fremont	38.80%
Dublin	38.50%
Pleasanton	35.80%
Piedmont	26.50%

Housing Crisis in Unincorporated County

Castro Valley sales prices have risen 48% and San Lorenzo have risen 59% since the 2010 market bottom.

76% of Very Low Income renters pay over 30% of their incomes for rent, and 35% pay more than half of their incomes for rent.

Rents have increased 29% in Castro Valley 31% in San Lorenzo since 2011



Source: Zillow Rent Index (ZRI), Median Rent Series

