



REVISED AGENDA AND NOTICE OF THE SPECIAL MEETING OF THE
SAN GABRIEL VALLEY REGIONAL HOUSING TRUST FUND BOARD OF
DIRECTORS

THURSDAY FEBRUARY 15, 2024 – 3:00 P.M.
SGVCOG Office

1333 S. Mayflower Avenue, Suite 360 Monrovia, CA 91016

SGVRHT Officers

Chair, Jed Leano
Vice-Chair, Becky Shevlin

**Jurisdictional
Representatives**

Northeast Representative
Gary Boyer, Glendora
Dennis Beckwith, Azusa
(Alternate)

Northwest Representative
Becky Shevlin, Monrovia

Central Representative
Emmanuel Estrada, Baldwin
Park

Southeast Representative
Patty Cortez, Covina

Southwest District
Adele Andrade-Stadler,
Alhambra
Thomas Wong, Monterey
Park (Alternate)

At-Large Representatives
Margaret Finlay, Duarte
Jed Leano, Claremont
April Verlatto, Arcadia
(Alternate)

Housing/Homeless Experts
Carol Averell (Delegate)
Benita DeFrank (Delegate)
Alma Martinez (Alternate)

Members

- Alhambra
- Arcadia
- Azusa
- Baldwin Park
- Claremont
- Covina
- Diamond Bar
- Duarte
- El Monte
- Glendora
- Industry
- Irwindale
- La Cañada Flintridge
- La Verne
- Monrovia
- Montebello
- Monterey Park
- Pasadena
- Pomona
- San Gabriel
- South El Monte
- South Pasadena
- Temple City
- West Covina

Thank you for participating in today’s meeting. The Board of Directors encourages public participation and invites you to share your views on agenda items.

MEETINGS: The agenda packet is available at the San Gabriel Valley Council of Government’s (SGVCOG) Monrovia Office, 1333 S. Mayflower Avenue, Suite 360, Monrovia, CA, and on the website, www.sgvkog.org. Copies are available via email upon request (sgv@sgvkog.org). A copy of the agenda is also posted for public viewing at the entrance of the SGVCOG Monrovia Office Building. Any additional agenda documents that are distributed to a majority of the Board after the posting of the agenda will be available for review in the SGVCOG office during normal business hours and on the SGVCOG website noted above.

PUBLIC PARTICIPATION: Your participation is welcomed and invited at all Board of Directors meetings. Time is reserved at each regular meeting for those who wish to address the Board. SGVRHT requests that persons addressing the meeting refrain from making personal, slanderous, profane or disruptive remarks. A person who continues to disrupt the orderly conduct of the meeting, after being warned by the Board Chair or designee to cease the disruption, may be precluded from further participation in the meeting.

TO ADDRESS THE GOVERNING BOARD: At a regular meeting, the public may comment: (i) on any matter within the jurisdiction of the Board of Directors that is not on the agenda during the public comment period at the beginning of the agenda; (ii) on any item(s) that is on the Consent Calendar prior to action taken on the Consent Calendar; and (iii) on any other agenda item prior to the time it is considered by the Board. during the public comment period and may also comment on any agenda item at the time it is discussed. At a special meeting, the public may only comment on items that are on the agenda. Members of the public are requested to state their name prior to speaking. Comments are limited to a maximum of three minutes per person. The Board President may impose additional time limits if comments become repetitious, an individual member of the public seeks to speak on numerous items, or a large number of members of the public seek to speak on an item. Except in limited situations, the Board may not take action on items not appearing on the agenda and/or discuss them at length.

If you would like to provide a public comment during a Board meeting, please see “Instructions for Public Comments” below.

AGENDA ITEMS: The Agenda contains the regular order of business of the Board of Directors. Items on the Agenda have generally been reviewed and investigated by the staff in advance of the meeting so that the Board of Directors can be fully informed about a matter before making its decision.



In compliance with the Americans with Disabilities Act, if you need special assistance to participate in this meeting, please contact the SGVCOG office at (626) 457-1800. Notification 48 hours prior to the meeting will enable the SGVCOG to make reasonable arrangement to ensure accessibility to this meeting.



CONSENT CALENDAR: Items listed on the Consent Calendar are considered to be routine and will be acted upon by one motion. There will be no separate discussion on these items unless a Board member or citizen so requests. In this event, the item will be removed from the Consent Calendar and considered after the Consent Calendar. If you would like an item on the Consent Calendar discussed, simply tell Staff or a member of the Board of Directors.

TELECONFERENCE LOCATIONS: State law allows Board Representatives to teleconference from remote locations as long as certain conditions are met, including listing the teleconference locations in the agenda. The following locations are hereby noticed as teleconference locations, which are accessible to the public for the purposes of observing this meeting and/or addressing the Governing Board.

Monrovia City Hall Becky Shevlin (Northwest Delegate) 415 Ivy Ave, Monrovia, CA 91016	South Gate City Hall Carol Averell (Housing and Homeless Representative) 8650 California Avenue South Gate, CA 90280	Adele Andrade Stadler (Southwest Delegate) 2956 West Shorb Street Alhambra CA 91803
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Instructions for Public Comments: For those wishing to make public comments on agenda and non-agenda items, but within the SGVCOG’s subject matter jurisdiction, you may submit written comments via email or provide a verbal comment by participating through Zoom.

- Written Comments (Email): If you wish to submit written public comments to be distributed to the committee members prior to or during the meeting, please submit these materials via email to Brielle Salazar at bsalazar@sgvrht.org at least 1 hour prior to the scheduled meeting time. Please indicate in the Subject Line of the email “FOR PUBLIC COMMENT.” Emailed public comments will be read into the record and will be part of the recorded meeting minutes. Written public comments may include, but are not limited to letters, reports, and presentations.
- Verbal Comments (In Person): If you would like to make a public comment at the Governing Board meeting location, please fill out a public comment card. Comment cards will be made available to you by staff at the entrance to the meeting room. If you are attending the meeting at a noticed teleconference location and would like to make a public comment, please raise your hand when the item upon which you wish to speak comes up on the agenda.
- Verbal Comments (Zoom): If you would like to participate by teleconference from a private location, please email Brielle Salazar (bsalazar@sgvrht.org) to request an attendee Zoom link at least 24 hours before the meeting. Through Zoom, you may provide a verbal comment by using the web interface “Raise Hand” feature when the agenda item upon which you wish to speak is to be considered. You will then be called upon to provide your verbal comments.

PRELIMINARY BUSINESS

5 MINUTES

1. Call to Order
2. Roll Call
3. Public Comment (*If necessary, the President may place reasonable time limits on all comments*)
4. Changes to Agenda Order: Identify emergency items arising after agenda posting and requiring action prior to next regular meeting.

CONSENT CALENDAR

5 MINUTES

5. Board of Directors Minutes- October 17, 2023
Recommended Action: Adopt Board of Directors minutes for the October 17, 2023 meeting.
6. Board of Directors Minutes- October 24, 2023
Recommended Action: Adopt Board of Directors minutes for the October 24, 2023 meeting.
7. Amended FY 2023-2024 Budget
Recommended Action: Adopt Resolution 24-01 adopting the amended FY 23-24 Budget
8. Esperanza Villa Contract Assignment
Recommended Action: Authorize the Executive Director to assign the Agreement with City Net for Esperanza Villa site operation to the San Gabriel Valley Council of Governments (SGVCOG)
9. SGVRHT Bylaws Update
Recommended Action: Adopt Resolution 24-02 adopting the Second Amended and Restated Bylaws
10. Board Meeting Calendar
Recommended Action: Adopt 2024 meeting calendar.

ACTION ITEMS

20 MINUTES

11. Housing Innovation Fund Allocations
Recommended Actions: Adopt Resolution 24-03 authorizing the Executive Director to
 - 1.) *Execute Letter of Intent with Habitat for Humanity for an amount not to exceed \$1,500,000 to create an Accessory Dwelling Unit revolving loan program.*
 - 2.) *Execute a Letter of Intent with God's Pantry for an amount not to exceed \$1,800,000 to purchase a site for use as shared housing and authorize the Executive Director to negotiate and execute a Warranty Deed and Ground Lease with God's Pantry for the property.*
12. Revolving Loan Fund Allocation
Recommended Action: Adopt Resolution 24-04 authorizing the Executive Director to execute Letter of Intent with American Family Housing for an amount not to exceed \$3,392,510 for Mariposa Apartments (Alhambra)

PRESENTATION

5 MINUTES

13. SGVRHT Nonprofit Update
Recommended Action: For information only.

UPDATE ITEMS

5 MINUTES

14. Chair's Report
15. Executive Director's Report
16. General Counsel's Report

ADJOURN

SGVRHT Board of Directors Unapproved Minutes

Date: October 17, 2023

Time: 1:00 PM

Location: SGVRHT Office in Monrovia and Virtual Meeting

PRELIMINARY BUSINESS

1. Call to Order

Chair Leano called the meeting to order at 1:00 PM.

2. Roll Call

A quorum was in attendance.

Members Present

Jed Leano, At-Large Member
Becky Shevlin, Northwest District
Gary Boyer, Northeast District
Benita DeFrank,
Housing/Homeless Expert
Emmanuel Estrada, Central District
Alma Martinez, Housing/Homeless Expert
Alternate – *joined for the Item 8 vote*
April Verlato, At-Large Member Alternate
Thomas Wong, Southwest District Alternate

Members Absent

Adele Andrade-Stadler, Southwest District
Carol Averell, Housing/Homeless Expert
Patty Cortez, Southeast District
Margaret Finlay, At-Large Member

Staff

M. Creter, Executive Director, SGVRHT
B. Salazar, SGVRHT
C. Trapesonian, Assistant General Counsel
M. Sharkey

3. Public Comment

Staff received a public comment card for items not on the agenda and the board heard public comment.

4. Changes to Agenda Order

There were no changes to the agenda order.

CONSENT CALENDAR

5. Board of Directors Minutes- August 24, 2023 Meeting

Recommended Action: Adopt Board of Directors minutes for the August 24, 2023 meeting.

6. Revolving Loan Fund Guidelines Update

Recommended Action: Adopt Resolution 23-11 Approving Revolving Loan Fund Guidelines.

There was a motion to approve Consent Calendar Items 5 and 6. (M/S: Shevlin/Boyer).

[Motion Passed]

AYES:	Leano, Shevlin, Boyer, DeFrank, Estrada, Verlato (on Item #6),
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	Wong
NOES:	
ABSTAIN:	Verlato (on Item #5)
ABSENT:	Andrade-Stadler, Averell, Cortez, Finlay

ACTION ITEMS

7. 405 S. Del Mar Option to Ground Lease

There was a motion to authorize the Executive Director to negotiate and execute a Letter of Intent for an Option to Ground Lease with Related for the property located at 405 S. Del Mar Avenue, San Gabriel (M/S: Boyer/Shevlin).

