

# Prospects for a Sonoma County Housing Trust Fund

Prepared for the Building HOMES: A  
Policy Maker's Toolbox for Ending  
Homelessness

By Holly Trujillo

Several Housing Trust Funds have been successfully implemented by Federal, State and Local agencies across the United States as a method to preserve and create the supply of decent, safe, and sanitary affordable housing for workforce, low-income and homeless families. This whitepaper elucidates some of the key elements to achieving success in the formation and management of an HTF through multiple case studies and concludes with a proposed Trust Fund model to help Sonoma County accomplish the goal of Homes for All.

**Sonoma County  
Community  
Development  
Commission**  
1440 Guerneville Ave  
Santa Rosa, CA 95403  
(707) 565-7500

9/1/2016

# Prospects for a Sonoma County Housing Trust Fund

Prepared for the Sonoma County Community Development Commission Toolbox for Ending Homelessness  
September, 2016

## Table of Contents

I.	Background .....	2
II.	Introduction: Why A Housing Trust Fund?.....	2
III.	Making a Trust Fund Politically Palatable .....	4
IV.	Models of Housing Funds .....	5
	Model 1: Public.....	7
	Model 2: Private .....	8
	Model 3: Public/Private Partnership .....	9
IV.	Case Studies .....	10
	A. Public.....	10
	B. Private .....	13
	C. Public/Private Partnership .....	14
	HTF and AHF Data and Measures of Effectiveness .....	18
V.	Conclusion: Sonoma County Trust Fund - Build to Suit Local needs.....	19
	References .....	20
	Individual Housing Fund Information: .....	21
	Appendix A: California City and County Housing Trust Funds.....	A-1-26

## Prospects for a Sonoma County Housing Trust Fund

Prepared for the Sonoma County Community Development Commission Toolbox for Ending Homelessness  
September, 2016

### I. Background

In August 2015, the Sonoma County Board of Supervisors in their role as the Sonoma County Community Development Commission endorsed a bold effort to end homelessness in Sonoma County by 2025. This audacious goal was built upon the *Building HOMES: A Policymakers Toolbox to Ending Homelessness Report* also referred to as the Toolbox. It identified barriers and “tools” available to communities to create the needed housing to end homelessness utilizing the Housing First Policy.<sup>1</sup>

The Toolbox report presented a robust variety of Options designed to address the question “What can be done? Those option areas were:

- 1) Financing;
- 2) Policy;
- 3) Land Use;
- 3) Regulatory Issues

Additionally, with these options available, the process of community engagement was also identified as crucial to building the 2,200 homeless dedicated units needed to end homelessness. The whitepaper demonstrates the high level of effectiveness of Housing Funds as a method of supplementing the funding for and preserving the supply of affordable housing and serves to inform a proposal for the creation of a sustainable Housing Trust Fund in Sonoma County.

### II. Introduction: Why A Housing Trust Fund?

As state funding for housing diminished in the wake of the 2011 dissolution of Redevelopment Agencies, communities in California are increasingly turned to Housing Trust Funds (HTFs) to fund the creation of affordable housing. Housing Trust Funds are defined by

---

<sup>1</sup> Pearson, Carol L. et al. “The Applicability of Housing First Models to Homeless Persons with Serious Mental Illness: Final Report.” U.S. Department of Housing and Urban Development. July 2007.

## Prospects for a Sonoma County Housing Trust Fund

Prepared for the Sonoma County Community Development Commission Toolbox for Ending Homelessness  
September, 2016

the Institute for Local Government as “dedicated funds that are held in trust to be used to provide affordable housing.”<sup>2</sup> HTFs are being recognized as an effective and flexible method for affordable housing opportunities. Across the country, only *two-tenths of one percent* of units funded through HTFs did not get built.<sup>3</sup> Furthermore, several states have been able to trace the economic impacts of housing trust funds in their region. For example, Pennsylvania found that \$25 million in trust investments generated \$400 million in economic impact, including 3000 jobs and \$20 million in state revenue.<sup>4</sup> In Washington, every 1,000 apartments developed with the Housing Trust Fund generates approximately 1,220 jobs and \$79 million in local income. On average, Trust Funds are able to leverage funds at a ratio of 1:6 though many funds are capable of leveraging far more.

In the last year, the U.S. Department of Housing and Urban Development launched the National Housing Trust Fund spearheaded by Secretary Julián Castro. This fund was established as part of the Housing and Economic Recovery Act in 2008 but failed to get off the ground because of the decline of Fannie Mae and Freddie Mac – the Fund’s primary sources of income. In the advent of the strengthening of the housing market and rebound of funding sources, the National HTF was launched in 2016 and has allocated almost \$174 million. This program is designed to complement existing federal, state and local resources and increase the supply of affordable housing for low-income households and people experiencing homelessness.<sup>5</sup> Each state was allocated a minimum of \$3 million. From this fund, California was allocated \$10,128,143. These funds can be used to make sub-grants to local government agencies or directly fund developers or nonprofit recipients. Each state must submit an HTF Allocation Plan which will identify how the State will allocate its HTF funds. If the state allocates to a local government agency, the local agency’s plan must be included in its action plan and be consistent with the Consolidated Plan Citizen Participation Plan. The funds can be used for project costs including acquisition, site improvements and development, demolition, financing, relocation assistance and operating costs. The

---

<sup>2</sup> Block, Chris et al. “Establishing a Local Housing Trust Fund.” Institute for Local Government. February 2007.

<sup>3</sup> Brooks, Mary E. “A Workbook for Creating a Housing Trust Fund.” Center for Community Change. July 1999. <http://housingtrustfundproject.org/wp-content/uploads/2011/10/HousingTrustWorkbook1.pdf>

<sup>4</sup> Brooks, Mary E. “Housing Trust Fund Project. California State Assembly Committee on Housing and Community Development Affordable Housing Construction and Finance: Challenges and Opportunities.” March 2015.

<sup>5</sup> Sullivan, Brian. “HUD Allocates \$174 Million Through New Housing Trust Fund.” U.S. Department of Housing and Urban Development May 2016

[http://portal.hud.gov/hudportal/HUD?src=/press/press\\_releases\\_media\\_advisories/2016/HUDNo\\_16-068](http://portal.hud.gov/hudportal/HUD?src=/press/press_releases_media_advisories/2016/HUDNo_16-068)

## Prospects for a Sonoma County Housing Trust Fund

Prepared for the Sonoma County Community Development Commission Toolbox for Ending Homelessness  
September, 2016

significance of this is twofold: First, it presents another level of opportunity for leveraging funds for local HTFs. Secondly, it indicates a recognition at the highest level of National government that Housing Trust Funds are being recognized as key in creating solutions to housing and homeless crises.

There is no single type of HTF. Presented herein are a number of case studies from California and nationwide illuminating some of the distinct strategies for developing an effective housing trust fund, their particular advantages and disadvantages and finally, what lessons can be gleaned for the formation of a new Housing Trust Fund for Sonoma County. Additionally, this brief contains two matrices comparing data and information from several Trust Funds throughout California.

### III. Making a Trust Fund Politically Palatable

“Every housing trust fund becomes political.”<sup>6</sup> Whether it will require a public vote or city council approval, advocates for a Trust Fund need to have the right resources, allies, strategic awareness and structure for their campaign to succeed. Voters are more likely to support a plan with specificity as to how funding will be used and what arena of purpose the Trust Fund will serve.

A study conducted by the Housing Trust Fund Project for the John D. And Catherine MacArthur Foundation found that research evidence on the link between housing and health, educational opportunities and other quality of life variables correlated with the success of advocacy campaigns for Housing Trust Funds.<sup>7</sup> The study examined three Trust campaigns: Kalamazoo County, Michigan; the State of Arkansas and Louisville, Kentucky. Though this particular evaluation was conclusively limited, the campaigns revealed three findings that are worth noting:

---

<sup>6</sup> Center for Community Change Housing Trust Fund Project. “Winning at the Local Level: 5 Housing Trust Fund Campaigns Tell Their Stories.” 2004. <http://housingtrustfundproject.org/wp-content/uploads/2011/10/winning-at-local-level.pdf>

<sup>7</sup> Housing Trust Fund Project. “The Impact of Research Evidence as an Advocacy Tool in Housing Trust Fund Campaigns: Lessons Learned from Three Case Studies.” February 2013.

## Prospects for a Sonoma County Housing Trust Fund

Prepared for the Sonoma County Community Development Commission Toolbox for Ending Homelessness  
September, 2016

1. Local research has a greater impact than national research or research from other locations (e.g. residents of Sonoma County will respond better to statistics relevant to Sonoma County as opposed to a distant county or different state).
2. Research evidence is effective as a tool to expand coalitions and build alliances by connecting housing to other issues. Numerous studies exist illuminating the tie between housing issues and public health, law enforcement, education, business, tourism, transportation, environmental issues and more.
3. Advocates are more likely to effectively use research as an advocacy tool when the research is presented in a way that is easy to understand.

If a Housing Trust Fund is intended to be a permanent and reliable source of financing for housing as opposed to a temporary siphon for a one-time allocation of funds, it is critical to gain the support of agencies and individuals outside of the administering agency for both the inception and the maintenance of the fund. Even leveraging an election year has been used by Trust Fund campaigns to challenge state and local representatives to declare their commitment to supporting a housing trust fund if elected (i.e. Columbus, OH). The ensuing case study of San Diego serves as a prime example of how critical political navigation, coalition building and advocacy are in the success of an HTF proposal. HT Silicon Valley presents an effective model of gaining private sector buy-in to ensure leveraging on the initial seed money. Efforts to initiate a new Trust Fund for Sonoma County should begin with outreach to and private sector partners and community stakeholders before laying down the initial \$1,000,000 set-aside for the Trust Fund.<sup>8</sup>

## IV. Models of Housing Funds

There are three basic identifiable financing structures by which a majority of HTFs can be classified:

---

<sup>8</sup> Brooks, 1999.

