



TOWN OF FAIRFAX

STAFF REPORT

April 4, 2018

TO: Mayor and Town Council

FROM: Garrett Toy, Town Manager GT

SUBJECT: Adopt a Resolution in support of the Veterans and Affordable Housing Bond Act of 2018

RECOMMENDATION

Adopt the Resolution

DISCUSSION

The Legislature placed the Veterans and Affordable Housing Bond on the ballot through the passage of SB 3 in 2017 as part of a 15-bill legislative package designed to generate funds for affordable housing construction. At its September 2017 meeting, the Council authorized then Mayor Reed to send a letter in support of SB 3. The resolution allows the Town to be listed as supporter of the bond measure for such organizations as the Affordable Housing Now coalition.

If approved by voters in November, the Veterans and Affordable Housing Bond will generate \$4 billion for affordable housing programs, infill infrastructure projects, and the veterans' homeownership program. Funds would be available to invest in affordable housing for very-low and low-income households, veterans, and agricultural workers.

FISCAL IMPACT

N/a

ATTACHMENT

- A. Funding Detail
- B. Resolution

**SB 3 (Beall) Veterans and Affordable Housing Bond Act of 2018.
Chapter 365, Statutes of 2017**

This measure places a \$4 billion general obligation bond on the November 2018 ballot to fund affordable housing programs and the veterans homeownership program (CalVet). If approved by voters, SB 3 would fund the following existing programs:

- Multifamily Housing Program: \$1.5 billion, administered by HCD, to assist the new construction, rehabilitation and preservation of permanent and transitional rental housing for lower-income households through loans to local public entities and nonprofit and for-profit developers;
- Transit-Oriented Development Implementation Program: \$150 million, administered by HCD, to provide low-interest loans for higher-density rental housing developments close to transit stations that include affordable units and as mortgage assistance for homeownership. Grants are also available to cities, counties and transit agencies for infrastructure improvements necessary for the development;
- Infill Incentive Grant Program: \$300 million, administered by HCD, to promote infill housing developments by providing financial assistance for infill infrastructure that serves new construction and rehabilitates existing infrastructure to support greater housing density;
- Joe Serna, Jr. Farmworker Housing Grant Fund: \$300 million, administered by HCD, to help finance the new construction, rehabilitation and acquisition of owner-occupied and rental housing units for agricultural workers;
- Local Housing Trust Fund Matching Grant Program: \$300 million, administered by HCD, to help finance affordable housing by providing matching grants, dollar for dollar, to local housing trusts;
- CalHome Program: \$300 million, administered by HCD, to help low- and very low- income households become or remain homeowners by providing grants to local public agencies and nonprofit developers to assist individual first-time homebuyers. It also provides direct loan forgiveness for development projects that include multiple ownership units and provides loans for property acquisition for mutual housing and cooperative developments;
- Self-Help Housing Fund: \$150 million – Administered by HCD, this program assist low and moderate income families with grants to build their homes with their own labor; and
- CalVet Home Loan Program: \$1 billion, administered by the California Department of Veterans Affairs, provides loans to eligible veterans at below-market interest rates with few or no down payment requirements.

RESOLUTION 18-__

**A RESOLUTION OF THE TOWN COUNCIL OF THE TOWN OF FAIRFAX
IN SUPPORT OF VETERANS AND AFFORDABLE HOUSING BOND ACT**

WHEREAS, housing affordability is an urgent issue facing many communities in California, where a majority of renters (3 million households) pay more than 30 percent of their income toward rent and nearly one-third (over 1.5 million households) spend more than 50 percent of their income on rent; and

WHEREAS, the housing crisis is a contributing factor to homelessness in our communities; and

WHEREAS, California's homeownership rates are at the lowest point since the 1940's; and

WHEREAS, recent housing production levels are about half of pre-recession levels (roughly 200,000 per year) and are far short of the state's projected housing need for 180,000 new homes per year; and

WHEREAS, the proceeds from the 2006 housing bond that helped create and preserve affordable apartments, urban infill infrastructure, and single-family homes have been expended; and

WHEREAS, even though federal funding for affordable housing comprises a significant portion of California's resources to support affordable housing, federal spending has been on the decline in recent years; and

WHEREAS, between 2003 and 2015, Community Development Block Grant (CDBG) and HOME funds allocated to California by the U.S. Department of Housing and Urban Development (HUD) to produce affordable housing units have declined by 51 percent and 66 percent respectively; and

WHEREAS, last year the Legislature passed and Governor Brown signed SB 3 (Beall), which placed the \$4 billion Veterans and Affordable Housing Bond Act on the November 6, 2018 general election ballot; and

WHEREAS, the Veterans and Affordable Housing Bond Act will provide funding to support multifamily housing, higher density housing near transit, infill infrastructure, farmworker housing, first-time home buyer assistance, and veteran home loans;

NOW, THEREFORE BE IT HEREBY RESOLVED that the Town Council of the Town of Fairfax hereby supports the Veterans and Affordable Housing Bond Act on the November 6, 2018 ballot to infuse much needed funding to support important affordable housing projects and spur housing construction statewide;

AND BE IT FURTHER RESOLVED that the Town Council of the Town of Fairfax supports and can be listed as an endorser of the housing bond measure for such organizations as the League of California Cities and the Affordable Housing Now coalition.

The foregoing Resolution was duly introduced and adopted at a meeting of the Town Council of the Town of Fairfax held in said Town on the 4th day of April 2018 by the following vote, to wit:

AYES:

NOES:

ABSENT:

PETER LACQUES, Mayor

Attest: _____
Michele Gardner, Town Clerk