AYES:	Leano, Shevlin, Boyer, DeFrank, Estrada, Verlato, Wong
NOES:	
ABSTAIN:	
ABSENT:	Andrade-Stadler, Averell, Cortez, Finlay

8. Project Pipeline Funding Allocation

There was a motion to adopt Resolution 23-12 authorizing the Executive Director to execute a Letter of Commitment in the amount of \$1,000,223 to Baseline Road, Claremont (M/S: Shevlin/Boyer).

AYES:	Leano, Shevlin, Boyer, DeFrank, Estrada, Martinez, Verlato, Wong
NOES:	
ABSTAIN:	
ABSENT:	Andrade-Stadler, Averell, Cortez, Finlay

UPDATE ITEMS

There were no update items.

GENERAL COUNSEL’S REPORT

There was no General Counsel’s Report.

EXECUTIVE DIRECTOR’S REPORT

M. Creter shared that the Regional Housing Trust received its fourth consecutive Local Housing Trust Fund (LHTF) award; the 2023 award was for \$2 million for the 405 S. Del Mar Avenue project in San Gabriel.

M. Creter informed the board of a special meeting request for a hybrid in-person and virtual meeting for next Tuesday, October 24th at 2 PM.

M. Creter also highlighted the many upcoming SGVRHT presentations:

- 10/25 – Los Angeles Affordable Housing Solutions Agency (LACAHS)

- 10/26 – South Bay Cities COG
- 11/1 – Southern California Association of Nonprofit Housing (SCANPH) conference
- 11/1 – Municipal Management Association of Southern California (MMASC) conference

CHAIR'S REPORT

There was no Chair's Report.

ADJOURN

Chair Leano adjourned the meeting at 1:27 PM.

SGVRHT Board of Directors Unapproved Minutes

Date: October 24, 2023
Time: 2:00 PM
Location: SGVRHT Office in Monrovia and Virtual Meeting

PRELIMINARY BUSINESS

- 1. Call to Order
Chair Leano called the meeting to order at 2:02 PM.

- 2. Roll Call
A quorum was in attendance.

Members Present

Jed Leano, At-Large Member
Becky Shevlin, Northwest District
Carol Averell, Housing/Homeless Expert
Gary Boyer, Northeast District
Benita DeFrank,
Housing/Homeless Expert
Emmanuel Estrada, Central District
Thomas Wong, Southwest District Alternate

Members Absent

Adele Andrade-Stadler, Southwest District
Patty Cortez, Southeast District
Margaret Finlay, At-Large Member

Staff

M. Creter, Executive Director, SGVRHT
B. Salazar, SGVRHT
M. Sharkey

- 3. Public Comment
There was no public comment.
- 4. Changes to Agenda Order
There were no changes to the agenda order.

ACTION ITEMS

- 5. Revolving Loan Fund (RLF) Loan Subordination- The Boulevard
There was a motion to adopt Resolution 23-13 authorizing the subordination of the RLF loan in the amount of \$4,000,000 for The Boulevard (Montebello) (M/S: Shevlin/Averell).

AYES:	Leano, Shevlin, Averell, Boyer, DeFrank, Estrada, Wong
NOES:	
ABSTAIN:	
ABSENT:	Andrade-Stadler, Cortez, Finlay

ADJOURN

Chair Leano adjourned the meeting at 2:10 PM.

REPORT

DATE: February 15, 2024
TO: Board of Directors
FROM: Marisa Creter, Executive Director
RE: **AMENDED FY 2023-2024 BUDGET**

RECOMMENDED ACTION

Adopt Resolution 24-01 amending the FY 2023-2024 SGVRHT Budget

BACKGROUND

The SGVRHT follows a fiscal year from July 1st through June 30th and adopts its budget in the second quarter of each year. The SGVRHT Board approved the FY 2023-2024 budget in May 2023. This proposed amended budget includes additional funding received, including a \$2 million Local Housing Trust Fund (LHTF) grant \$5 million Regional Early Action Planning (REAP) 2.0 grant.

FY 2023-2024 OPERATING BUDGET proposed changes

Staff proposes the below amendments to the operating budget for FY 2023-2024. Additional detail can be found in Attachment A.

	Original	Proposed Amendment	Notes
Operating Revenue	\$419,738	\$440,767	Includes member dues and origination fees. Slight increase as two additional cities joined the SGVRHT since adoption.
Grants & Special Projects Income	\$286,500	\$295,001	Includes State Budget Earmark Admin ¹ , LHTF Admin. Slight increase to access administrative funds for consultant contracts based on draw down.
Indirect Expenses	\$673,500	\$729,500	Includes MSA, consultant support, insurance, audit, meeting expenses. The increased expense will cover a portion of the consultant contract to develop an SGVRHT affiliated nonprofit entity which was approved after the budget was adopted.
Net Income (Loss)	\$32,738	\$6,268	

¹ The SGVRHT Board approved \$600,000 in program administration funds from the \$20 million State Budget Earmark which has been drawn as needed to administer Earmark funded programs.

FY 2023-2024 CAPITAL (GRANTS AND LENDING) BUDGET

The proposed amended 2023-2024 budget reflects \$15,105,000 in sources, an increase of \$7M from the original \$8.105M budget as a result of a \$5 million Regional Early Action Plan (REAP) 2.0 grant and \$2 million Local Housing Trust Fund (LHTF) grant received after the budget was approved. All funds have an associated use including a \$2M award for the San Gabriel project included in the LHTF application and \$5M in unallocated funds which will be awarded to future Revolving Loan Fund projects as approved by the Board.

Prepared by: *Brielle Salazar*
Brielle Salazar
Regional Housing Trust Manager

Approved by: *Marisa Creter*
Marisa Creter
Executive Director

ATTACHMENTS

Attachment A – Resolution 24-01 Amending SGVRHT FY 2023-2024 Budget

RESOLUTION NO. 24-01

**RESOLUTION OF THE SAN GABRIEL VALLEY REGIONAL HOUSING TRUST
(TRUST) ADOPTING THE AMENDED FY 2023-2024 OPERATING AND CAPITAL
(GRANTS AND LENDING) BUDGET**

WHEREAS, the SGVRHT Board of Directors adopts an annual fiscal year budget;
and

WHEREAS, the current adopted fiscal year budget ends on June 30, 2024; and

WHEREAS, the Budget serves as the basis for the Trust’s programs and activities;
and

WHEREAS, the Executive Director is responsible for the development and
implementation of the Budget; and

WHEREAS, the Board may, from time to time, modify the Budget to conform to the
Board’s policy directives; and

WHEREAS, there are funds within this Budget that are for specific purposes and
appropriations of those funds will comply with accounting principles and governing rules
of the funding sources.

NOW, THEREFORE, BE IT RESOLVED that the Board adopts the amended FY
2023-2024 Operating Budget, attached hereto and incorporated herein as Exhibit A and the
amended FY 2023-2024 Capital (Grants and Lending) Budget, attached hereto and
incorporated herein as Exhibit B.

PASSED AND ADOPTED by the Board of Directors of San Gabriel Valley
Regional Housing Trust, in the County of Los Angeles, State of California, on the 15th day
of February 2024.

San Gabriel Valley Regional Housing Trust

Jed Leano, Chair

Attachment A

Attest:

I, Marisa Creter, Executive Director and Secretary of the Board of Directors of the San Gabriel Valley Regional Housing Trust, do hereby certify that Resolution 24-01 was adopted at a regular meeting of the Governing Board held on the 15th day of February 2024, by the following roll call vote:

AYES:	
NOES:	
ABSTAIN:	
ABSENT:	

Marisa Creter, Secretary

**San Gabriel Valley Regional Housing Trust
FY 2023-2024 Proposed Operating Budget**

	FY 23-24 Amended	FY 23-24 Original	Change
Operating Revenues			
General Operating Income			
Member Fees	\$ 349,529	\$ 328,500	\$ 21,029
Origination Fees	\$ 91,238	\$ 91,238	\$ -
<i>Total General Operating Income</i>	<u>\$ 440,767</u>	<u>\$ 419,738</u>	<u>\$ 21,029</u>
Grants & Special Projects Income			
State Earmark Admin	\$ 256,251	\$ 234,000	\$ 22,251
LHTF Admin	\$ 38,750	\$ 52,500	\$ (13,750)
<i>Total Grants & Special Projects Income</i>	<u>\$ 295,001</u>	<u>\$ 286,500</u>	<u>\$ 8,501</u>
Total Income	<u>\$ 735,768</u>	<u>\$ 706,238</u>	<u>\$ 29,530</u>
Indirect Expenses			
<u>Board/Employee Expenses</u>			
Travel/Meeting Expenses	\$ 5,000	\$ 5,000	\$ -
Printing/Supplies	\$ 5,000	\$ 5,000	\$ -
<u>Professional Services</u>			
MSA	\$ 461,000	\$ 461,000	\$ -
Legal	\$ 75,000	\$ 75,000	\$ -
Audit	\$ 5,000	\$ 5,000	\$ -
Consultant Support	\$ 165,000	\$ 109,000	\$ 56,000
<u>Other</u>			
Insurance	\$ 10,000	\$ 10,000	\$ -
Operating Reserve	\$ 3,500	\$ 3,500	\$ -
Total Expenditures	<u>\$ 729,500</u>	<u>\$ 673,500</u>	<u>\$ 56,000</u>
Net Income (Loss)	<u><u>\$ 6,268</u></u>	<u><u>\$ 32,738</u></u>	<u><u>\$ (26,470)</u></u>

**San Gabriel Valley Regional Housing Trust
FY 2023-2024 Amended Capital (Grants and Lending) Budget**

	FY 23-24 Amended	FY 23-24 Original	change
Sources			
Regional Early Action Planning 2.0	\$5,000,000	\$0	\$5,000,000
405 S. Del Mar Land Value	\$4,105,000	\$4,105,000	\$0
2023 LHTF Award	\$2,000,000	\$0	\$2,000,000
Community Project Funding (2023)	\$4,000,000	\$4,000,000	\$0
	<i>Total</i>	\$15,105,000	\$8,105,000
			\$7,000,000
Uses			
Local Housing Trust Program (LHTF)	\$6,105,000	\$4,105,000	\$2,000,000
Housing Innovation	\$4,000,000	0	\$4,000,000
unallocated	\$0	\$4,000,000	(\$4,000,000)
Revolving Loan Fund	\$5,000,000		\$5,000,000
	<i>Total</i>	\$15,105,000	\$8,105,000
			\$7,000,000
 Net Income (Loss)	 \$0	 \$0	 \$0

REPORT

DATE: February 15, 2024

TO: SGVRHT Board of Directors

FROM: Marisa Creter, Executive Director

RE: ASSIGNMENT OF CONTRACT FOR ESPERANZA VILLA OPERATIONS

RECOMMENDED ACTIONS

SGVRHT

Authorize the Executive Director to assign the Agreement with City Net for Esperanza Villa site operation to the San Gabriel Valley Council of Governments (SGVCOG)

BACKGROUND

Esperanza Villa is a 25-unit interim housing shelter in the City of Baldwin Park which opened in November 2021. The site is currently operated by City Net through an Agreement with the San Gabriel Valley Regional Housing Trust (SGVRHT). The initial contract term ran through December 22, 2023 and included two optional one year extensions. On December 23, 2023 the SGVRHT extended the contract for a one year term through December 22, 2024. Earlier this year, the SGVRHT Board of Directors directed staff to focus on development efforts and assign operational contracts to the SGVCOG or the cities in which the interim housing sites were located. The City of Baldwin Park has requested that the SGVCOG manage the Agreement on their behalf due to the SGVCOG's staff experience with this and other similar operational contracts to ensure contract compliance, timely review and payment of invoices, and submittal of reporting and invoicing to the County for CCOGHIS funding.