## Prospects for a Sonoma County Housing Trust Fund

Prepared for the Sonoma County Community Development Commission Toolbox for Ending Homelessness  
September, 2016

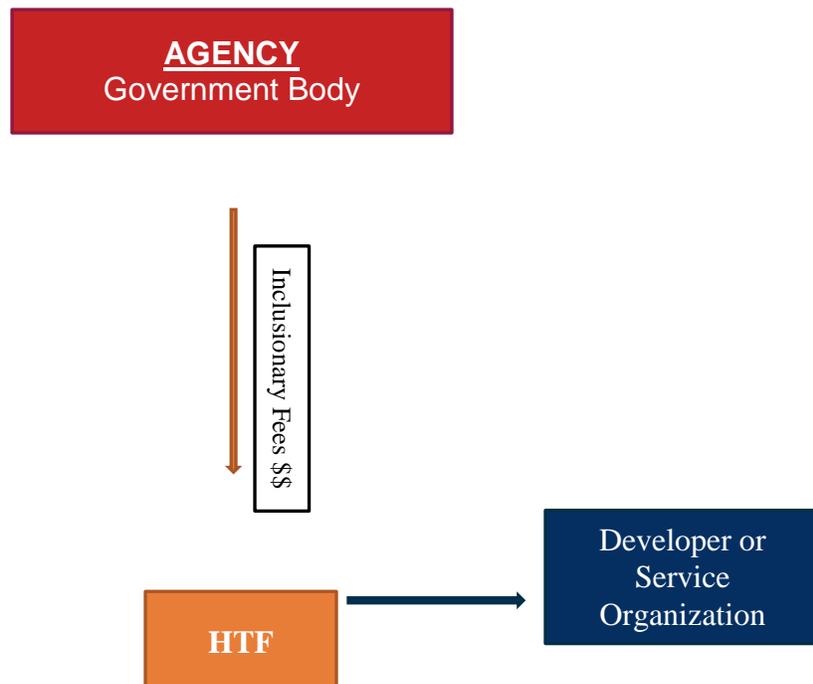
- 1) **Public:** trust funds which are run entirely by a government agency and financed with dedicated public funds – typically from a percentage of taxes or levies.
- 2) **Private:** Trust Funds created by nonprofits, private organizations or individuals akin to a charitable foundation or trust which obtains revenue from philanthropic donations.
- 3) **Public/Private Partnership:** those which utilize support from both government sources of funding and private investments and is typically run by a 501 (c)(3) organization with oversight by a Board with members from both the private and public sector. Various case studies comparing housing trust funds will use the term “Public/Private Model” as a catch-all term for any arrangement of government and private interests within the same fund. No two Public/Private Housing Trust Funds are exactly the same - there will be small differences (e.g., the balance between public and private influences, sources and methods of funding, etc.) and some private housing funds may receive government grants or assistance but remain under the purview of a private agency.

# Prospects for a Sonoma County Housing Trust Fund

Prepared for the Sonoma County Community Development Commission Toolbox for Ending Homelessness  
September, 2016

## Model 1: Public

This type of fund is administered entirely by a government body, but funds are mostly or entirely designated for non-profit organizations and the fund itself may have been shaped and promoted by stakeholders in the private sector. Funds are typically available as grants or loans and awarded through a request for proposal, notification of funding availability or direct funding of specific programs or projects. The County Fund for Housing (CFH) program is Sonoma County's public housing fund which is currently active. This is an annual revolving loan program competitively awarded to for-profit or nonprofit applicants.

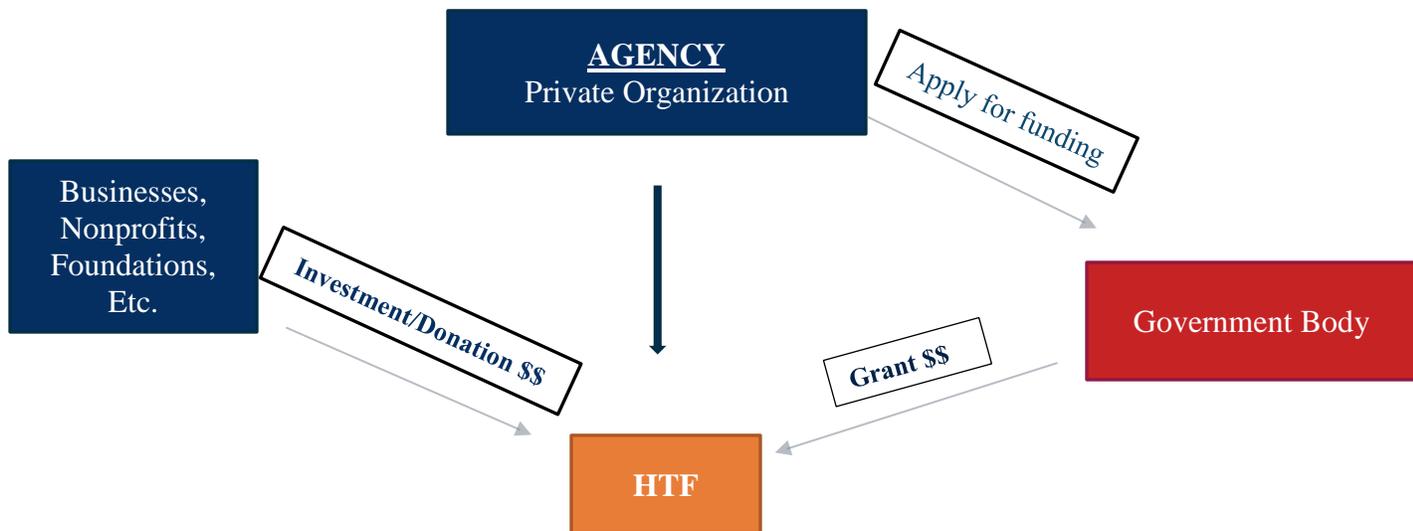


# Prospects for a Sonoma County Housing Trust Fund

Prepared for the Sonoma County Community Development Commission Toolbox for Ending Homelessness  
September, 2016

## Model 2: Private

Private Trust Funds are administered by nonprofit or private organizations, and though they may still receive financial support from local government agencies, they are not governed by the public sector. The sources of funding for these Funds vary widely from local businesses, banks, other nonprofit organizations, individual donations, community fundraising, or any combination thereof. The North Valley Housing Trust is an example of this.



## Prospects for a Sonoma County Housing Trust Fund

Prepared for the Sonoma County Community Development Commission Toolbox for Ending Homelessness  
September, 2016

### Model 3: Public/Private Partnership

A public/private partnership describes a Trust Fund which is governed by a joint board made up of both government agency staff and individuals from the private sector. Many of these funds are administered by a nonprofit organization but are consistently financially supported by a local government agency as opposed to having to apply and compete against other organizations for funding. This is one of the more common forms of Public/Private models. The Santa Clara County/Silicon Valley fund exemplifies this.



## Prospects for a Sonoma County Housing Trust Fund

Prepared for the Sonoma County Community Development Commission Toolbox for Ending Homelessness  
September, 2016

### IV. Case Studies

"The popularity of housing trust funds is attributable in large part to their inherent flexibility. They can be designed to serve the most critical housing needs in each community, whatever those may be."<sup>9</sup> As mentioned before, the use of HTFs is increasing across the nation due to their adaptability and high rate of success. There are still various factors which can affect the effectiveness and even survival of a Fund, and because of how individualized each Fund is, there is no one-size-fits-all blueprint for creating the ideal program. The Center for Community Change has done extensive research and review of HTFs across the nation and in July 1999 published a workbook for creating a Housing Trust Fund - specifically focusing on the beginning stages of gaining initial support for a proposal. Little material exists that differentiates between the different models of Trust Fund or their particular advantages and disadvantages.

The following case studies serve not only as illustrations of the three aforementioned models but also illustrate the best conditions for each and elucidate some of the elements in strategizing the formation and management of a trust fund given the needs of the individual community.

#### A. Public

Housing in-lieu or mitigation fees are one of the most common forms of public financing for Housing Trust Funds in California and are especially effective in areas with steady development growth. "Real estate-based housing trust funds were associated, at least at their inception, with active real estate markets or moderate rates of population growth."<sup>10</sup> Hotel transient taxes, General Fund, document taxes and real estate transfer taxes are also commonly utilized to fund HTFs. The most significant consideration for choosing an HTF model based on inclusionary measures is how steady the rate of new development in Sonoma County is, and thus the potential for revenue, and whether that would produce

---

<sup>9</sup> Center for Community Change. "HTF Elements." *The Housing Trust Fund Project*. Accessed August 2016. <http://housingtrustfundproject.org/htf-elements/>

<sup>10</sup> Connerly, Charles E. "A Survey and Assessment of Housing Trust Funds in the United States." *American Planning Association. Journal of the American Planning Association* Summer 1993.

## Prospects for a Sonoma County Housing Trust Fund

Prepared for the Sonoma County Community Development Commission Toolbox for Ending Homelessness  
September, 2016

enough to meet the housing need.

