

COMMUNICATION FROM VICE-CHAIR, HOUSING COMMITTEE relative to the release of the Affordable Housing Trust Fund (AHTF) Pipeline Regulations and open the 2016 Call for Projects.

Recommendations for Council action:

1. INSTRUCT the General Manager, Housing and Community Investment Department (HCID), or designee to:
 - a. Adopt and release the 2016 AHTF Pipeline Regulations as detailed in Attachment A of the June 7, 2016 HCID report, attached to the Council file.
 - b. Implement an allocation schedule after solicitation of applications that will include the authority to conduct up to two funding rounds for the AHTF Call for Projects with all funding rounds to coincide with applicable funding cycles for federal, state, and/or local multifamily housing development programs.
2. AUTHORIZE the General Manager, HCID, or designee, to solicit AHTF applications for the 2016 Call for Projects for future funding rounds based on availability of funds which will be requested in the Fiscal Year 2018-2019 Consolidated Plan and City Budget. Applications received in those funding rounds will be reviewed by HCIDLA, and recommendations will be submitted to the Mayor and City Council for consideration and approval.

Fiscal Impact Statement Submitted: The City Administrative Officer (CAO) reports that there is no impact to the General Fund. Approval of the recommendation in this report will authorize the release of 2016 Call for Projects. The recommendation complies with City Financial Policies in that dedicated funding sources will fully fund commitments to projects selected under the Call for Projects process.

Community Impact Statement: None submitted.

Summary:

On August 17, 2016, the Vice-Chair and one member of the Housing Committee considered June 7, 2016 HCID and July 27, 2016 CAO reports relative to the release of the AHTF Pipeline Regulations and open the 2016 Call for Projects. According to the CAO, the HCID is requesting approval to:

- a. Adopt and release the updated AHTF Pipeline Regulations included as Attachment A to the June 7, 2016 HCID report, attached to the Council file.
- b. Authorize the HCID to solicit AHTF applications for the 2016 Call for Projects that can be scheduled for the 2018 and 2019 Pipeline calendar years.
- c. Implement an allocation schedule after the solicitation of applications that will include the authority to conduct up to two funding rounds for the AHTF Call for Projects.

It should be noted that the Call for Projects document included in Attachment A of HCID's June 7, 2016 report reflects a deadline of July 29, 2016. HCID staff subsequently indicated that the Call for Projects will more likely occur in September/October of 2016.

According to the HCID, the City's AHTF was established by the Mayor and City Council in June 2000. Since the AHTF issued its first major funding round in early 2003, a total of approximately \$742 million has been committed to 227 developments consisting of 14,000 units, with a total development cost of approximately \$3.9 billion. Of these, 179 projects with 10,846 units have been completed, 19 projects consisting of 1,186 units are under construction, and 34 projects consisting of 2,207 units are currently in the pre-development phase.

One of the most important features of the AHTF is the ability to leverage and attract the investment dollars of other public and private entities for the development of affordable housing within the City. To date, the AHTF has leveraged a total of approximately \$3 billion in public and private funds, which represents a leverage ratio of approximately \$4.15 for every \$1.00 invested by the AHTF.

After further consideration and having provided an opportunity for public comment, the Vice-Chair moved to recommend approval of the recommendations contained in the July 27, 2016 CAO report. This matter is now submitted to Council for its consideration.

Respectfully Submitted,



COUNCILMEMBER FELIPE FUENTES, VICE-CHAIR
HOUSING COMMITTEE

<u>MEMBER</u>	<u>VOTE</u>
CEDILLO:	ABSENT
FUENTES:	YES
HUIZAR:	ABSENT
PRICE:	YES
HARRIS-DAWSON:	ABSENT

ARL
8/17/16

-NOT OFFICIAL UNTIL COUNCIL ACTS-