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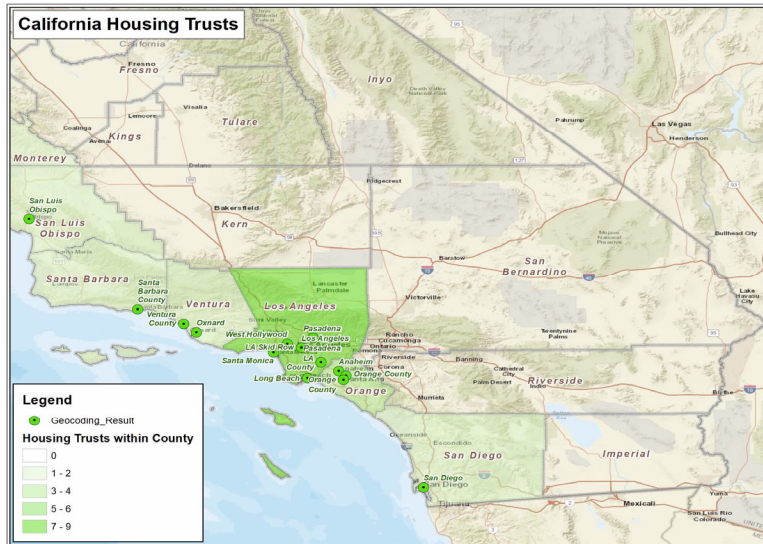
## Housing Trust Initiative:

- At the request of the Administrative & Finance committee, WRCOG has researched and conducted stakeholder outreach regarding the feasibility of implementing a Housing Trust Fund for the subregion
- Outside Stakeholder Outreach
  - National CORE
  - NPHS Community Land Trust
  - Inland Equity Community Land Trust
  - Parkview Legacy Foundation
  - County of Riverside
  - San Gabriel Valley Regional Housing Trust
  - Inland SoCal Housing Collective

The Western Riverside Regional Housing Trust logo is located in the bottom right corner of the slide. It features the stylized 'WRR' letters with the orange 'H' icon, and the full name of the organization below it.

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## Southern California Locations:



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## Why a Housing Trust?:

- Housing supply has not kept pace with population growth
- Funding void due to loss of redevelopment funds
- Significant portions of Western Riverside County pay more than 30%- 50% of gross income to housing
- Growth accommodated through increases in persons per household
- Increasing in popularity as tools used by jurisdictions to address these challenges

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## What is a Housing Trust Fund?

- Housing Trusts provide funding for affordable housing activities
  - New construction
  - Preservation or rehabilitation
  - Land acquisition for development
  - Homeless housing services
  - Pre-development activities
  - Gap financing loans
  - Down payment assistance for developer or eligible first-time home buyers
- In general, Housing Trusts in California
  - Receive ongoing revenues from members
  - Designate funds to support affordable housing, rather than market-rate
  - Private – public partnership that benefits from revenue captured from the private sector



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## Benefits of Housing Trusts

- **Flexible source of gap financing** – Housing Trusts bolster the supply of affordable housing by offering low interest loans to developers lending the capital they need to construct units
- **Ability to compete for State funds** - Operation of a housing trust would expand the subregion's access to State housing funds to include revenue streams otherwise unavailable, such as Local Housing Trust Fund (LHTF) funds.
- **Homeless assistance/services** - Housing trust funds are flexible resources for homelessness assistance, allowing and fostering distinct programs targeted to one or more aspects of homelessness
- **Ability to leverage funding** – The public/private partnership allows the ability to capture revenue from the private sector by fundraising along with state/federal money



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## How Would a WRCOG Administered Housing Trust Fund Work?

### **JPA/Non-Profit**

Similar to WRCOG's JPA and supporting foundation, this hybrid model maximizes eligibility for various funding sources and enhances programming flexibility

### **Board of Directors**

Oversees allocation of funds  
Jurisdictional representatives  
Housing/Homeless Experts



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## Participation in the Housing Trust

- Must be a WRCOG member
- Must execute joint powers agreement to join and adopt resolution at the local level
- Payment of annual administrative fees (membership dues)
- Formation of Administrative Plan
  - Establish protocols for the trust fund, including determining the types of projects and programs it will fund, setting goals to guide activities, and stipulating membership requirements
- By participating in the Housing Trust members will receive funds generated from the trust and will be eligible for affordable housing projects from developers who utilize gap financing from the trust



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## Housing Trust Funding

- Most trusts assess dues to provide on-going operations funding
- Funding is primarily for one or more staff people
  - Raise funds from grants and private sector partners
  - Operate/oversee the trust
- Paying dues entitles a jurisdiction to receive funding from the Trust
- Payment of dues creates a mechanism for jurisdictions to join the Trust (opt-in)
- Any grants or other funds raised by the Trust are pass-through funds



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## Housing Trust Dues

- Most regional housing trusts assess dues on members
- Typical range is \$10K-\$30K per year per jurisdiction
- Based on population/employment or other factors (similar to WRCOG dues)
- Potential sources of dues
  - PLHA funds (would need less than 5% of the funds any jurisdiction receives)
  - General funds
  - Other housing related funds
- Annual operation costs of ~\$250k
- Using SCAG Start-up funds would allow all interested jurisdictions to join without pay dues for an initial period (1-2 years)



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## Housing Trust Goals



- To expand funding in the subregion to produce affordable housing
- Complement activities of existing agencies, including the County and local housing authorities – and not duplicate these
- Foster coordination and collaboration with other agencies and organizations, including public and nonprofit
- Focus funding on efforts that yield the greatest development of new housing



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## Latest Efforts

- WRCOG will utilize SCAG REAP funding for start up costs
  - Preparing JPA documents
  - Developing administrative plan and governance documents
- Intent to seek state authorization
  - AB 687
- Convening a steering committee to identify next steps – April 2021



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