Sonoma County currently utilizes a public fund called the County Fund for Housing (CFH). The CFH is an affordable housing revolving loan fund which began with \$1.1 million in seed money from the General Fund, \$1 million from the State Local Housing Trust Fund matching grant program and \$750,000 from State HELP program. Currently the fund is financed through in-lieu fees, transient occupancy taxes, loan processing fees, R&R funds and loan interest and is only applicable in unincorporated areas of the County. The fund to date has been used to assist in the creation and rehabilitation of over 500 units, but with the reduction of state housing funds, the dissolution of redevelopment agencies and the slow-down of residential and commercial growth in Sonoma County, the fee-based CFH has been unable to keep up with the projects in pipeline.<sup>11</sup> Another significant obstacle for applicants is the 9% federal Low Income Housing Tax Credits which necessitates that projects have significant public funds committed already while sources of public funds are shrinking County and State-wide. Because of these economic barriers and current public sentiment towards additional taxes and fees, a public fund model is proving to not be enough to offset Sonoma County's need for affordable housing, nor would it be recommended to emulate this same model for a new Sonoma County HTF.

Another consideration is that HTFs that rely solely on public funds or fee-based revenue are largely City funds with few exceptions. County HTFs, however, are largely private/public partnerships and, if not, predominately serve to hold and distribute funds from the dissolution of redevelopment agencies. According to research from the National Low Income Housing Coalition, inclusionary policies such as linkage, commercial impact and in-lieu fees are most common sources of funding for cities whereas document recording fees are the most common and effective for Counties.<sup>12</sup>

A second public fund in Sonoma County would likely not serve as the best mechanism for meeting the needs of the County, though it is also not beyond the realm of the possible – especially if combined with effective advocacy. In 1990, the San Diego Affordable Housing

---

<sup>11</sup> County Fund for Housing FY 2014-15 Annual Report. [http://sonoma-county.granicus.com/MetaViewer.php?view\\_id=2&event\\_id=353&meta\\_id=177105](http://sonoma-county.granicus.com/MetaViewer.php?view_id=2&event_id=353&meta_id=177105)

<sup>12</sup> Brooks, Mary E. "State and Local Housing Trust Funds." *National Low Income Housing Coalition*, 2014.

## Prospects for a Sonoma County Housing Trust Fund

Prepared for the Sonoma County Community Development Commission Toolbox for Ending Homelessness  
September, 2016

Fund (AHF) was created and approved at a time when the city was facing a budget shortfall of \$60 million. During this time San Diego faced a housing crisis in which rapid population growth coincided with insufficient public facilities and infrastructure and new job creation was outpacing the local housing market's ability to meet worker housing demand. Only 18% of the population could afford median priced home and over 50,000 were overpaying for low-income housing while the City was unable to provide assistance. In response to this crisis, the San Diego Housing Commission collaborated with several non-profit organizations and constituencies to form an Affordable Housing Fund.

The key to the success of establishing this fund despite the economic conditions at the time was changing public perception of the problem. Policymakers became advocates and framed the housing shortage as an issue which not only impacts the "undeserving poor" but has a significant impact on all social groups and the overall economic health of the city.<sup>13</sup> Additionally, several of the originally proposed levy-based revenue sources were eliminated which consequently narrowed the base of opposition to the Fund. The combination of effective coalition building and framing the issue as a collective responsibility while at the same time minimizing the amount of opposition by pulling revenue from limited segments of the economy made the plan politically feasible even in the middle of a budget deficit. Though the private sector played a critical role in the formation of the fund, the AFH itself is entirely funded by public dollars. The San Diego AHF is generated annually through local fees levied on private development projects. It is comprised of the Housing Trust Fund (passed by the San Diego City Council in April 1990) and the Inclusionary Housing Fund (enacted by the SD City Council in May 2003). The San Diego AHF now supports 14 transitional housing programs operated by non-profit organizations and has contributed to the creation of 4,000 new affordable units, making it one of the most successful housing funds in the country.

The case of the San Diego AHF also demonstrates the power of framing as a means of changing a political climate. Advocates for the program were able to effectively make the case for affordable housing as an investment in the all-encompassing economic benefit of

---

<sup>13</sup> Calavita, Nico & Grimes, Kenneth. "The Establishment of the San Diego Housing Trust Fund: Lessons for Theory and Practice." *Journal of Planning Education and Research* 11:170-184. 1992.

## Prospects for a Sonoma County Housing Trust Fund

Prepared for the Sonoma County Community Development Commission Toolbox for Ending Homelessness  
September, 2016

social equity rather than a benefit for one group. By contacting individuals working for community-based groups and educating on the importance of a Housing Trust Fund, they built the necessary political base needed to ensure it passing muster with voters and being maintained as significant source of affordable housing financing to this day.

### **B. Private**

There are very few examples of standalone private trust funds in California, and each case is entirely unique in the level to which it still relies on government support or funding. For example, the City of Redding established a council-appointed Affordable Housing Fund Committee which began with \$1 million in seed money from Lowe's Home Improvement. That seed money was used to leverage \$5.5 million from other private businesses, banks and foundations. On the other hand, Neighborworks Orange County is another nonprofit-run Housing Fund in Southern California, but is predominately reliant on government grants and the support of public agencies. Their Board of Directors, however, is entirely made up of members of the private and nonprofit sectors. Both of these cases are examples of private funds, demonstrating the spectrum of potential levels of partnership with public entities. Some funds rely very heavily on public funds though they are not directly managed by a government agency (excepting any particular requirements for government funding eligibility) while others survive solely on private sector investments and philanthropic donations.

The North Valley Housing Trust epitomizes the far end of the spectrum as a community-grown private fund. In January 2016, the North Valley Housing Trust in Butte County partnered with Youth for Justice to host a "Poor People's Palooza & Film Festival." This event used poetry, music, art, Q&A and short films to bring awareness to the need for affordable housing in the region. The following May the Trust hosted a Spring Masquerade and Silent Auction to raise money for the Trust Fund.

On March 31, 2015 the NVHT released a Request for Proposals offering up to \$1.15 million for projects to develop housing for those who are homeless or at risk of homelessness. The NVHT is providing \$300,000 for the Valley View Apartment project which

## Prospects for a Sonoma County Housing Trust Fund

Prepared for the Sonoma County Community Development Commission Toolbox for Ending Homelessness  
September, 2016

broke ground in April 2016. This development will be a 14-unit affordable, permanent and supportive housing community for homeless and mentally ill individuals.

This form of fundraising and education has the appeal of building community support from the ground up and creating cohesion between multiple sectors around efforts to increase and improve affordable housing, though it is also the method which requires the greatest effort in additional time and resources. Private funds which rely solely on donations and have no dedicated source of funding also tend to be the most volatile (as far as is known, the aforementioned City of Redding fund is no longer existent). Still, the North Valley fund demonstrates a successful effort to shift the prerogative of supporting affordable housing and alleviating homelessness from a singular government agency or even group of non-profits to the broader community, which at least creates the basic framework for achieving affordable housing goals in the long-term.<sup>14</sup>

### C. Public/Private Partnership

There is only a narrow difference between some private trust funds and public/private partnerships. One local example of a Partnership model is the Marin Workforce Housing Trust. The MWHT was started by a group of concerned employers looking to expand workforce housing in Marin County. Businesses partnered with the Marin Community Foundation and the County of Marin which match investments and donations.<sup>15</sup> What separates this from a private Fund such as the Neighborworks Orange County is that the Marin fund is not an entirely separate entity nor does it need to apply competitively for County funding. Additionally, three out of the ten members on the Board of Directors are selected by the County of Marin.

Partnership funds have a highly effective track records. The intertwining of government and private sectors enhances the leveraging capabilities of the dollars spent from the fund. In 1998, the Santa Clara County Board of Supervisors met with affordable housing activists, local businesses, and foundations to create a non-profit Housing Trust. The initial goal was to raise \$20 million and leverage \$200 million in two years to assist 2,000

---

<sup>14</sup> Perhaps the best example of this can be found in Medicine Hat, Alberta, where homelessness has been effectively eliminated thanks largely to social cohesion and community-based efforts to address poverty.

<sup>15</sup> Wagner, Linda. "Marin Workforce Housing Trust Announces \$100,000 Contribution from Union Bank." Marin Workforce Housing Trust. January 2011.

## Prospects for a Sonoma County Housing Trust Fund

Prepared for the Sonoma County Community Development Commission Toolbox for Ending Homelessness  
September, 2016

workforce families. Between the \$2 million initial investment of the Santa Clara Board of Supervisors and contributions from several tech companies in Silicon Valley, the Fund exceeded the \$20 million goal by the end of the second year. The Housing Trust of Silicon Valley has since facilitated the creation of 24,000 affordable housing opportunities, raised over \$40 million and leveraged \$1.8 billion.<sup>16</sup> The success of the Santa Clara County Trust Fund is largely due to the dedicated revenue from numerous tech giants, banks and private foundations. The Fund targets workforce, families, seniors and special needs at the Extremely Low Income, Very Low Income and Low Income levels.<sup>17</sup> <sup>18</sup> The governing Board consists of individuals from housing corporations, tech companies, banks and local government.

Though these three case studies only scratch the surface of the various models for Housing Trust Fund design and delivery, they present us with three key elements of any successful fund: political feasibility, community buy-in and a dedicated revenue source.<sup>19</sup> <sup>20</sup>

The Silicon Valley and North Valley Housing Trusts present examples of the success of leveraging and raising funds from the private sector. Silicon Valley has been especially successful in taking advantage of the greatest economic asset of the region by partnering with tech giants. Sonoma County could draw from this example and perhaps look at the potential of tapping into the wine or tourist industry for support.<sup>21</sup>

The North Valley fund is made up of several smaller organizations which, though they do not have the same economic engine as Silicon Valley, taps into the creativity of its community members for fundraising opportunities and effectively brings awareness of homeless and housing issues to the wider community. Relying on philanthropic donations and nonprofits alone is not as secure a form of financial revenue and this kind of support system goes beyond enacting policy and necessitates building trust and effectively educating the wider community on the universal desideratum to address the affordable

---

<sup>16</sup> The Housing Trust of Santa Clara County Annual Report 2011.