The majority of the Agreement is covered through a reimbursable grant with the Los Angeles County Housing Initiative through Cities and Council of Governments Interim Housing Services (CCOGIHS) funds, which provides \$80/bed/night funding to cover operational expenses at Esperanza Villa, totaling \$730,000 annually. For the previous contract year, the SGVRHT held the contract and the site operational cost was exactly equal to the CCOGIHS funding. Moving forward CCOGIHS funds will be granted to the SGVCOG as the site operator contract holder. CCOGIHS funds do not include a CPI increase and will be fixed at \$730,000 for the upcoming contract year. There is a funding gap of \$197,306.38 for the upcoming operational year as the Agreement includes a CPI increase for staff salaries and the SGVRHT, in coordination with the City, granted City Net's request to add additional onsite staff positions to support operations. The City of Baldwin Park will secure the additional operational funding required, including Permanent Local Housing Allocation (PLHA).

REPORT

FISCAL IMPACT

There is no fiscal impact associated with this action. The current action proposed does not commit the SGVCOG or the SGVRHT to provide any funding for this contract. SGVCOG staff is able to complete these functions with existing staff.

NEXT STEPS

Staff recommends the SGVRHT Board authorizes the Executive Director to assign the Agreement with City Net for Esperanza Villa site operation to the San Gabriel Valley Council of Governments (SGVCOG). The SGVCOG approved a parallel action at its January 2024 meeting.

Prepared by: *Brielle Salazar*
Brielle Salazar
Regional Housing Trust Manager

Approved by: *Marisa Creter*
Marisa Creter
Executive Director

DATE: February 15, 2024
TO: Board of Directors
FROM: Marisa Creter, Executive Director
RE: **SGVRHT BOARD OF DIRECTORS BYLAWS UPDATE**

RECOMMENDED ACTION

Adopt Resolution 24-02 updating the San Gabriel Valley Regional Housing Trust Bylaws

BACKGROUND

The structure of the SGVRHT Board of Directors was established by SB 751 (Rubio) and amended by the passage of SB 1212 (Rubio) in September 2020. The San Gabriel Valley Regional Housing Trust (SGVRHT) bylaws were adopted in July 2020 and the First Amended and Restated Bylaws (“current bylaws”) were adopted in April 2021 to include updates required by SB1212. The Second Amended and Restated Bylaws, attached here as Exhibit A, propose an update to the policy for alternates to assist the SGVRHT in achieving quorum. An overview of the proposed changes to the Bylaws is found below:

Board of Directors Terms and Vacancies

The SGVRHT Board of Directors is appointed by the San Gabriel Valley Council of Governments (SGVCOG) Governing Board. The current bylaws allow the SGVCOG Governing Board to appoint Alternates to each of the 9 seats and Alternates may count toward quorum and hold the same rights as the specific Delegate they serve as an Alternate for in the event of their absence. The Second Amended and Restated Bylaws would make all Alternates at large; provided that Alternates for Directors that are elected representatives of SGVRHT members, would be Alternates for those seven positions only and the Alternate(s) for Directors who are Housing and Homeless Experts would be Alternates for those two positions only.

The Second Amended and Restated Bylaws also clarify that an office shall be deemed vacant if the Director no longer holds an elected office or the agency to which the Director was elected is no longer a member of the SGVCOG and the SGVRHT, replacing the “or” in the current bylaws to clarify that both are required by the statute.

List of Member Cities

Exhibit B of the proposed First Amended and Restated Bylaws (Exhibit A) is updated to include members of the SGVRHT that joined after the current bylaws were adopted which includes Monterey Park and San Gabriel.

NEXT STEPS

Pending approval of the amended bylaws, the SGVRHT released a call for candidates for Alternates. Selection of Alternates representing cities that do not have a Director will be prioritized. The SGVCOG Board will appoint Alternates at its March Governing Board meeting.

Prepared by: Brielle Salazar
Brielle Salazar
Regional Housing Trust Manager

Approved by: Marisa Creter
Marisa Creter
Executive Director

ATTACHMENTS

Attachment A – Resolution 24-02
Exhibit A- Second Amended and Restated SGVRHT Bylaws

RESOLUTION NO. 24-02

RESOLUTION OF THE SAN GABRIEL VALLEY REGIONAL HOUSING TRUST (TRUST) AMENDING SAN GABRIEL VALLEY REGIONAL HOUSING TRUST BYLAWS

WHEREAS, on July 22, 2020, the San Gabriel Valley Regional Housing Trust (SGVRHT) Board Authorized Resolution 20-08 adopting the San Gabriel Valley Regional Housing Trust Bylaws (Original Bylaws); and

WHEREAS, the Original Bylaws were amended as the First Amended and Restated Bylaws on April 7, 2021 by Board Authorized Resolution 21-07;

WHEREAS, the First Amended and Restated Bylaws have been amended as the Second Amended and Restated Bylaws; and

WHEREAS, the Second Amended and Restated Bylaws provide the policy for alternates for the Board of Directors; and

WHEREAS, the First Amended and Restated Bylaws provide that Directors must represent members of the SGVRHT and SGVCOG; and

NOW, THEREFORE, BE IT RESOLVED that the Board of Directors of the Trust adopts the Amended San Gabriel Valley Regional Housing Trust Bylaws, attached hereto and incorporated herein as Exhibit A.

PASSED AND ADOPTED by the Board of Directors of the San Gabriel Valley Regional Housing Trust, in the County of Los Angeles, State of California, on the 15th day of February 2024.

San Gabriel Valley Regional Housing Trust

Jed Leano, Chair

Attest:

I, Marisa Creter, Executive Director and Secretary of the Board of Directors of the San Gabriel Valley Regional Housing Trust, do hereby certify that Resolution 24-02 was adopted at a regular meeting of the Governing Board held on the 15th day of February 2024, by the following roll call vote:

AYES:	
NOES:	
ABSTAIN:	
ABSENT:	

Marisa Creter, Secretary

**Second Amended and
Restated
San Gabriel Valley
Regional Housing Trust
Bylaws**

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Recitals

A. Government Code section 6539.6 authorizes the County of Los Angeles and/or the cities within the jurisdiction of the San Gabriel Valley Council of Governments to create a joint powers agency known as the San Gabriel Valley Regional Housing Trust ("SGVRHT"), which is authorized to do any of the following:

1. fund the planning and construction of housing of all types and tenures for the homeless population and persons and families of extremely low, very low, and low income, as defined in Section 50093 of the Health and Safety Code, including, but not limited to, permanent supportive housing;
2. receive public and private financing and funds; and
3. authorize and issue bonds, certificates of participation, or any other debt instrument repayable from funds and financing received and pledged by SGVRHT.

B. The SGVRHT was established on February 19, 2020, by the execution of the Joint Exercise of Powers Agreement (the "Agreement") by and between those cities listed in the attached Exhibit "B".

C. The SGVRHT Board of Directors ("Board") adopted the original Bylaws to be effective on July 22, 2020 ("Original Bylaws").

C. The SGVRHT Board of Directors ("Board") adopted the First Amended and Restated Bylaws to be effective on April 7, 2021.

D. The Board adopts these Second Amended and Restated Bylaws ("Bylaws") to be effective on February 15, 2024 to provide for the organization and administration of SGVRHT and to replace in their entirety, the Original Bylaws. These Bylaws supplement the Agreement.

Bylaws

ARTICLE I - Name

The name of the entity established by the Agreement and as referenced in these Bylaws shall be the "San Gabriel Valley Regional Housing Trust" or "SGVRHT".

ARTICLE II – SGVRHT Membership

SGVRHT is comprised of those entities that have executed the Agreement and not withdrawn ("Members"). As of the date these Bylaws were adopted, membership consisted of those entities listed in the attached Exhibit "B". Exhibit "B" may be updated from time to time as entities either join or withdraw from the SGVRHT without the need to amend these Bylaws.

ARTICLE III – Board of Directors

Section A: Eligibility

Eligibility and appointment to the Board shall be as set forth in Government Code section 6539.6 and the Agreement and as they may be amended. As set forth in the Agreement, Board Directors are appointed by the San Gabriel Valley Council of Governments Governing Board (“SGVCOG Board”).

Section B: Terms and Vacancies

Terms of office for Directors shall be for two (2) years. Directors will serve staggered terms such that 5 directors are appointed in odd-numbered years and 4 directors are appointed in even numbered years. The office of a Director who is appointed to the Board by virtue of being an elected representative of one of the members of the SGVCOG, shall be deemed vacant if the Director no longer holds such elected office or the agency to which the Director was elected is no longer a member of the San Gabriel Valley Council of Governments and the SGVRHT. Upon a vacancy, the Chair of the Board shall notify the President of the SGVCOG Board. Per the Agreement, the SGVCOG Board shall appoint a replacement within sixty (60) days of the vacancy occurring to serve out the remainder of the term of the vacated office.

