

The County of Yuba

Community Development and Services Agency



TO: Board of Supervisors

FROM: Community Development and Services, Amanda Sztoltz

SUBJECT: Community Development and Services: Authorize Release of Request for Proposals for Affordable Multifamily Rental Housing Development

DATE: October 24, 2023

NUMBER: 519/2023

Recommendation

Authorize the Community Development and Services Agency (CDSA) to release a Request for Proposals (RFP) for affordable multifamily housing development in the amount of \$1,204,172 comprised of 2020 Permanent Local Housing Allocation and Prohousing Incentive Program funds

Background

In 2017, Senate Bill 2 (The Building Homes and Jobs Act) created the Permanent Local Housing Allocation (PLHA) program. PLHA is funded by moneys deposited in the Building Homes and Jobs Trust Fund which are generated through a \$75 fee on all recorded real estate transactions in the State of California. These funds are intended to increase the supply of affordable homes in California; the County receives an entitlement of these funds through the Housing and Community Development Department (HCD) annual application process.

The Prohousing Incentive Pilot Program (PIP) is another state investment from the Building Homes and Jobs Trust Fund, established by Chapter 364, Statutes of 2017 to create and conserve affordable housing. HCD has awarded these one-time PIP funds to eligible jurisdictions such as the County of Yuba who have secured a Prohousing Designation.

The County of Yuba has made the commitment for the PLHA and PIP funds to be used for affordable multifamily rental housing development for households under 80% AMI.

Discussion

Through this RFP, the County of Yuba is seeking both for-profit and nonprofit housing developers to propose use of the County's 2020 PLHA funds and PIP funds for the development of affordable multifamily rental housing that will serve residents at 60% Area Median Income (AMI) or less in unincorporated Yuba County.

Eligible uses include predevelopment, development, acquisition, rehabilitation, and preservation of multifamily rental housing that is affordable to extremely low, very low, and low income households, including necessary operating subsidies. Priority populations for this funding include older adults, seniors, people with disabilities and families, including large families.

The total funding to be awarded to the selected project is expected to be \$1,204,172; the remaining \$168,640 will fund the general grant administration and related project activities completed by CDSA staff.

The funding awarded as a result of this RFP will be provided as gap funding for the development of affordable housing in the form of a fully deferred, low interest rate loan with a term of 55 years. The selected project and developer will be awarded the funds through a contract with the County of Yuba, pending Board approval in March 2024.

The proposed RFP for affordable housing development is consistent with the County's Housing Element goals, policies, and actions including:

Goal H-2 Assist in the Provision of Affordable Housing for Extremely Low-, Very Low-, Low-, and Moderate-Income Households

The proposed RFP is also consistent with the County's updated Strategic Plan for Housing Development by *generating opportunity for a more diverse housing stock to meet our growing communities' needs.*

Committee Action:

Due to the nature and discussion of the item, this item is being presented to the full Board of Supervisors.

Fiscal Impact:

Has a projected total cost of \$1,372,812

Budget: N/A; these funds have been allocated into the 2023-2024 fiscal year budget.

Source of Funds:

Non-General Fund \$412,812 -California Department of Housing and Community Development 2020 Permanent Local Housing Allocation Grant Funds

Non-General Fund \$960,000-California Department of Housing and Community Development
Prohousing Incentive Program Grant Funds

Attachments

County of Yuba Request for Proposals for Affordable Multifamily Rental Housing Development