<sup>17</sup> This is based on percentages of Average Median Income (AMI). ELI is less than 30%, VLI is 50%, Low is 80%.

<sup>18</sup> Median income in Santa Clara for an individual is \$74,950 and a family of four is \$107,100 whereas a family of four in Sonoma County is \$75,900. This is according to the Affordable Housing Program Income Limits 2016 [http://www.sonoma-county.org/cdc/cd\\_ah\\_income\\_limits.htm](http://www.sonoma-county.org/cdc/cd_ah_income_limits.htm)

<sup>19</sup> Reid, Carolina. State Housing Trust Funds: Meeting Local Affordable Housing Needs. *Community Investments* 2005.

<sup>20</sup> Scally, Corianne Payton. "The Past and Future of Housing Policy Innovation: The Case of US State Housing Trust Funds." *Housing Studies Vol 27, No 1, pg 132.* 2012

<sup>21</sup> The Napa County Affordable Housing Trust Fund was partially supported by contributions from its wine-growers.

## **Prospects for a Sonoma County Housing Trust Fund**

Prepared for the Sonoma County Community Development Commission Toolbox for Ending Homelessness  
September, 2016

housing shortage.

Below are two matrices which compare data between a random sample of California County and City Housing Trust Funds – all of which are active except for San Mateo County's. These are only a small representation of the numerous HTFs and AHFs throughout the state, but give us at least an idea of the capabilities of different models.

## Prospects for a Sonoma County Housing Trust Fund

Prepared for the Sonoma County Community Development Commission Toolbox for Ending Homelessness

September, 2016

Housing Trust Fund Types							
Trust Fund	Type	Year	Primary Revenue Source	Private Revenue	CDFI*	Governing Agency	Staff
San Diego AHF	Public	1990	Linkage Fees	N/A	No	San Diego Housing Commission	NA
Santa Clara County Silicon Valley	Partnership	1998	Silicon Valley Business Donations	\$2 mil	Yes	Public/Private Board	14
North Valley HTF	Private	2009	Community Investments Donations	\$700K	Yes	Private Board	10
San Luis Obispo County HTF	Partnership	2003	Private and Public grants Interest and fee earnings.	\$5.15 mil	Yes	Public/Private Board	14
San Mateo County AHF	Public	2013	Redevelopment Dissolution Funds (One-Time Allocation)	N/A	No	Housing Authority of County of San Mateo	NA
HEART of San Mateo County	Partnership	2003	Public and Private Investments	\$14.0 mil	Yes	Public/Private Board	21 <sup>22</sup>
Ventura County	Private	2012	Public and Private Investments	\$2 mil	Yes	Community Steering Committee	18
HTF of Santa Barbara County	Partnership	2005	Revolving Loan Fund and Donations	\$6.5 mil	Yes	Public/Private Board	12
City of Elk Grove	Public	2000	New Development Fees	N/A	No	City of Elk Grove	NA
Marin Workforce HT	Partnership	2004	Grants, Donations, Loans	\$3.6 mi	Yes		13
San Jose HTF	Public	2013	Bond Administrative Fees	N/A	No	City of San Jose	NA
Sonoma County Fund for Housing	Public	2003	Inieu Fees, Loan processing Fees/Interest	N/A	No	Sonoma County Community Development Commission	NA

\*Community Development Financial Institutions (CDFI) are private community-based non-governmental financial institutions that provide affordable lending to underserved populations or low-income people. Many private HTFs and AHFs are certified with the U.S. Department of the Treasury as CDFIs.

<sup>22</sup> This includes the Board of Directors. Only two staffers were listed apart from members of the board.

## Prospects for a Sonoma County Housing Trust Fund

Prepared for the Sonoma County Community Development Commission Toolbox for Ending Homelessness

September, 2016

HTF and AHF Data and Measures of Effectiveness					
Trust Fund	Av. Annual Income	# Units Created	Av. Invest. Per Unit	Av. Leverage Ratio*	Total Raised
San Diego AHF	\$2.6 mil	4,000	\$4.7K	1:4	\$51.3 mil <sup>1</sup>
Santa Clara County/ Silicon Valley	\$4.38 mil	5,059	\$11K	1:47 (\$1.8 Bil)	\$94 mil+
North Valley HTF	\$383.3K	14	\$85K	TBD	\$1.2 mil
San Luis Obispo County	\$1.1 mil	641 (assisted)	\$270K		\$7.5 mil
San Mateo County AHF	N/A	420	\$43.2K		NA
HEART of San Mateo County	\$1 mil	982	\$13.6K	1:21	\$14 mil
Ventura County	\$700K	138 (44 pending)	\$17.6K	1:10	NA
HTF of Santa Barbara County		191	\$21.4K		\$1.3 mil
City of Elk Grove	\$106K	1,600	\$40.0K		NA
Marin Workforce Housing Trust					\$5 mil+
San Jose HTF	\$1.1 mil	Supports 160 homeless households	\$200K	1:3.72	NA
Sonoma County Fund for Housing	\$1.5 mil	509	\$31K	1:10	NA

\*Information not always available for individual HTFS or AHFs

## Prospects for a Sonoma County Housing Trust Fund

Prepared for the Sonoma County Community Development Commission Toolbox for Ending Homelessness  
September, 2016

### V. Conclusion: Sonoma County Trust Fund - Build to Suit Local needs

Based on the analysis of the capacities and challenges of various HTF models, CDC staff recommends a combination Private/Public Partnership fund as the most sensible choice for a new HTF in Sonoma County. Partnership funds combine the reliability of a public fund with the political feasibility and leveraging capability of the private fund, which has historically served Counties or multiple-city programs better than solely private or public funds. Additionally, the matrix points to Public/Private partnerships as capable of pulling in far higher amounts of private revenue than do purely private models,<sup>23</sup> as the assurance of the dedicated seed money presents us with a powerful leveraging tool for potential private investors and acquisition of grants.

Before this can be accomplished, however, a strategy for advocacy and coalition building must be formulated. The common thread running through each case study from this report is that the sustainability of a long-term housing plan rests on making affordable housing as much a community prerogative as it is a policy priority. On November 17<sup>th</sup> the Community Development Commission will hold a Sonoma County Housing Summit which will bring together multiple facets of the community and government agencies around the common goal of creating a plan to increase the supply of affordable housing and end homelessness. This event should serve as the springboard for an ongoing campaign to promote a Sonoma County HTF and begin the conversation with community stakeholders in order to garner their trust and support for the proposed Fund.

A new Sonoma County Housing Trust Fund, if approached strategically and created effectively, should serve to supplement funding for affordable housing and leverage additional financing from outside sources. Furthermore, and perhaps most importantly, a Sonoma County HTF ought to serve as a political mechanism to make the housing and homeless crisis not the burden of government nor a problem for the nonprofit and service sector but the prerogative of the entire community.

---

<sup>23</sup> A larger sample size of private models would be needed to confirm this theory as statistically significant.

## Prospects for a Sonoma County Housing Trust Fund

Prepared for the Sonoma County Community Development Commission Toolbox for Ending Homelessness  
September, 2016

### References

Block, Chris et al. "Establishing a Local Housing Trust Fund." Institute for Local Government. February 2007.

Brooks, Mary E. "A Workbook for Creating a Housing Trust Fund." Housing Trust Fund Project – Center for Community Change. July 1999.

Calavita, Nico & Grimes, Kenneth. "The Establishment of the San Diego Housing Trust Fund: Lessons for Theory and Practice." *Journal of Planning Education and Research* 11:170-184. 1992.

Center for Community Change. "HTF Elements." *The Housing Trust Fund Project*. Accessed August 2016. <http://housingtrustfundproject.org/htf-elements/>

Connerly, Charles E. "A Survey and Assessment of Housing Trust Funds in the United States." *American Planning Association. Journal of the American Planning Association* Summer 1993.

County Fund for Housing FY 2014-15 Annual Report.

[http://sonoma-county.granicus.com/MetaViewer.php?view\\_id=2&event\\_id=353&meta\\_id=177105](http://sonoma-county.granicus.com/MetaViewer.php?view_id=2&event_id=353&meta_id=177105)

Housing Trust Fund Project. "The Impact of Research Evidence as an Advocacy Tool in Housing Trust Fund Campaigns: Lessons Learned from Three Case Studies." February 2013.

North Valley Housing Trust. "Housing Trust Fund Case Studies." 2012.

<http://www.nvht.org/sites/default/files/resources/HTF%20Case%20Studies.pdf>

Pearson, Carol L. et al. "The Applicability of Housing First Models to Homeless Persons with Serious Mental Illness: Final Report." U.S. Department of Housing and Urban Development. July 2007.

## Prospects for a Sonoma County Housing Trust Fund

Prepared for the Sonoma County Community Development Commission Toolbox for Ending Homelessness  
September, 2016

Reid, Carolina. "State Housing Trust Funds: Meeting Local Affordable Housing Needs." *Community Investments*. September 2005.

Scally, Corianne Payton. "The Past and Future of Housing Policy Innovation: The Case of US State Housing Trust Funds." *Housing Studies Vol 27, No 1, 127-150*. 2012

Sullivan, Brian. "HUD Allocates \$174 Million Through New Housing Trust Fund." U.S. Department of Housing and Urban Development May 2016.

Wagner, Linda. "Marin Workforce Housing Trust Announces \$100,000 Contribution from Union Bank." Marin Workforce Housing Trust. January 2011.