Section C. Officers

The Board shall select a Chair and a Vice-Chair from its membership on an annual basis at the first meeting of the calendar year. In the event new officers are not selected at such meeting, the current officers shall remain in such positions until successors are elected. In the event of a mid-term vacancy in the position of Chair, the Vice-Chair shall become the Chair and the Board shall appoint a Director to the position of Vice-Chair at its next meeting or as soon thereafter as determined by the Board. In the event of a mid-term vacancy of the Vice-Chair, the Board shall appoint a Director to the position of Vice-Chair at its next meeting or as soon thereafter as determined by the Board. There shall be no limit on the number of terms a Director may serve as Chair or Vice-Chair.

Section D: Alternates

The SGVCOG Board may appoint up to nine Alternates meeting the requirements of Government Code section 6539.6 and the Agreement. Up to seven Alternates may be appointed for Directors who serve on the Board by virtue of being an elected representative of one of the members of the SGVRHT and shall serve at large for those positions. Up to two Alternates may be appointed for Directors who serve as homeless and housing experts and shall serve at large for those positions. Alternates shall count toward a quorum and have all other rights of the absent Director.

ARTICLE IV – Duties of Officers and Board Directors

Section A: Duties of the Chair and Vice-Chair

It shall be the duty of the Chair to preside at the meetings of the SGVRHT. In the Chair’s absence, the Vice-Chair shall preside at the meetings of the SGVRHT. If both the Chair and Vice-Chair are absent from a meeting, the Board shall select a Director as the

presiding officer for that meeting. The Chair, with the Board's consent, may change the order in which the Board addresses items listed on any meeting agenda.

Section B: Duties of the Board of Directors:

In addition to those other duties set forth in these Bylaws and the Agreement, the Directors shall fulfill the following duties:

1. Attend regular meetings of the SGVRHT.
2. Attend special meetings when called by the Chair or a majority of the Board.
3. Plan and coordinate the business and proposed activities of SGVRHT;
4. Review and consider applications for project funding;
5. Review and consider SGVRHT's financial information, including the Annual Financial Report, any related independent audit, and the SGVRHT's annual budget;
6. Serve on subcommittees or task forces when appropriate; and
7. Approve agreements that are not within the authority of the Executive Director.

Section C: Formation of Subcommittees

The Board may create subcommittees or task forces to accomplish the goals and purposes of SGVRHT and to otherwise advise the Board. Appointments to subcommittees shall be made by the Chair with the concurrence of the Board.

Section D: Executive Director

Subject to the authority of and as directed by the Board, to serve as chief administrative officer of the SGVRHT and to determine and appoint such staff as is necessary to administer the affairs of the SGVRHT in compliance with all applicable laws and Board adopted policies and regulations.

With the approval of the Chair and Vice Chair, to take such actions as may be necessary to further the SGVRHT's mission that due to time constraints, cannot await the next regular meeting of the Board, which actions include, but are not limited to, approving a contract that exceeds the Executive Director's purchasing authority by no more than 20%, submitting applications for grant funds and similar administrative matters that are time sensitive . All actions requiring approval of the Chair and Vice Chair shall, upon such approval, be reported by the Executive Director in writing to the Board either at the time of such approval or as part of the agenda for the Board's immediately following regular meeting.

ARTICLE V – Meetings

Section A: Regular Meetings

Regular meetings of the Board shall be held on a quarterly basis at times and locations as determined by resolution of a majority of the Board. Meeting notice, agenda, and public comment procedures shall comply with the provisions of the Ralph M Brown Act, Government Code sections 54950 et seq. ("Brown Act"). The Secretary of the Board shall prepare meeting agendas and handle noticing requirements.

Section B: Special Meetings

In accordance with the Brown Act, special meetings of SGVRHT may be held at any time upon call of the Chair or a majority of the Board.

Section C: Quorum

A majority of the membership of the Board (5 Directors) shall constitute a quorum at any meeting of the Board except that less than a quorum may adjourn a meeting to another time and place or constitute a committee of the whole for purposes of hearing reports or other matters not requiring action by the Board. In the absence of a quorum, no action may be taken by the Board.

Section D: Voting

All actions of the Board may be taken by a majority of the quorum present at any meeting, except as provided in Article VIII below relating to amendments to these Bylaws. Voting requirements for amendments to the Agreement shall be as set forth in the Agreement.

Section F: Minutes

The Secretary of the Board shall take minutes for all SGVRHT meetings. Minutes shall be prepared in a modified action-taken format, rather than a transcript format. A previous meeting's minutes shall be considered and approved at the Board's next meeting or as soon thereafter as the minutes can be prepared.

Section G: Meeting Procedure

The conduct of meetings shall be in accordance with the Brown Act. In the event a question of procedure is raised, it shall be decided in accordance with Robert's Rules of Order (most recent published edition) where the question at issue is not determined by these Bylaws. General Counsel shall advise the Board on such rules of procedure.

Section H: Location of Meetings

The Board shall endeavor to hold its meetings in locations typical for hosting government meetings, such as council chambers, community rooms or county board or conference rooms. If such location is not available or convenient, the Board may meet at such other location as determined by the Board in accordance with the Brown Act.

Section I: Public Comments

The public may comment on any items listed on the Board agenda or that are within the subject matter jurisdiction of the Board. To balance the public's interest in addressing the Board and the ability of the Board to timely complete the business of SGVRHT, there shall be a five-minute limit on public comments per speaker. The Chair may extend the time limit if warranted with the concurrence of the Board. The Chair may likewise shorten the time limit if warranted by the number of speakers. The Chair may direct staff to briefly respond to public comments or allow Directors to briefly respond to matters raised in public comments. Directors shall avoid getting into debates or extensive dialogue with members of the public in response to public comments.

ARTICLE VI – Financial Review and Oversight

Section A: Annual Financial Report

To insure the strict accountability of the SGVRHT's funds, transparency and that such funds are expended to further the purposes for which SGVRHT was formed, the Board shall do the following:

1. Ensure that an Annual Financial Report is prepared, reviewed, adopted and made public annually in accordance with Government Code section 6539.6.
2. As a part of the development of the Annual Financial Report, the Board shall engage a certified public accountant to conduct an independent audit of SGVRHT's operations in accordance with Government Code section 6505. The auditor must report all findings to the Board in a public meeting, a copy of the audit delivered to each Member, and the audit will be made available to the public for review.

Section B: Budget

The Annual Budget of SGVRHT shall be prepared by the Executive Director and reviewed and approved by the Board in May or June of each year, in advance of the start of SGVRHT's next Fiscal Year.

Section C: SGVRHT Fiscal Year

The Fiscal Year of SGVRHT shall be from July 1 to June 30 of each year.

ARTICLE VII – SGVRHT Board Code of Conduct

The purpose of the Code of Conduct is to represent SGVRHT's commitment to high standards of ethics, public service, collegiality, and transparency. Directors shall at all times endeavor to maintain standards of professional integrity, impartiality, diligence, creativity and productivity consistent with standards for public officials and their oath of office. SGVRHT will act in accordance with federal, state, and local laws and regulations.

Section A: Compliance with Policies

Directors and any subcommittees appointed by the Board will conduct the SGVRHT's business in accordance with the Agreement and these Bylaws.

Section B: Conflicts of Interest

1. Directors shall not make or participate in the making of a SGVRHT decision if they have a conflict of interest as defined by the Levine Act—Government Code section 84308, the California Political Reform Act--Government Code section 81000, et. seq., and the regulations promulgated thereunder. In the event a Director has a conflict of interest, the Director with the conflict shall disclose the nature thereof in accordance with State law and when required, leave the meeting room.
2. A Director should abstain from a decision even if the Director does not have a conflict of interest as defined in the preceding paragraph, but has a personal bias against a person or entity seeking funding, a contract or other entitlement from the

Board to such a degree that the Director cannot participate in the decision in a reasonably impartial manner. In such an event, the Director may simply state that he or she is abstaining from the decision.

3. The Board may not make or enter into a contract in which a Director has a financial interest as defined in Government Code section 1090 et seq. In the event it comes to the attention of a Director that he or she may have such a financial interest, it shall be reported to the Chair and General Counsel for further review. If such a financial interest exists, the Board may not take action on the contract.
4. Directors are required to file a Statement of Economic Interest (Form 700) in the disclosure category as designated in the SGVRHT Conflict of Interest Code.
5. Directors shall not attempt to personally coerce or influence staff in its recommendations regarding the award of contracts, funding or selection of consultants; provided that this shall not be interpreted to in any way to interfere or limit in any way a Director's discretion to accept or reject staff recommendations in any of these instances.

Section C: Confidentiality

Directors shall maintain the confidentiality of information that is of a confidential nature, whether written or oral, and unless otherwise authorized by the Board, shall not disclose such information to outside parties. Directors shall not report out any information received in a closed session or which is otherwise subject to the attorney/client privilege without Board authorization. This confidential information shall include information which is considered confidential under State law and may otherwise not be subject to disclosure under the Public Records Act, such as personal and private information in applications for funding, which is provided by Members or funding agencies.

Section D: Gifts or Honoraria

Directors shall not solicit or accept gifts, gratuities, honoraria, donations, favors or personal rewards for the purpose of influencing SGVRHT decisions or activities. The receipt of such items shall be further subject to the Political Reform Act. Directors may solicit donations to the SGVRHT to further the SGVRHT purposes. In the event a donation is made to the SGVRHT at the "behest" of a Director, as that term is used in the Political Reform Act, it shall be reported as required by the Political Reform Act.

Section E: Harassment

Directors shall not engage in any type of unlawful harassment or discrimination. In the event of such conduct, the Chair shall be notified and if the conduct cannot be rectified, the Chair shall report such conduct to the Executive Director, General Counsel and the President of the SGVCOG Board for possible removal of the Director by the SGVCOG Board for engaging in the unlawful conduct. In the event the Chair is the person engaging in such conduct, it shall reported by the Vice Chair in the same manner.

Section F: Participation in Meetings

Directors shall respect each other's individual points of view and refrain from making personal attacks against fellow Directors, staff, presenters and the public. Directors shall participate and vote on all matters on the agenda, unless precluded by law from

participation

Section F: Laws and Regulations

Directors shall conduct themselves and the business of SGVRHT, in accordance with both the letter and intent of all applicable federal, state, and local laws and regulations governing the SGVRHT's operations.

Article VIII – Nonpayment of Dues

Per the Agreement, Members must make annual administrative cost contributions to fund SGVRHT operations within 30 days of receipt of an invoice from the SGVRHT. In the event a Member fails to make its annual administrative cost contribution within 90 days of receipt of such an invoice, if an elected official of such Member serves as Director, the Director may have their voting rights suspended by the Board until the administrative cost contribution is paid in full. The Board may in addition, revoke a Member's rights under the Agreement and these Bylaws; provided that the SGVRHT's Executive Director has, at any time after the 90-day period described above, provided at least 30 days written notice of such nonpayment to the Member and the possible loss of the Member's rights under the Agreement and these Bylaws. A Member's rights under the Agreement shall only be renewed upon payment of all amounts owed and action by the Board to reinstate such rights.

