

**ESTABLISH A LOCAL AFFORDABLE HOUSING TRUST
FUND AND SUBMIT A PROHOUSING INCENTIVE
PILOT PROGRAM ROUND 2 APPLICATION**

Housing and Human Services

City Council
March 12, 2024

RiversideCA.gov

1

REGIONAL HOUSING NEED ALLOCATION

Period: 2021 -2029

Income Category	RHNA Allocation
Very Low (50% of Area Median Income – “AMI”)	4,861
Low (30% of AMI)	3,064
Moderate (120% of AMI)	3,139
Above Moderate	7,394
Total RHNA	18,458



2

RiversideCA.gov

2

CITYHEALTH

- December 2023, received a Bronze Medal
- National initiative of the de Beaumont Foundation and Kaiser Permanente
- Riverside was one of 46 cities to medal
- Did not receive a medal in the “Affordable Housing Trust” category
- December 2023, the City Council approved partial funding to further the Blue Zones certification initiative



3

RiversideCA.gov

3

LOCAL HOUSING TRUST FUND TOOL

- Receive ongoing revenues
- Support affordable housing rather than other community needs
- Unrestricted funds for housing
- 763 local housing trust funds nationwide and 41 in California



4

RiversideCA.gov

4

COMMON FORMS OF DEDICATED REVENUES

- Dedicated Housing Fees
- Discretionary Local Revenues
- Grant and Charitable Contribution Funds
- Loan Repayment and Commercial Development Loans



5

RiversideCA.gov

5

ELIGIBLE ACTIVITIES

- | | | |
|---|--|--|
| <ul style="list-style-type: none"> • New construction • Preservation/rehab. of existing multi-family • Property acquisition • Housing for those with special needs • Elderly housing • Preservation/rehab. of existing single-family housing • Permanent homeless housing • Transitional housing • Housing for formerly incarcerated | <ul style="list-style-type: none"> • Match for state and/or federal funds • Development activities • Vacant/abandoned properties • Down payment assist. • Emergency repairs • Energy efficiency improvements in existing housing • Weatherization/energy efficiency upgrades • Renewable energy • Water efficiency upgrades | <ul style="list-style-type: none"> • Tenant based rental assistance • Homeless services • Foreclosure prevention • Housing education and counseling • Organizational admin. • Operating/maintenance costs • Homeless prevention • Capacity building • Community land trusts • Project based rental assistance • Supportive services |
|---|--|--|



6

RiversideCA.gov

6

COMMITTEE RECOMMENDED ACTIVITIES

1. Match for State and/or Federal fund
2. New construction of rental and homeownership units
3. Preservation/rehabilitation of multi-family and homeownership units
4. Acquisition of vacant land and dilapidated properties
5. Emergency repairs on homeownership properties
6. Tenant Based Rental Assistance



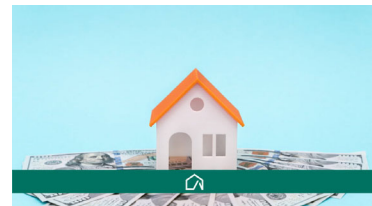
7

RiversideCA.gov

7

COMMITTEE RECOMMENDED LAHTF REVENUE

- State and Federal Housing Trust Fund grants
- \$1,500,000 PLHA grant
- Loan payments
 - HOME Investment Partnerships Program
 - Permanent Local Housing Allocation
 - Neighborhood Stabilization Program
 - CalHome
 - ARPA – Affordable Housing Fund
- 50% of land sale proceeds from City-owned properties acquired with General Fund resources



8

RiversideCA.gov

8

COMMITTEE RECOMMENDED TERMS

- 3% simple interest rate
- Maturity date: Affordability period
- Affordability period: 99 years
- Restricted funds (grant funds): assist households at or below 50% and 80% of area median income
- Unrestricted funds (local resources): assist households at or below 120% of area median income
- Market-rate developers must set-aside 10% of their housing units for affordable rentals and 5% for homeownership



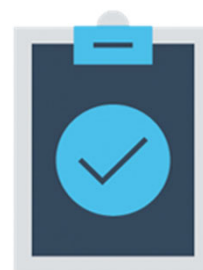
9

RiversideCA.gov

9

GRANT OPPORTUNITY

- Pro-Housing Incentive Program Round 2
- Applicants must have Prohousing designation
- Maximum grant allocation: \$1,500,000
- Matching funds of funds placed into a local housing trust fund
- Application deadline: March 30, 2024



10

RiversideCA.gov

10

COMMITTEE RECOMMENDATIONS

1. Creating a LAHTF with \$1,500,000 of PLHA) grant funds;
2. Allocating program income received from the HOME, NSP, CalHome, Permanent Housing Local Allocation PLHA, American Rescue Plan (ARPA) Act – Affordable Housing Fund into the LAHTF
3. Allocate 50% of the future land sale proceeds of City-owned properties purchased with General Funds



11

RiversideCA.gov

11

STRATEGIC PLAN ALIGNMENT

Envision Riverside 2025 Strategic Plan Priorities

- #2 Community Well-Being, Goal No. 2.1
- #5 High Performing Government, Goal No. 5.4

Cross-Cutting Threads

 Community Trust	 Fiscal Responsibility	 Sustainability & Resiliency
 Equity	 Innovation	



12

RiversideCA.gov

12

RECOMMENDATIONS

That the City Council:

1. Adopt the attached resolution (Attachment 1) establishing a local affordable housing trust fund;
2. Authorize the Chief Financial Officer, or designee, to create a Local Housing Trust Fund with three different section numbers for federal, state, and local resources;
3. With at least five affirmative votes, authorize the Chief Financial Officer, or designee, to annually record an appropriation and interfund transfer of future program income from the HOME Investment Partnerships Program Fund, Neighborhood Stabilization Program Fund and the Development Grants Fund – CalHome accounts to the new Local Housing Trust Fund;



13

RiversideCA.gov

13

RECOMMENDATIONS

4. With at least five affirmative votes, authorize the Chief Financial Officer, or designee, to record a supplemental appropriation and interfund transfer of \$1,500,000 from the Development Grants Fund – Permanent Local Housing Allocation account to the new Local Housing Trust Fund;
5. With at least five affirmative votes, authorize the Chief Financial Officer, or designee, to record future supplemental appropriations and interfund transfers equal to 50% of future land sale proceeds of City-owned properties originally purchased with General Fund resources to the new Local Housing Trust Fund;
6. Adopt the attached resolution (Attachment 2) authorizing the City Manager, or designee, to submit an application for the Prohousing Incentive Program Round 2 grant funds to be used as Local Housing Trust Fund matching funds;



14

RiversideCA.gov

14

RECOMMENDATIONS

7. Authorize the City Manager, or designee, to accept and receive such funds and to execute any documents necessary to secure the Prohousing Incentive Program Round 2 grant fund award and administer the Prohousing Incentive Pilot Program grant;
8. Upon grant award and with at least five affirmative votes, authorize the Chief Financial Officer, or designee, to record an increase in revenue and supplemental appropriation in an amount of up to \$1,500,000 in the Local Housing Trust Fund, Pro-Housing Incentive Program 2; and
9. With at least five affirmative votes, authorize the Chief Financial Officer, or designee, to record future supplemental appropriations as needed in the new Local Housing Trust Fund to issue loans in alignment with the purposes of the loan program and within the parameters described in this report.



15

RiversideCA.gov