### Individual Housing Fund Information:

Housing Trust Fund of Santa Barbara County: <http://www.sbhousingtrust.org/>

Housing Trust Silicon Valley Q4 2015:

<http://www.housingtrustsv.org/wp-content/uploads/2014/05/Housing-Trust-SV-NL-NOV-2105-web.pdf>

San Mateo County Affordable Housing Fund:

<http://housing.smcgov.org/san-mateo-county-affordable-housing-fund-ahf>

San Diego Housing Fund:

[http://www.sdhc.org/uploadedFiles/Real\\_Estate/05.30.13%20Affordable%20Housing%20Fund.pdf](http://www.sdhc.org/uploadedFiles/Real_Estate/05.30.13%20Affordable%20Housing%20Fund.pdf)

Sonoma County Fund for Housing

[http://sonoma-county.granicus.com/MetaViewer.php?view\\_id=2&clip\\_id=218&meta\\_id=87273](http://sonoma-county.granicus.com/MetaViewer.php?view_id=2&clip_id=218&meta_id=87273)

## **Prospects for a Sonoma County Housing Trust Fund**

Prepared for the Sonoma County Community Development Commission Toolbox for Ending Homelessness  
September, 2016

Ventura County Housing Trust Fund (2016). <http://www.vchousingtrustfund.org/about-us/>

## Appendix A: California Housing Trust Funds at a Glance

Prepared for the Sonoma County Community Development Commission Toolbox for Ending Homelessness

### Appendix A - California City and County Trust Funds

<b>City Housing Trust Funds</b> .....	<b>A-3</b>
Berkeley: Housing Trust Fund .....	A-3
City of Calabasas Affordable Housing Trust Fund .....	A-4
Citrus Heights: Affordable Housing Trust Fund (2003) .....	A-4
Cupertino: Affordable Housing Fund .....	A-5
Elk Grove: Affordable Housing Fund (2000) .....	A-5
Fremont: Affordable Housing Trust Fund .....	A-6
Folsom: Housing Trust Fund .....	A-7
Lompoc: Affordable Housing Trust Fund .....	A-7
Long Beach: Housing Trust Fund .....	A-8
Los Angeles: Affordable Housing Trust Fund (2000) .....	A-8
Menlo Park: Below Market Rate Housing Program .....	A-9
Oakland: Affordable Housing Trust Fund (2002) .....	A-10
Oxnard: Affordable Rental Housing Trust Fund .....	10
Palo Alto: Affordable Housing Fund .....	A-11
Pasadena: Housing Trust Fund .....	A-11
Petaluma: Housing Program .....	A-12
San Diego: Housing Trust Fund .....	A-12
San Francisco: Affordable Housing Funds (2012) .....	A-13
San Jose: Housing Trust Fund .....	A-14
San Leandro: Housing Trust Fund .....	A-15
Santa Cruz: Affordable Housing Trust Fund .....	A-15
Santa Monica: Citywide Housing Trust Fund .....	A-16
Santa Rosa: Housing Trust .....	A-16
West Hollywood: Affordable Housing Trust Fund .....	A-17
<b>County Housing Trust Funds</b> .....	<b>A-18</b>
Alameda County: Affordable Housing Trust Fund .....	A-18

## Appendix A: California Housing Trust Funds at a Glance

Prepared for the Sonoma County Community Development Commission Toolbox for Ending Homelessness

Butte county: North Valley Housing Trust (2009) .....	A-18
Los Angeles County: Affordable Housing Trust Fund .....	A-19
Marin County: Housing Trust Fund.....	A-20
Marin Workforce Housing Trust (2004).....	A-20
Napa County: Affordable Housing Fund (1992).....	A-21
Orange County: Housing Trust.....	A-21
San Luis Obispo County: Housing Trust Fund .....	A-22
San Mateo County: Housing Endowment and Regional Trust .....	A-23
Santa Barbara County: Housing Trust Fund.....	A-23
Santa Clara County: Housing Trust of Santa Clara County/Silicon Valley.....	A-24
Sonoma County: County Fund for Housing .....	A-25
Ventura County: Housing Trust Fund .....	A-26

## Appendix A: California Housing Trust Funds at a Glance

Prepared for the Sonoma County Community Development Commission Toolbox for Ending Homelessness

# CITY HOUSING TRUST FUNDS

## BERKELEY: HOUSING TRUST FUND

PUBLIC

### Background

The City of Berkeley created its Housing Trust Fund (HTF) in 1990, the purpose being to pool money from different sources to achieve the City's General Plan and Consolidated Plan goals of developing and preserving long-term below market rate housing for low, very low, and extremely low income households.

### Revenue Sources

- Federal HOME Partnership for Investment/CDBG Funds.
- State of California Local Housing Trust Fund Program
- Berkeley Redevelopment Agency 20% Low/Moderate Income Housing Set-Aside Funds (tax increment funds)
- Housing Mitigation Fee on new market-rate developments and Condominium Conversion Fees.
- Local Tax Revenue
- Balance was \$2,795,743 as of 2013.

### Allocation

- "Loans and Grants for qualified developers, public entities, groups and individuals which create, maintain or expand the City's affordable housing stock."

### Impact

- 1,036 affordable units created or preserved through HTF funds since 1990.

**More Information:** <http://www.ci.berkeley.ca.us/ContentDisplay.aspx?id=6532>

## Appendix A: California Housing Trust Funds at a Glance

Prepared for the Sonoma County Community Development Commission Toolbox for Ending Homelessness

### CITY OF CALABASAS AFFORDABLE HOUSING TRUST FUND

PUBLIC

#### **Background**

In February 2010, the City loaned \$1 million to the developer of a senior affordable housing project, and the developer commenced construction. The loan will be amortized over thirty years, but will be due and payable in eighteen years. No other trust fund monies have been expended, aside from \$500,000 committed to the Home Repair Loan Program.

#### **Revenue Sources**

- Inclusionary Housing and Commercial Impact Fees.
- Balance was \$1.6 million as of June 2016.

#### **Allocation**

- Affordable Housing Projects
- Home Repair Loan Program

**More Information:** <http://www.cityofcalabasas.com/departments/planning/housing.html>

### CITRUS HEIGHTS: AFFORDABLE HOUSING TRUST FUND (2003)

PUBLIC

#### **Background**

As part of the guidelines for use of funds, the City holds an annual public hearing on the use of HTF funds. In this hearing the City solicits suggestions on the programs to be funded by the Affordable Housing Fund in the next fiscal year from any person who has indicated such a desire in writing to the City Clerk.

#### **Revenue Sources**

- Housing Impact fees

#### **Allocation**

- Loans and grants
- 30% toward production of affordable units at 30% AMI
- 75% toward rental units, special needs populations and residents of rent-restricted housing at risk of converting to market rate.

## Appendix A: California Housing Trust Funds at a Glance

Prepared for the Sonoma County Community Development Commission Toolbox for Ending Homelessness

- Affordability Restriction 55 years.

**More information:** <http://www.citrusheights.net/368/Affordable-Housing>

### **CUPERTINO: AFFORDABLE HOUSING FUND**

PUBLIC

#### **Background**

The City's Affordable Housing Fund provides financial assistance to affordable housing developments. "Requests for Proposals" (RFPs) will be solicited from interested parties to develop affordable units with housing funds.

#### **Revenue Sources**

- Mitigation Fee on new market-rate developments

#### **Allocation (in order of priority)**

- Assistance to Affordable Housing Developments
- Low interest loans to make market-rate units more affordable
- Rental subsidies

**More information:** <http://www.cupertino.org/HE/>

### **ELK GROVE: AFFORDABLE HOUSING FUND (2000)**

PUBLIC

#### **Background**

The Elk Grove AHF is a special interest-bearing trust fund created by the Finance Director of the City of Elk Grove when Elk Grove became a city in 2000.

#### **Revenue Sources**

- Development Fees
- \$1 million allocation from City of Elk Grove (2015)

#### **Allocation**

- Loans/grants for new affordable units
- Loans/grants for acquisition and rehab of existing units

## Appendix A: California Housing Trust Funds at a Glance

Prepared for the Sonoma County Community Development Commission Toolbox for Ending Homelessness

- Homebuyer Assistance Program
- Projects/Programs related to the AHF.

### **Impact**

- Assistance in development of 12 projects (1,588 affordable units)

**More Information:** <http://www.codepublishing.com/CA/ElkGrove/html/ElkGrove16/ElkGrove1688.html#16.88.030>

## **FREMONT: AFFORDABLE HOUSING TRUST FUND**

PUBLIC

### **Background**

Since 2002, the city has required developers to set aside 15 percent of all new units as affordable housing. However, in July 2010, Fremont gave developers the option of paying an equivalent amount into the city's affordable housing trust fund. The City was awarded a \$1.7 million grant from the State of California's Local Housing Trust Fund Program in 2014, and updated its affordable housing ordinance in 2015 to further increase funding for affordable housing and incentivize market rate developers to incorporate affordable housing into their projects

### **Revenue Sources**

- Housing Mitigation Fees
- In-Lieu Fees
- Boomerang funds from Redevelopment Agency dissolution.

### **Allocation**

- Grants for multi-family rental and ownership housing. 30% of awards must serve ELI households and less than 20% can go to moderate income households.
- Emergency Shelters

## Appendix A: California Housing Trust Funds at a Glance

Prepared for the Sonoma County Community Development Commission Toolbox for Ending Homelessness

### FOLSOM: HOUSING TRUST FUND

#### Background

The City of Folsom was sued by the Sacramento Housing Alliance in 2012 for suspending its Inclusionary Housing Ordinance without providing an alternative mechanism for fulfilling the affordable housing goals in their Housing Element. As a result, the City agreed to amend its Housing Trust Fund Program to ensure that 50% of any in lieu fees would be targeted for construction or rehabilitation of low and very-low income multi-family residences.

#### Revenue

- Federal and State Subsidies
- In-Lieu Fees
- Impact Fees on non-residential development (\$1.54 per gross square foot)
- Balance of \$463,551 as of December 31, 2015.