Article IX- Amendments and Adoption of Bylaws

These Bylaws shall be adopted and may be amended only by a majority of the membership of the Board, i.e., by an affirmative vote of five Directors. The Bylaws shall not contain any provision in conflict with applicable laws or the Agreement. To the extent there is an inconsistency between the Bylaws and the Agreement, the Agreement shall control. Proposed amendments should, whenever possible, be presented to all Directors at least 15 days prior to the meeting at which the proposed amendment is to be considered by the Board.

EXHIBIT B

City of Arcadia
240 W. Huntington Drive
Arcadia, CA 91007

City of Alhambra
111 S. First Street
Alhambra, CA 91801

City of Azusa
213 E Foothill Boulevard
Azusa, CA 91702

City of Baldwin Park
14403 Pacific Avenue
Baldwin Park, CA 91706

City of Claremont
207 Harvard Avenue
Claremont, CA 91711

City of Covina
125 E. College Avenue
Covina, CA 91723

City of Diamond Bar
21810 Copley Drive
Diamond Bar, CA 91765

City of Duarte
1600 Huntington Drive
Duarte, CA 91010

City of El Monte
11333 Valley Boulevard
El Monte, CA 91731

City of Glendora
116 E. Foothill Boulevard
Glendora, CA 91741

City of Irwindale
5050 N Irwindale Avenue
Irwindale, CA 91706

City of La Verne
3660 D Street
La Verne, CA 91750

City of Monrovia
415 S. Ivy Avenue
Monrovia, CA 91016

City of Montebello
1600 W Beverly Boulevard
Montebello, CA 90640

City of Monterey Park
320 West Newmark Avenue
Monterey Park, CA 91754

City of Pomona
505 S. Garey Avenue
Pomona, CA 91766

City of San Gabriel
425 S. Mission Drive
San Gabriel, CA 91776

City of South El Monte
1415 S. Santa Anita Avenue
South El Monte, CA 91733

City of South Pasadena
1414 Mission Street
South Pasadena, CA 91030

City of West Covina
1444 W. Garvey Avenue S
West Covina, CA 91790

REPORT

DATE: February 15, 2024
TO: Board of Directors
FROM: Marisa Creter, Executive Director
RE: **BOARD MEETING CALENDAR UPATE**

RECOMMENDED ACTIONS

Approve SGVRHT Board Meeting Calendar

BACKGROUND

The San Gabriel Valley Regional Housing Trust Board of Directors (SGVRHT Board) intends to meet quarterly to address general organizational needs. Per the Brown Act teleconference rules, Board members may attend meetings virtually if their locations are posted on the agenda and the location is made accessible to the public. Staff proposes adopting following the SGVRHT Board meeting calendar which aligns with the SGVCOG Governing Board schedule through June 2024:

Proposed Meeting Schedule

Meeting Date	Topics
April 11, 2024	General business, FY24-25 Budget preview, LHTF application
May 30, 2024	General business, FY 24-25 Budget, 501c3 formation and land trust presentation
September 19, 2024	General business
November 21, 2024	General business

In addition to the above scheduled SGVRHT Board meetings, staff anticipates there may be occasional special meetings to address urgent business needs such as project financing approval to leverage other funding sources. Staff will work to minimize the need for special meetings.

Prepared by: *Brielle Salazar*
Brielle Salazar
Regional Housing Trust Manager

Approved by: *Marisa Creter*
Marisa Creter
Executive Director

DATE: February 15, 2024

TO: Board of Directors

FROM: Marisa Creter, Executive Director

RE: HOUSING INNOVATION FUND ALLOCATION

RECOMMENDED ACTION

- 1.) Authorize the Executive Director to execute Letter of Intent with Habitat for Humanity for an amount not to exceed \$1,500,000 to create an Accessory Dwelling Unit revolving loan program
- 2.) Authorize the Executive Director to execute a Letter of Intent with God's Pantry for an amount not to exceed \$1,800,000 to purchase a site for use as shared housing and authorize the Executive Director to negotiate and execute a Warranty Deed and Ground Lease with God's Pantry for the property

BACKGROUND

At its November 17, 2022 meeting, the Board of Directors authorized \$4 million in State Budget Earmark funds to develop an Affordable and Homeless Housing Innovation program to meet the needs of member cities and support the development of projects delivering units quickly and in an innovative manner. An application was released with the following funding guidelines:

Homeless Program Guidelines:

- 1.) Maximum funding of \$25,000 per bed/unit for sites operated for 2 years or more; funding will be prorated based on program duration; minimum term of 1 year
- 2.) Maximum funding of \$10,000 per bed/unit for programs at existing interim housing sites. Infrastructure upgrades would require a minimum commitment of 2 years of site of operation and programs would be based on the actual cost to provide services.
- 3.) Commitment to provide staff resources (Public Works, Planning, etc.) and supplemental funding to complete projects with budgets in excess of SGVRHT award amount.

Affordable Housing Guidelines:

- 1.) Maximum funding of \$150,000 per unit for innovative permanent housing models including modular housing, accessory dwelling units, and other innovative typologies deed restricted to tenants at or below 80% AMI. Rents may be capped to ensure tenant affordability.
- 2.) Project must have supplemental funding to complete the project if the budget is in excess of SGVRHT award amount.
- 3.) Project is supported by the SGVRHT member City it is located in.

DISCUSSION

Two projects have applied for funding through the program. The first project, submitted by San Gabriel Valley Habitat for Humanity, seeks to establish a revolving line of credit for the development of accessory dwelling units (ADUs) for low-income households, initially developing a minimum of 14 ADUs. The second project, submitted by God’s Pantry, seeks to provide workforce housing for a minimum of 12 units. Under the affordable housing guidelines, both projects are eligible for a maximum of \$150,000 per unit as shown below:

Project	Units	Maximum Grant Funding	Amount Requested
Habitat for Humanity	14	\$2,100,000	\$1,500,000
God’s Pantry	12	\$1,800,000	\$1,800,000
TOTAL	26	TOTAL	\$3,300,000

The project applications include the additional funds necessary to complete the projects. Both project applications included letters of support from the member cities in which they are located. The projects are described in greater detail below and the funding applications are attached.

San Gabriel Valley Habitat for Humanity- ADU revolving loan fund

SGV Habitat for Humanity has developed a program to develop ADUs for low-income homeowners and renters and has requested a housing innovation grant to launch a revolving loan fund to support this effort. The request for \$1.5 million would enable Habitat for Humanity to develop an initial 14 ADU units and support the development of additional units as the loans from the first round of projects are repaid. It is anticipated that each ADU would cost up to \$300,000 to develop, delivering affordable units below the average per unit cost of affordable housing. The innovation funds would be paired with funding from CalHOME and City funds to complete the project funding required. CalHOME is a State of California Department of Housing and Community Development (HCD) source and its guidelines provide protections for the affordability of the ADUs as rentals including a 15-year affordability covenant recorded on the original property.

Units would be rented at or below the High HOME rate, to support affordable rents for renters at or below 80% AMI; renters would pay no more than 30% of their income as rent. All homeowners would be low-income households between 50-80% AMI and would be required to reside in the main home or the ADU to ensure that the program is utilized by San Gabriel Valley residents and does not encourage displacement. Additional requirements are included in the Habitat application included as Attachment B. The application included a letter of support from the City of Baldwin Park where the first ADUs would be developed. Habitat would work with additional San Gabriel Valley cities to expand the program. The project is anticipated to begin immediately and complete construction in December 2025.

God's Pantry- Shared housing

God's Pantry has proposed establishing a workforce development shared housing site through the purchase and conversion of an existing large home and has demonstrated the feasibility of this model through property listings and their operational budget which is included as part of their application in Attachment C. God's Pantry currently operates two workforce shared housing sites, one of which operates from a four-bedroom home and the second from a four-bedroom home plus ADU which have proven to be a successful model. Participants pay a \$500 fee to help support operating costs including onsite support staff. The proposed site would include 12 housing units. The application included support from the City of Pomona where the property would be located.

The initial application provided for God's Pantry purchase of the site, however, to further support the long-term affordability of this project, the SGVRHT has proposed purchasing the property and providing a ground lease to God's Pantry to manage and maintain the property. God's Pantry has agreed to this structure. This provides the SGVRHT with an additional asset in the form of the value of the property. Terms of the ground lease would include:

- 1.) 15-year initial term with option to extend
- 2.) \$100 yearly ground lease fee
- 3.) God's Pantry will be responsible for operating the program including qualifying residents and providing support to residents
- 4.) God's Pantry will be responsible for utilities and general site maintenance
- 5.) God's Pantry will maintain property and liability insurance that meets SGVRHT requirements

The project would commence immediately if approved by the Board, with God's Pantry purchasing the property and transferring it to the SGVRHT via a warranty deed concurrent with ground lease execution. This structure enables the SGVRHT to leverage God's Pantry's acquisition expertise and complete all steps of the transaction at closing.

NEXT STEPS

If approved by the Board, staff will provide letters of intent to SGV Habitat for Humanity and God's Pantry. Staff and SGVRHT General Counsel will work with God's Pantry to develop the Ground Lease and effectuate the property acquisition. Staff will also process draws for the Habitat ADU program to provide funds in accordance with the ADU development timeline.

Prepared by: 
Brielle Salazar
Regional Housing Trust Manager

REPORT

Approved by: Marisa Creter
Marisa Creter
Executive Director

Attachment A: Resolution 24-03
Attachment B: Habitat for Humanity Application
Attachment C: God's Pantry Application

RESOLUTION NO. 24-03

RESOLUTION OF THE SAN GABRIEL VALLEY REGIONAL HOUSING TRUST (TRUST) AUTHORIZING EXECUTIVE DIRECTOR TO ISSUE LETTERS OF INTENT FOR RECOMMENDED PROJECT

WHEREAS, the San Gabriel Valley Regional Housing Trust (SGVRHT) Board of Directors allocated funding to support Housing Innovation projects; and

WHEREAS, funding awards for the recommended projects would be designated with a Letter of Intent (LOI).

NOW, THEREFORE, BE IT RESOLVED that the Board of Directors authorizes the Executive Director to issue a Letter of Intent (LOI) to award to the following projects

- 1.) \$1,500,000 to Habitat for Humanity to develop an ADU revolving loan fund and a minimum of 14 ADUs
- 2.) \$1,800,000 to God’s Pantry to develop a shared housing site in Pomona with a minimum of 12 units

PASSED AND ADOPTED by the Board of Directors of the San Gabriel Valley Regional Housing Trust, in the County of Los Angeles, State of California, on the 15th day of February 2024.