#### Allocation

- Development of low, VLI, ELI households
- Grants for developers for production of multi-family rental units
- Seniors helping Seniors Program assistance (minor home repairs to low-income seniors)

#### Impact

- Invested \$967,723 for creation of 20 single-family HTF units in 2014.
- Supported creation of 3,409 units from 1989-2015.

### LOMPOC: AFFORDABLE HOUSING TRUST FUND

PUBLIC

#### Background

The purpose of the Lompoc Affordable Housing Trust Fund Program is to help achieve the City's General Plan goals of providing long-term below market rate housing for very low-, low-, and moderate-income households in order to maintain and enhance housing opportunities for all economic segments of the community. Lompoc Affordable Housing Trust Fund Program resources shall be used to provide loans to qualified developers, public entities, groups, and individuals to encourage them to create new housing, thereby expanding the City's below market housing stock.

## Appendix A: California Housing Trust Funds at a Glance

Prepared for the Sonoma County Community Development Commission Toolbox for Ending Homelessness

### Revenue Source

- Housing In-Lieu Fee Program

### Allocation

- Low-Interest Loans for Affordable Housing Development
- Available funds \$2.8 million as of November 2014.

### Impact

- Issued four loans from 2010-2014 for development of affordable housing.

**More Information:** <http://www1.cityoflompoc.com/departments/comdev/pdf/affordable-housing-tfp.pdf>

## LONG BEACH: HOUSING TRUST FUND

PUBLIC

### Background

The Long Beach HTF was formed in 2006 as a response to a 5-year campaign by a group of community members and housing advocates known as “Housing Trust Fund Coalition.” The formation of the fund was seen as a major victory and step towards more funding for affordable housing until 2008, when it was uncovered that the \$1.5 million earmarked for the Fund had never been deposited.

### Allocation

- ELI, VLI, and above moderate income households.
- Any unit funded by HTF will have 55 year rental or 30 year ownership affordability restriction imposed on it.

## LOS ANGELES: AFFORDABLE HOUSING TRUST FUND (2000)

PUBLIC

### Background

The AHTF was established by the Mayor and City Council through the City’s budget process in June 2000, in response to the critical shortage of affordable housing in Los Angeles. Seed funding of \$5 million was provided, which was immediately committed by the Los Angeles Housing + Community Investment Department (HCIDLA) to fund proposed housing developments that were on the waiting list from the NOFA for that year. In the following fiscal year, \$10.5 million was budgeted for the Affordable Housing Trust Fund (Fiscal Year 2001-2002). In January 2002, the Mayor announced his \$100 million

## Appendix A: California Housing Trust Funds at a Glance

Prepared for the Sonoma County Community Development Commission Toolbox for Ending Homelessness

proposal for the Affordable Housing Trust Fund, and a multi-year funding plan based on the Mayor's proposed plan was approved.

### **Revenue Source**

- HOME
- City General Funds
- McKinney Act bond funds
- Leveraged with federal LIHTC, tax-exempt bonds and other public and private financing.

### **Allocation**

- Construction financing
- Permanent Financing for development and preservation of Affordable rental housing Impact
- Gap Financing through competitive NOFA

## **MENLO PARK: BELOW MARKET RATE HOUSING PROGRAM**

PUBLIC

### **Background**

The City of Menlo Park Below Market Rate (BMR) Housing Fund is a separate City fund set aside for the specific purpose of assisting the development of housing that is affordable to very low, low and moderate-income households. The City contracted with Hello Housing to continue the program after the dissolution of the redevelopment agencies in 2012.

### **Revenue Source**

- Housing in-lieu fees
- Has \$14.1 million as of December 2015.

### **Allocation**

- Subsidize BMR housing

**More Information:** <https://www.menlopark.org/369/Below-Market-Rate-BMR-housing-program>

## Appendix A: California Housing Trust Funds at a Glance

Prepared for the Sonoma County Community Development Commission Toolbox for Ending Homelessness

### OAKLAND: AFFORDABLE HOUSING TRUST FUND (2002)

PUBLIC

#### **Background**

The Oakland AHTF was established by the Oakland City Council in 2002 to provide loans and grants for the development of rental and owner occupied affordable housing. In March 2016 the City Council's Community and Economic Development Committee approved an ordinance which expanded the definition of "affordable housing" to include moderate-income.

#### **Revenue Source**

- Jobs-Housing linkage fee (generated \$1.2 million in 2013).
- 25% of Boomerang funds

#### **Allocation**

- Moderate (\$70,000 or less annual income) to Extremely-low income housing.  
Median income is \$40,250.

#### **Impact**

- \$275,000 supporting development of 62-unit project.

**More Information:** <http://www2.oaklandnet.com/Government/o/hcd/s/AffordableHousing/index.htm>

### OXNARD: AFFORDABLE RENTAL HOUSING TRUST FUND

PUBLIC

#### **Background**

Oxnard has three separate trust funds: The Affordable Housing Rental Trust Fund, the Affordable Housing Sales Trust Fund and the Affordable Sales Housing Trust Fund. In 2009 the Oxnard City Council passed and adopted a measure to submit an application to HCD for \$1 million to be split between these three funds.

#### **Revenue Sources**

- Housing In-Lieu Payments

#### **Allocation**

- Rental properties, special needs housing and preservation of at-risk assisted housing.
- FTHB Loans.

## Appendix A: California Housing Trust Funds at a Glance

Prepared for the Sonoma County Community Development Commission Toolbox for Ending Homelessness

**More information:** [http://oxnard.granicus.com/MetaViewer.php?view\\_id=37&clip\\_id=1025&meta\\_id=69283](http://oxnard.granicus.com/MetaViewer.php?view_id=37&clip_id=1025&meta_id=69283)

### PALO ALTO: AFFORDABLE HOUSING FUND

PUBLIC

#### **Background**

The **Affordable Housing Fund** was established by the City Council of the City of Palo Alto, California to provide financial assistance for the development of housing affordable to very low, low and moderate-income households that live or work within the City. While rental and owner units may be assisted, in practice all units assisted have been rental units and almost all have been affordable to very low or low-income households. The Affordable Housing Fund is made up primarily of two sub-funds composed of local sources of housing monies: the Commercial Housing Fund and the Residential Housing Fund. In all cases, the housing projects assisted by the City have been developed, owned and managed by local non-profit housing organizations.

#### **Allocation**

Low-interest loans.

#### **Revenue Sources**

- Commercial Fund (Housing mitigation fees)
- Residential Fund (developer/in-lieu fees)

**More information:** <http://www.cityofpaloalto.org/news/displaynews.asp?NewsID=532&TargetID=208>

### PASADENA: HOUSING TRUST FUND

PUBLIC

#### **Background**

The Pasadena housing trust fund or “housing opportunity fund” is funded through the Inclusionary Housing Ordinance which was passed in 2000. Developers pay \$10-\$30 per square foot in in-lieu fees and \$14-\$53 per square foot for ownership units.

#### **Revenue Sources**

- Housing In-Lieu Fees
- Forfeit funds from individuals who sell or rent inclusionary units in violation of code.

## Appendix A: California Housing Trust Funds at a Glance

Prepared for the Sonoma County Community Development Commission Toolbox for Ending Homelessness

### **More Information:**

<http://a.uli.org/wp-content/uploads/sites/26/2011/06/City-of-Pasadena-Affordable-Workforce-Housing-2009.pdf>

## **PETALUMA: HOUSING PROGRAM**

PUBLIC

### **Background**

The City of Petaluma implemented the Housing Program in 1984 as a response to the General Plan mandate to provide 10-15% of all market rate units as affordable. The Program is not a Trust Fund so much as a series of policies which supplements CDBG, HOME and ESG funds for housing and shelter development and includes additional provisions such as data collection to determine vacancy rates and assess housing needs.

### **Revenue Sources**

- Housing In-Lieu Fees
- Commercial Linkage Fee

### **Impact**

- 1,336 affordable units created

**More Information:** <http://cityofpetaluma.net/cmgr/housing.html>

## **SAN DIEGO: HOUSING TRUST FUND**

PUBLIC

### **Background**

The San Diego AHG is generated annually through local fees levied on private development projects. It is comprised of the Housing Trust Fund (passed by the SD City Council in April 1990) and the Inclusionary Housing Fund (enacted by the SD City Council in May 2003). The creation of the HTF was provoked by a housing crisis during the late 1980s in which rapid population growth coincided with insufficient public facilities and infrastructure. Only 18% of the population could afford median priced home and over 50,000 were overpaying for low-income housing while the City was unable to provide assistance. This Fund was a joint endeavor spearheaded by the San Diego Housing Commission and comprised of several non-profit and constituencies with a stake in the outcome. A great deal of the success of establishing this fund was changing public perception of the problem as one which not only affects low-income but impacts all social groups and the economy of the entire city (Calavita and Grimes, 1992).

## Appendix A: California Housing Trust Funds at a Glance

Prepared for the Sonoma County Community Development Commission Toolbox for Ending Homelessness

### Revenue Sources

- \$12 million from City-wide linkage fees for office, commercial, industrial, warehousing, medical facilities and hotel developments.
- Loan Repayments/Interest.

### Allocation

- 70% set aside for very low income households (<50% AMI)
- 20% for projects providing affordable housing for low income
- 10% FTHB Assistance for those earning up to median income.
- Affordability Restrictions: 55 years.

### Impact

- Over \$51.3 million raised since 1990
- 65 Housing Developments financed containing 3,957 affordable units for low-income families, seniors and disabled.
- Funding for over 900 first-time homebuyers
- \$19.1 million in grants for nonprofit agencies to create transitional housing for those facing mental and physical health care issues and domestic violence.
- Rehab grants and loans for low-income owners.

**More information:** [http://www.sdhc.org/uploadedFiles/Real\\_Estate/05.30.13%20Affordable%20Housing%20Fund.pdf](http://www.sdhc.org/uploadedFiles/Real_Estate/05.30.13%20Affordable%20Housing%20Fund.pdf)

## SAN FRANCISCO: AFFORDABLE HOUSING FUNDS (2012)

PUBLIC

### Background

The Affordable Housing Trust Fund passed in 2012 vis-a-vis Prop C after the demise of the SF Redevelopment Agency. Prop C captures and dedicates this stream of income for future funding of affordable housing. It is a 30-year fund that grows over the years until it generates \$50 million per year, at which point the yearly set-aside will be capped. Over its 30-year life, this would total \$1.2 billion in funding for housing subsidies. This was a huge win for San Francisco and will help enormously to maintain a diverse housing stock.

### Revenue Sources

- Redevelopment “boomerang” funds.
- \$13 million in new General Fund revenue from business license fees (2013).

## Appendix A: California Housing Trust Funds at a Glance

Prepared for the Sonoma County Community Development Commission Toolbox for Ending Homelessness

### **Allocation**

- Development of Affordable housing units
- FTHB Assistance loans
- Housing Stabilization program
- Complete Neighborhoods Infrastructure Grant program to fund public realm improvements.
- Approx \$50 million set aside each year.

### **Impact (goals)**

- \$28.5 million for housing in 2013
- Develop 9000 units of affordable housing for AMI <60%
- Invest \$15 million in FTHB loans.

**More information:** <http://www.sfhac.org/policy-advocacy/affordable-housing-trust-fund/>

## **SAN JOSE: HOUSING TRUST FUND**

PUBLIC

### **Background**

The San Jose Housing Department administers the HTF which provides grants to nonprofit agencies that serve people who are homeless or at risk of becoming homeless.

### **Revenue Sources**

- City bond administrative fees
- Developer Agreements, settlements and bond issuance fees
- Receives approx. \$1.1 million each year.

### **Allocation**

- HOME-Sponsored projects
- Emergency funds for disaster-displaced people
- Permanent housing for chronic homeless/supportive services.

### **Impact**

- \$347K given to downtown homeless outreach and engagement project
- \$125K to develop 6,000 housing opportunities for homeless men and women

## Appendix A: California Housing Trust Funds at a Glance

Prepared for the Sonoma County Community Development Commission Toolbox for Ending Homelessness

- \$1.04 million to related activities of the Care Coordination Projects – supports 160 chronically homeless households
- \$50K for Food Study data collection.
- \$423K to operate Overnight Warming Location during cold weather periods.

**More information:** <http://www.sanjoseca.gov/index.aspx?NID=1348>

### **SAN LEANDRO: HOUSING TRUST FUND**

PUBLIC

#### **Background**

The City's Affordable Housing Trust Fund ("Fund") was established to receive fees and/or monies from other sources in connection with approval of a development project. Monies deposited in the Fund must be used to increase and improve the supply of housing affordable to moderate-, low-, and very low-income households in the City. Fund monies shall be used to construct or convert a development to affordable housing or assist other governmental entities, private organizations or individuals to do so. Receipt of these funds requires the City to provide an annual report to the City Council on the status of activities undertaken with the Fund.

#### **Revenue Sources**

- Loan Interest and Principal Repayment (average of \$15,000 per year from FY 08-09 to 13-14).

#### **Impact**

- Assisted in the creation of an affordable 51-unit senior rental housing development.

**More information:** <http://www.sanleandro.org/depts/cd/housing/programs.asp>

### **SANTA CRUZ: AFFORDABLE HOUSING TRUST FUND**

PUBLIC/PRIVATE PARTNERSHIP

#### **Background**

The purpose of the Affordable Housing Trust Fund (AHTF) is to assist in the creation and preservation of affordable housing in the City of Santa Cruz for the benefit of low- and moderate income households. The fund has guidelines which establish criteria for distribution of funds to individuals and private or public, nonprofit or profit entities.

#### **Revenue Sources**

## Appendix A: California Housing Trust Funds at a Glance

Prepared for the Sonoma County Community Development Commission Toolbox for Ending Homelessness

- In-Lieu Fees
- Donations from private organizations.

### **Allocation**

- Creation of new affordable units.
- Preservation of existing affordable housing.
- Assistance with multifamily rehabilitation programs.
- Conversion of market rate units to affordable housing.
- Construction of accessory dwelling units.
- Acquisition and rehabilitation of potential limited equity cooperatives.
- First time homebuyer loans
- Predevelopment loans/grants to assist nonprofit and for profit developers with project feasibility studies, site acquisition and design studies for potential affordable housing projects.

**More Information:** <http://www.cityofsantacruz.com/home/showdocument?id=9404>

## **SANTA MONICA: CITYWIDE HOUSING TRUST FUND**

PUBLIC

### **Revenue Sources**

- Linkage Impact Fees
- Housing In Lieu Fees (Approx \$650K annually)
- Condominium Conversion Fees

## **SANTA ROSA: HOUSING TRUST**

PUBLIC

### **Background**

The Santa Rosa Housing Trust is managed by the Santa Rosa Housing Authority and partners with private sector organizations to develop affordable rental housing projects. Most funds are distributed as low interest loans to non-profit developers or affordable rental housing.

### **Revenue Sources**

- CDBG and HOME Allocations
- General Fund
- Loan Repayments

## Appendix A: California Housing Trust Funds at a Glance

Prepared for the Sonoma County Community Development Commission Toolbox for Ending Homelessness

### Allocation

- Low or very low income households. (30%-80% AMI)

### Impact

- Sponsorship of over 3,700 units in Santa Rosa.

More information: <http://ci.santa-rosa.ca.us/departments/economicdev/Pages/EDHDeptFAQs.aspx>

## WEST HOLLYWOOD: AFFORDABLE HOUSING TRUST FUND

PUBLIC

### Background

Established in 1986, the Housing Trust Fund was created to off-set development impacts and generate additional resources to meet the increasing need for affordable housing. The City Council adopted a policy of requiring residential and commercial developers to either provide affordable housing or pay a fee in lieu of providing said housing. Residential in-lieu fees, commercial development fees, and settlement funds are paid to the City's Housing Trust Fund to be used exclusively for projects with at least twenty percent (20%) of the total number of units affordable to low income households and a minimum of sixty percent (60%) of the total number of units affordable to low and moderate income households. The funds are used by non-profit developers to build said housing.

### Revenue Sources

- In Lieu Fees
- Commercial Development Fees
- Settlement Funds

## Appendix A: California Housing Trust Funds at a Glance

Prepared for the Sonoma County Community Development Commission Toolbox for Ending Homelessness

# COUNTY HOUSING TRUST FUNDS

## ALAMEDA COUNTY: AFFORDABLE HOUSING TRUST FUND

PUBLIC

### Background

The Alameda County Board of Supervisors voted in 2014 to designate former redevelopment funds to build affordable homes and prevent homelessness. In light of the dissolution of the redevelopment agencies in 2012, they agreed to spend \$9.8 million for affordable housing production, \$3.9 million for rapid re-housing programs and \$2 million from residual tax increment funds (boomerang funds) annually beginning in 2016/2017. Projects are selected through the RFP process with uncommitted funds after RFP cycles available for “opportunity driven” open submittal.

### Revenue Sources

- \$2 million (minimum) annually from Residual Property Taxes (“boomerang” funds).

### Allocation

- Permanent Affordable Housing
- Rental or Homeownership
- New Construction
- Acquisition to increase or preserve affordability
- Acquisition/Rehabilitation

### Impact

- Regular funding for HTF will begin FY 16/17.

**More Information:** <https://www.acgov.org/cda/hcd/documents/Boomerang-Policy-Adopted-by-Alameda-County-BOS.pdf>

## BUTTE COUNTY: NORTH VALLEY HOUSING TRUST (2009)

PUBLIC/PRIVATE

### Background

The North Valley Housing Trust came out of the creation of the City of Chico Housing Element which involves the participation of about 140 community members from non-profit, for profit and government

## Appendix A: California Housing Trust Funds at a Glance

Prepared for the Sonoma County Community Development Commission Toolbox for Ending Homelessness

sectors. Some of their latest fundraising endeavors include community events such as the Poor People's Palooza & Film Festival (which served as a fundraiser and informational/awareness campaign) and a Spring Masquerade Ball fundraiser.

### **Revenue Sources (\$1.2 million To Date)**

- Bank investments (\$650,000)
- State Local Housing Trust Fund Grant (\$500,000)
- Community Donations (\$50,000)
- Fundraising Events

### **Allocation**

- Developers through Competitive RFP

### **Impact**

- Over 1,500 individuals transitioned into housing from homelessness between 2008 and 2013

**More Information:** <http://www.nvht.org/organization>

## **LOS ANGELES COUNTY: AFFORDABLE HOUSING TRUST FUND**

PUBLIC

### **Background**

The LA AHTF was originally created with \$63 million from the dissolution of the Community Redevelopment Agencies. This diminished to 23 million, but in October 2015 the Los Angeles County supervisors voted to set aside approximately \$20 million a year to maintain the fund.

### **Revenue Sources**

TBD (Proposed: 20% of property tax revenues and 20% of money leftover at end of the budget year).