San Gabriel Valley Regional Housing Trust

Jed Leano, Chair

Attest:

I, Marisa Creter, Executive Director and Secretary of the Board of Directors of the San Gabriel Valley Regional Housing Trust, do hereby certify that Resolution 24-03 was adopted at a regular meeting of the Board of Directors held on the 15th day of February 2024, by the following vote:

AYES:	
NOES:	
ABSTAIN:	
ABSENT:	

Marisa Creter, Secretary

Innovative Affordable Housing and Homeless Programs Application

The San Gabriel Valley Regional Housing Trust has allocated \$4 million to Innovative Affordable Housing and Homeless Programs to provide flexible opportunities to address local housing needs. This application is the first step to request funding. Additional information may be requested from applicants during the evaluation and applicants may be invited to participate in interviews. Applications that exceed \$250,000 will require approval from the SGVRHT Board of Directors. Below are the Program Guidelines.

Homeless Program Guidelines: N/A

1. Maximum funding of \$25,000¹ per bed/unit for sites operated for 2 years or more; funding will be prorated based on program duration; minimum term of 1 year
2. Maximum funding of \$10,000 per bed/unit for programs at existing interim housing sites. Infrastructure upgrades would require a minimum commitment of 2 years of site of operation and programs would be based on the actual cost to provide services.
 - a. Additional supportive services
 - b. Commercial kitchen development/ equipment or food pantry/ waste diversion programs
 - c. Site upgrades: Community Rooms, offices, amenities, etc.
3. Commitment to provide staff resources (Public Works, Planning, etc.) and supplemental funding to complete projects with budgets in excess of SGVRHT award amount.

Affordable Housing Guidelines:

1. Maximum funding of \$150,000 per unit for innovative permanent housing models including modular housing, accessory dwelling units, and other innovative typologies deed restricted to tenants at or below 80% AMI. Rents may be capped to ensure tenant affordability.

Application is for \$1,500,000 that will be used to construct no less than 14 Accessory Dwelling Units (ADUs). Deed restrictions will be used to ensure that tenants will be at or below 80% AMI and that rents will be capped to ensure tenant affordability.

2. Supplemental funding to complete projects with budgets in excess of SGVRHT award amount.

Supplemental funds of \$1,000,000 have been secured from HCD and \$400,000 have been secured from the City of Baldwin Park. We will continue to look for additional funds from participating cities to leverage the SGVRHT funds.

3. Project is supported by the SGVRHT member City it is located in. Please provide a City contact if the application is completed by a Developer.

The project is supported by the City of Baldwin Park. Their letter of support is attached. Project activities will extend to other member cities through an outreach and marketing campaign integral to the project plan.

¹A project may apply for up to \$35,000 per bed/unit for new construction of an interim housing site and an additional component such as a commercial kitchen.

Applicant Information

Project City: All COG member cities.

Contact Name/ Title: Bryan Wong/ CEO

City Contact (if applicant is Developer):

Phone: (626) 418-2442

Email: bwong@sgvhabitat.org

Application Questions

1. Project Type: **Garage conversions (to ADUs) and new free standing ADUs**

2. Potential project size: **14 ADUs of mixed unit types (scattered-site)**

3. Potential Project Location(s):

Member cities of the San Gabriel Valley Council of Governments. Support letters from participating cities available on request from SGVRHT.

4. Additional Funding Sources: Please describe the funding required to complete the project. Please attach a budget/proforma if available.

The budget for this project is \$2,000,000. Of this amount, we are requesting a grant from SGVRHT of \$1,500,000, or \$150,000 per new ADU unit produced and \$50,000 per Conversion unit created. We estimate that each new ADU will cost approximately \$200,000 and each Conversion will cost approximately \$100,000. Beyond RHT's investment, we will leverage additional funding from HCD and the member cities to cover the remaining cost of each unit. This plan will enable SGV Habitat to complete 8 new ADUs and 6 conversions in multiple cities across SGV in approximately two years.

Each homeowner contracting with SGV Habitat for an ADU will be required to pay a project fee of \$5,000 toward unit construction costs at application.

Please see the project pro forma accompanying this application for cost and financing details for 14 units.

5. Project Timeline: Please describe the anticipated project start and completion including any construction dates. If the project is a homeless program, please confirm the project will be operating for at least 1 year.

SGV Habitat will finish an average of seven units per year starting January 2, 2024. We aim to complete our 14th unit by December 31, 2025.

6. Existing Programs: Please describe any existing programs that will be linked to the proposed project.

No existing programs at SGV Habitat will be linked to the project proposed here. The project will be run as a stand-alone activity. However, SGV Habitat's broad expertise in project management, financing, construction, and homeowner outreach will benefit the project through technical assistance provided to ensure the success of our in-house ADU production team.

7. Staffing: Please describe the project team that will deliver the project and any administrative support required from the SGVRHT or its architectural consultant. Please confirm that assigned staff will be available throughout the project term to meet with the project team and complete deliverables².

This project will be under the oversight of the CEO, who will have one director and a small production team working under him. There will be three people on the project team in total until the project is complete. SGV Habitat will tap the technical support of additional staff within its ranks as needed for specialized functions, such as engaging and qualifying potential homeowners.

SGV Habitat will act as the general contractor using staff and volunteers. Occasionally, SGV Habitat staff will interact with SGVRHT staff, as well as outside consultants and sub-contractors on specific project-related issues.

8. City Support: Please describe any entitlements or City Council approvals required to complete the project.

City ministerial approvals will be needed prior to construction of each unit. Expedited city staff reviews will be completed consistent with the provisions of applicable city ordinances and State law including SB 897, AB 587, AB 221 and HCD's 2022 update of the State of CA ADU Handbook.

9. Additional information: Please attach any additional information available including site plans, examples of similar projects, staffing models, etc.

This pilot project will streamline and expedite the conversion of garages to ADUs and the creation of new ADU units across multiple cities at reduced cost. All homeowners will be qualified as low-income (50% to 80% AMI) households, and their ADU tenants will qualify for low-income rent caps.

We have received state and local funding to match SGVRHT's grant for the purpose of expanding unit production above and beyond our proposed 14 units. SGV Habitat will also recycle the net proceeds of our financing of homeowners for each project. Over time, we aim to double the production level enabled by SGVRHT's grant. Units made possible from leveraging will be started after the units funded by SGVRHT are completed.

Attached are:

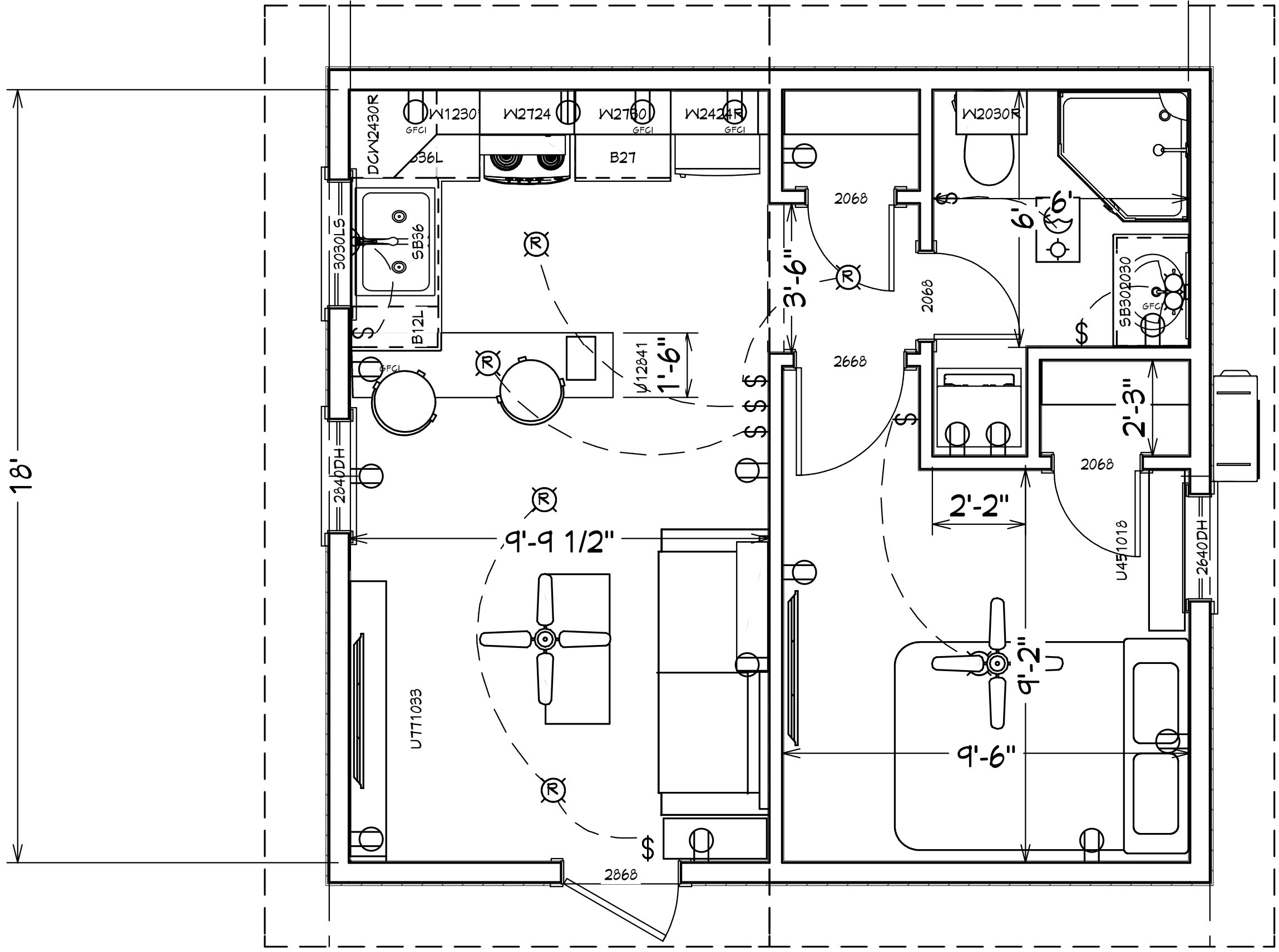
- 1. Eligibility worksheet for qualifying homeowners***
- 2. A pro forma for the project, and***
- 3. Our new timeline and process for construction of 14 or more units***