## Appendix A: California Housing Trust Funds at a Glance

Prepared for the Sonoma County Community Development Commission Toolbox for Ending Homelessness

### MARIN COUNTY: HOUSING TRUST FUND

PUBLIC

#### Background

The Marin County In-Lieu Housing Trust Fund (Housing Trust) was created to increase the stock of permanently affordable housing units in the County. The Housing Trust provides a local funding source for financial and technical assistance to help affordable housing developers produce and preserve affordable housing

#### Revenue Sources

- In-Lieu Housing Fees
- Impact Fees

### MARIN WORKFORCE HOUSING TRUST (2004)

PUBLIC/PRIVATE

#### Background

The Marin Workforce Housing Trust is a unique public/private partnership between the Marin business community, the Marin Community Foundation and the County of Marin. The Trust was created to meet the challenges of housing affordability for workers in Marin County. All donations and revenue are matched by the Marin Community Foundation and the County of Marin, thus tripling the value of donations and investments. The Board is comprised of three members of the business community, three from the County of Marin, three selected by Marin Community Foundation and one at large member selected by the Board.

#### Revenue Sources

- Donations
- Long term investments from banks
- Revolving Loan Fund
- Matches from Marin Community Foundation and County of Marin

#### Allocation

- Development of Affordable Housing Units
- FTHB Loans

More information: <http://www.marincounty.org/depts/cd/divisions/planning/housing/affordable-housing>

## Appendix A: California Housing Trust Funds at a Glance

Prepared for the Sonoma County Community Development Commission Toolbox for Ending Homelessness

### NAPA COUNTY: AFFORDABLE HOUSING FUND

PUBLIC

#### **Background**

The Napa County AHF was established in 1992 to construct and rehabilitate affordable housing units. In addition to funding affordable housing construction, the fund provides down payment assistance loans of up to 10% of the cost of a home to home buyers who work in Napa County and earn less than 120% of the area median income. An applicant's new home must be within 15 miles of their workplace, and applicants for whom moving will reduce the length of their commute are more competitive for assistance based on the miles saved. The Fund is managed by the Housing & Intergovernmental Affairs Division of the Napa County Executive Office. In 2002, the County established the Napa County Community Affordable Housing Advisory Board to coordinate the efforts of the County Trust Fund and the Funds of cities throughout the County.

#### **Revenue Sources**

- In-Lieu Housing Fees

#### **Impact**

- Over \$12 million in loans for 28 projects/725 affordable units

**More information:** <http://www.countyofnapa.org/Pages/DepartmentContent.aspx?id=4294982540>

### ORANGE COUNTY: HOUSING TRUST

PUBLIC/PRIVATE

#### **Background**

The Orange County Housing Trust Inc, is a non-profit organization which opened in 2010. It has \$1.2 million in yearly revenue and 29 employees. The mission of the Orange County Housing Trust (OCHT) is to collaborate with the public and private sectors to provide programs, resources and advocacy designed to establish a regional solution to the growing demand for affordable workforce housing options in Orange County and throughout Southern California

#### **Revenue Sources**

- Donations
- \$2 million grant from SCHCD

#### **Allocation**

- Development of Affordable Housing Units
- FTHB Loans

## Appendix A: California Housing Trust Funds at a Glance

Prepared for the Sonoma County Community Development Commission Toolbox for Ending Homelessness

- Homeless Assistance Grants

### **Impact**

- 84 units of new affordable housing
- 194 new homeowners
- Over \$13 million loaned

## **SAN LUIS OBISPO COUNTY: HOUSING TRUST FUND**

PUBLIC/PRIVATE

### **Background**

The San Luis Obispo County Housing Trust Fund (SLOCHTF) was incorporated in 2003, and initially consisted of loans from banks, religious organizations and the SLO County Community Foundation. By the start of 2009, about \$200,000 of private grants had been added. Since 2009, the SLOCHTF received \$3.1 million in grants from HCD (State of California) and the CDFI Fund (U.S. Treasury). The CDFI was also critical to securing a \$1 million investment from Rabobank. The HTF provides financing and technical assistance to help private developers, nonprofits and government agencies produce and preserve affordable homes for working families, seniors and persons with disabilities.

### **Revenue Sources**

- HCD Funds
- Non-profit organizations

### **Allocation**

- Loans for predevelopment, acquisition, development, rehab and construction for affordable rental and ownership projects.
- Technical Assistance.

### **Impact**

- \$11 million in financing.
- Raised over 7.5 million in lending capital.
- Assisted in the creation of 332 affordable homes.

**More Information:** <http://www.sloctf.org/>

## Appendix A: California Housing Trust Funds at a Glance

Prepared for the Sonoma County Community Development Commission Toolbox for Ending Homelessness

### **SAN MATEO COUNTY: HOUSING ENDOWMENT AND REGIONAL TRUST**

PUBLIC/PRIVATE

#### **Background**

In 2002, individuals representing multiple sectors from throughout the county explored the formation of a trust fund as a source of capital for additional workforce housing in the county. The group recommended the formation of a housing trust fund to raise money from public and private sources. The Housing Endowment and Regional Trust (HEART) was formed as a Joint Powers Authority in 2003.

#### **Revenue Sources**

- Former Redevelopment Agency Funds

#### **Allocation**

- Loans to nonprofit developers
- Down-payment assistance loans.

#### **Impact**

- Invested \$12.4 million to fund over 950 affordable homes.

**More Information:** <http://housing.smcgov.org/san-mateo-county-affordable-housing-fund-ahf>

### **SANTA BARBARA COUNTY: HOUSING TRUST FUND**

PUBLIC/PRIVATE

#### **Background**

HTF was created by countywide community leaders to address the region's critical affordable housing needs by building innovative partnerships between the private, public and nonprofit sectors. They raise capital, design innovative housing solutions and provide technical assistance and low-cost loans to community sponsors of affordable housing. They enhance the work of nonprofit, public and private affordable housing sponsors in our diverse communities. HTF has been certified by the U.S. Treasury CDFI Fund as a Community Development Financial Institution (CDFI). HTF is also a HUD approved Non-Profit Secondary Loan Provider.

#### **Revenue Sources**

- 5.5 million Revolving Loan Fund

#### **Allocation**

- Affordable housing production

## Appendix A: California Housing Trust Funds at a Glance

Prepared for the Sonoma County Community Development Commission Toolbox for Ending Homelessness

- Workforce Homebuyer program
- Technical Assistance

### **Impact**

- Raised \$7.35 million in private and public lending capital for affordable housing production and new Workforce Homebuyer Program
- \$3.8 million committed to create 191 of permanently affordable housing
- 28 FTHB Loans funded
- Technical Assistance for 31 community groups
- Raised \$1.3 Million in private and public donations

**More Information:** <http://www.sbhousingtrust.org/>

## **SANTA CLARA COUNTY: HOUSING TRUST OF SANTA CLARA COUNTY/SILICON VALLEY**

PUBLIC/PRIVATE

### **Background**

The Housing Trust of Silicon Valley is composed of a blend of public and private funds. The initial goal was to raise \$20 million and leverage \$200 million within two years to assist 2000 families. The Santa Clara County Board of Supervisors initiated the fund with a \$2 million grant, followed by investments from tech companies including Adobe, Cisco Systems, Applied Materials, Solectron and KB Homes. Within two years all cities and towns in Santa Clara County had contributed to the Housing Trust and the \$20 million was exceeded.

### **Revenue Sources**

- HUD
- Donations from Tech Companies, Banks, Non-Profits and Charitable Foundations

### **Allocation**

- First-Time Low-Income Homebuyer Loans
- Multifamily Development Loans
- Homelessness Prevention and Assistance

### **Impact**

From inception to current date (1998-Present) over 12,000 “housing opportunities” have been created

## Appendix A: California Housing Trust Funds at a Glance

Prepared for the Sonoma County Community Development Commission Toolbox for Ending Homelessness

for workforce, families, seniors and special needs. This Trust remains one of the largest in the nation for affordable housing and first-time homebuyers.

- \$100 million invested, over \$1.8 billion leveraged
- 2,422 First-Time Homebuyers assisted
- 4,934 Homes Created
- 5,710 Unsheltered/Homeless Individuals Assisted.

**More Information:** <http://www.housingtrustsv.org/about-us/history/>

### **SONOMA COUNTY: COUNTY FUND FOR HOUSING**

PUBLIC

#### **Background**

The County Fund for Housing (CFH) is a fund provided by the Sonoma County Community Development Commission available for short and long-term loans to nonprofit and for-profit developers for affordable rental and ownership housing. The funds are only to be used for extremely low, very low, low or moderate income households and are limited to unincorporated areas of Sonoma County.

#### **Revenue Sources**

- In-lieu fees
- Transient Occupancy Tax
- Loan Processing Fees
- R&R Funds
- Revolving Loan Interest

#### **Allocation**

- Production and preservation of affordable rental and ownership housing for extremely low to moderate-income households.

#### **Impact**

- Assisted in the creation of 358 new units and preservation of 434 units.

**More information:** [http://www.sonoma-county.org/cdc/cdaffhou\\_finance\\_cfh.htm](http://www.sonoma-county.org/cdc/cdaffhou_finance_cfh.htm)

## Appendix A: California Housing Trust Funds at a Glance

Prepared for the Sonoma County Community Development Commission Toolbox for Ending Homelessness

### VENTURA COUNTY: HOUSING TRUST FUND

PUBLIC/PRIVATE

#### **Background**

The Ventura County Housing Trust Fund became a 501c3 non-profit corporation in March of 2012, and is funded through a number of sources: local government contributions; State of California Housing Bond Funds approved by the voters; grants from foundations and businesses; and from individual donations and special events such as HOME's annual Ventura County Housing Conference.

#### **Revenue Sources**

- Donations from non-profits, private foundations, businesses and individuals.

#### **Allocation**

- Construction and rehabilitation of affordable housing projects.
- Short-term and gap financing loans
- Priority to Veterans, homeless, farmworkers, transitional foster children and ELI families.

#### **Impact**

- \$1.66 million to six projects and 94 affordable housing units.

**More information:** <http://www.vchousingtrustfund.org/>