Available on request:

- 4. Deed restriction sample document***
- 5. Policies and procedures for homeowners***

ACCESSORY DWELLING UNIT (ADU) ELIGIBILITY MATRIX

Minimum Fico	620 mid score, alt-credit okay												
Credit	No open collections, charge-offs, & no bankruptcies												
Income	80% AMI based on current household size												
Debt Ratio	30% Front End, 45% Max Back End (after including new loan and potential rental income at 75%), exceptions possible case by case												
FTHB	Not required, must not own or have interest in another property												
Documentation	3 years Federal Tax Returns all household, 3 months paystubs all household, 3 months bank statements all household, all sources of income must be reported and documented												
Self-Employed	3 years Federal Tax Returns with Schedule C's & current P&L, 3 months bank statements personal & business												
Occupancy	Owner must occupy original dwelling or new ADU, open to non-habitat homeowners, must own current residence a minimum of 3 years, cannot own any other property or be on title												
Assets	6 months payment reserves												
Property Type	SFR only, unpermitted garages allowed. Any other unpermitted improvements are not allowed. Construction is for Garage conversion ADU only.												
Max Rental Income	<p>The maximum HOME rents are the lesser of:</p> <ol style="list-style-type: none"> 1. The fair market rent for existing housing for comparable units in the area as established by HUD under 24 CFR 888.111; or 2. A rent that does not exceed 30 percent of the adjusted income of a family whose annual income equals 65 percent of the median income for the area, as determined by HUD, with adjustments for number of bedrooms in the unit. The HOME rent limits provided by HUD will include average occupancy per unit and adjusted income assumptions. <p>Los Angeles-Long Beach-Glendale, CA HUD Metro Area</p> <table border="1"> <thead> <tr> <th></th> <th>1BR</th> <th>2BR</th> <th>3BR</th> <th>4BR</th> </tr> </thead> <tbody> <tr> <td>High HOME Rent Limit:</td> <td></td> <td></td> <td>\$1518</td> <td>\$1823</td> <td>\$2097</td> <td>\$2320</td> </tr> </tbody> </table>		1BR	2BR	3BR	4BR	High HOME Rent Limit:			\$1518	\$1823	\$2097	\$2320
	1BR	2BR	3BR	4BR									
High HOME Rent Limit:			\$1518	\$1823	\$2097	\$2320							
Financial Education	Landlord Education course and certification required												
Loan Term	15 / 30 years fixed at 0%												
Affordability Term	15 years, must rent ADU to low-income household 80%AMI at no more than lesser of 30% renter's annual household income or HUD high rent limit per bedroom count												
CLTV	TBD												



LIVING AREA
388 SQ FT



RENDERINGS
FOR ILLUSTRATION ONLY

GENERAL NOTES:

THIS PLAN SET, COMBINED WITH THE BUILDING CONTRACT, PROVIDES BUILDING DETAILS FOR THE RESIDENTIAL PROJECT. THE CONTRACTOR SHALL VERIFY THAT SITE CONDITIONS ARE CONSISTENT WITH THESE PLANS BEFORE STARTING WORK. WORK NOT SPECIFICALLY DETAILED SHALL BE CONSTRUCTED TO THE SAME QUALITY AS SIMILAR WORK THAT IS DETAILED. ALL WORK SHALL BE DONE IN ACCORDANCE WITH INTERNATIONAL BUILDING CODES AND LOCAL CODES. CONTRACTOR SHALL BE RESPONSIBLE AND BEAR ANY FINES OR PENALTIES FOR CODE, ORDINANCE, REGULATION OR BUILDING PROCESS VIOLATIONS. INSURANCES SHALL BE IN FORCE THROUGHOUT THE DURATION OF THE BUILDING PROJECT.

WRITTEN DIMENSIONS AND SPECIFIC NOTES SHALL TAKE PRECEDENCE OVER SCALED DIMENSIONS AND GENERAL NOTES. THE ENGINEER/DESIGNER SHALL BE CONSULTED FOR CLARIFICATION IF SITE CONDITIONS ARE ENCOUNTERED THAT ARE DIFFERENT THAN SHOWN, IF DISCREPANCIES ARE FOUND IN THE PLANS OR NOTES, OR IF A QUESTION ARISES OVER THE INTENT OF THE PLANS OR NOTES. CONTRACTOR SHALL VERIFY AND IS RESPONSIBLE FOR ALL DIMENSIONS (INCLUDING ROUGH OPENINGS). ALL TRADES SHALL MAINTAIN A CLEAN WORK SITE AT THE END OF EACH WORK DAY.

PLEASE SEE ADDITIONAL NOTES CALLED OUT ON OTHER SHEETS.

3 BR 2 BATH FREESTANDING ADU

OWNER: SAN GABRIEL VALLEY HABITAT FOR HUMANITY

PROJECT: 3 BR 2 BATH FREESTANDING ADU 999 SF
ADDRESS: NUBIA ST, BALDWIN PARK CA
LEGAL: LOT 16, BLOCK 1

FIRE DISTRICT
WATER/SEWER:
POWER

STORM WATER PERMIT: _____
BUILDING PERMIT: _____

DESIGNER: BRIAN STANLEY
BUILDER: SAN GABRIEL VALLEY HABITAT
FOR HUMANITY
ENGINEERING: ANC2

PROJECT SUMMARY	1
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SHEET NUMBER

1

SCALE @ 24" X 36"

DATE:

DESIGN AND DRAWINGS BY:
BRIAN STANLEY

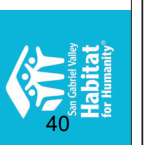
PROJECT SUMMARY

PROJECT ADDRESS:

14126 NUBIA ST
BALDWIN PARK
CA, 91706

**HOUSING UNIT:
3BR 2 BATH
FREESTANDING ADU**

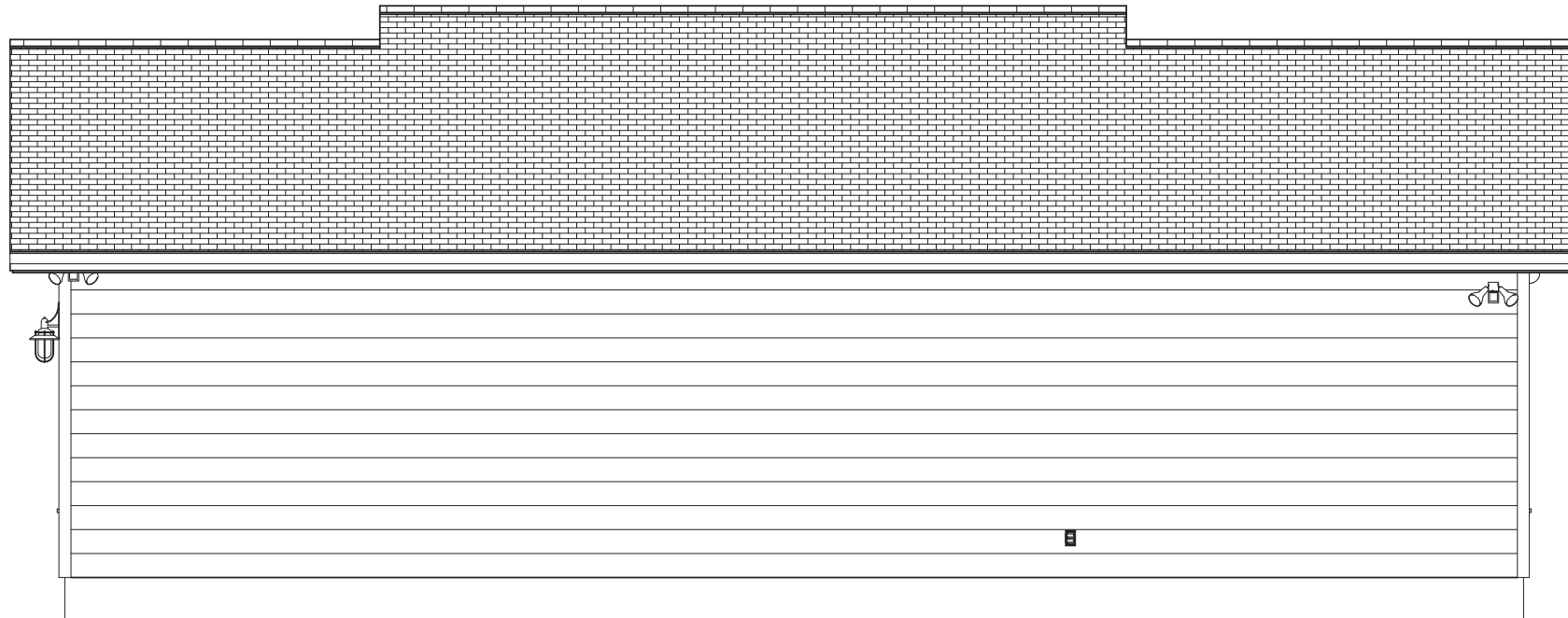
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FRONT ELEVATION
MODEL 1

1/2"=1'



REAR ELEVATION
MODEL 1

1/2"=1'

SHEET NUMBER

2

SCALE @ 24" X 36"

DATE:

DESIGN AND
DRAWINGS BY:
BRIAN STANLEY

FRONT & REAR
ELEVATIONS

PROJECT ADDRESS:

14126 NUBIA ST
BALDWIN PARK
CA, 91706

HOUSING UNIT:

3BR 2 BATH
FREESTANDING ADU

© 2023



41

EXTERIOR KEY NOTES

SHEET NUMBER

3

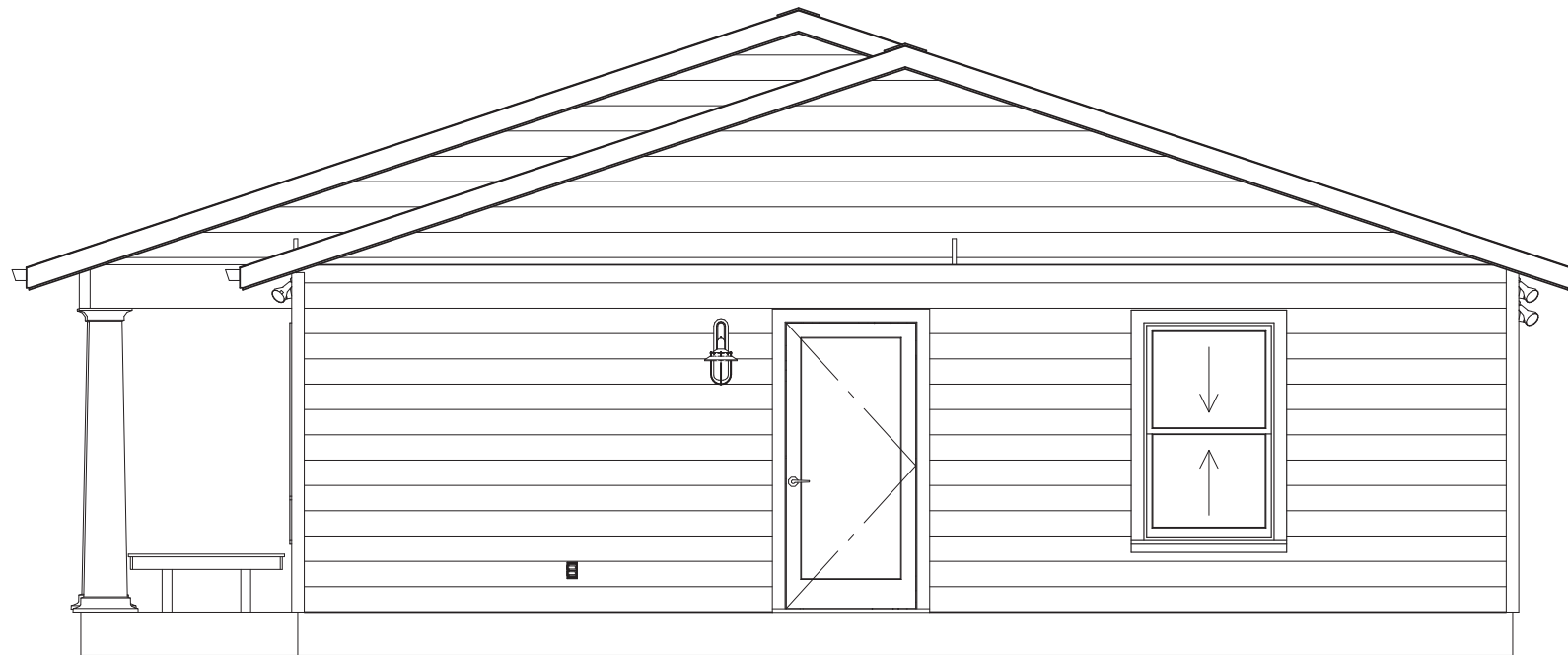
SCALE @ 24" X 36"

DATE:

DESIGN AND DRAWINGS BY:
BRIAN STANLEY



N. SIDE ELEVATION
1/2"=1'



S. SIDE ELEVATION
1/2"=1'

SIDE ELEVATIONS

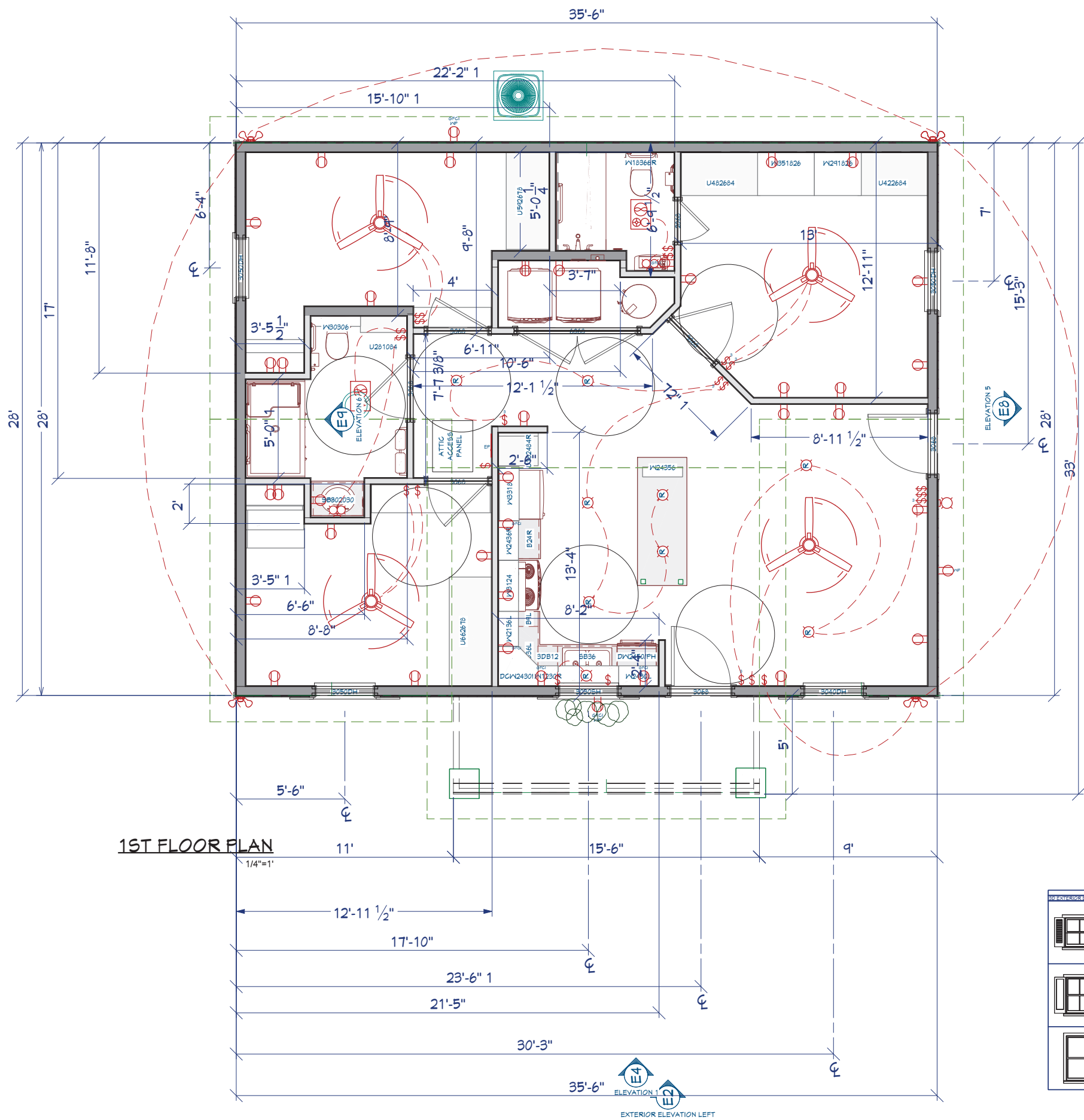
PROJECT ADDRESS:

14126 NUBIA ST
BALDWIN PARK
CA, 91706

HOUSING UNIT:
3BR 2 BATH
FREESTANDING ADU

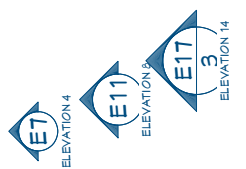
© 2023





FLOOR PLAN NOTES:

1. ALL EXTERIOR DIMENSIONS ARE TO THE FRAMING OR MAIN LAYER. DIMENSIONS TO OPENINGS ARE TO THE CENTER.
2. CONTRACTOR SHALL VERIFY ALL DIMENSIONS AND IS RESPONSIBLE FOR ALL DIMENSIONS (INCLUDING ROUGH OPENINGS).



NO.	SYMBOL	QTY	DESCRIPTION	UNIT	REMARKS
001	[Window Icon]	1	208 L IN 24 18"x32 1/2"	HINGED SLAB	
002	[Window Icon]	1	208 L EX 36"x60"	EXT. HINGED DOOR E2	
003	[Window Icon]	1	208 L IN 37 18"x32 1/2"	HINGED SLAB	
004	[Window Icon]	1	208 L IN 36"x32 1/2"	HINGED SLAB	
005	[Window Icon]	1	208 K EX 36"x60"	EXT. HINGED GLASS PANEL	
006	[Window Icon]	1	208 K IN 37 18"x32 1/2"	HINGED SLAB	
007	[Window Icon]	1	208 K IN 36"x32 1/2"	HINGED SLAB	
008	[Window Icon]	1	208 L IN 37 18"x32 1/2"	DOUBLE HINGED SLAB	

NO.	SYMBOL	QTY	DESCRIPTION	UNIT	REMARKS
101	[Window Icon]	1	3050SH STX3T	SINGLE HUNG	
102	[Window Icon]	1	3040DH STX4F YES	DOUBLE HUNG	
103	[Window Icon]	1	3050DH STX61	DOUBLE HUNG	

MAIN FLOOR PLAN

PROJECT ADDRESS:
14126 NUBIA ST
BALDWIN PARK
CA, 91706

Innovative Affordable Housing and Homeless Programs Application

The San Gabriel Valley Regional Housing Trust has allocated \$4 million to Innovative Affordable Housing and Homeless Programs to provide flexible opportunities to address local housing needs. This application is the first step to request funding. Additional information may be requested from applicants during the evaluation and applicants may be invited to participate in interviews. Applications that exceed \$250,000 will require approval from the SGVRHT Board of Directors. Below are the Program Guidelines.

Homeless Program Guidelines:

1. Maximum funding of \$25,000¹ per bed/unit for sites operated for 2 years or more; funding will be prorated based on program duration; minimum term of 1 year
2. Maximum funding of \$10,000 per bed/unit for programs at existing interim housing sites. Infrastructure upgrades would require a minimum commitment of 2 years of site of operation and programs would be based on the actual cost to provide services.
 - a. Additional supportive services
 - b. Commercial kitchen development/ equipment or food pantry/ waste diversion programs
 - c. Site upgrades: Community Rooms, offices, amenities, etc.
3. Commitment to provide staff resources (Public Works, Planning, etc.) and supplemental funding to complete projects with budgets in excess of SGVRHT award amount.

Affordable Housing Guidelines:

1. Maximum funding of \$150,000 per unit for innovative permanent housing models including modular housing, accessory dwelling units, and other innovative typologies deed restricted to tenants at or below 80% AMI. Rents may be capped to ensure tenant affordability.
2. Supplemental funding to complete projects with budgets in excess of SGVRHT award amount
3. Project is supported by the SGVRHT member City it is located in. Please provide a City contact if the application is complete by a Developer.

¹ A project may apply for up to \$35,000 per bed/unit for new construction of an interim housing site and an additional component such as a commercial kitchen.

Applicant Information

Project City:

Contact Name/ Title:

City Contact (if applicant is Developer):

Phone:

Email:

Application Questions

1. Project Type:
2. Potential project size: _____beds/units
3. Potential Project Location:

4. Additional Funding Sources: Please describe the funding required to complete the project. Please attach a budget/proforma if available.

5. Project Timeline: Please describe the anticipated project start and completion including any construction dates. If the project is a homeless program, please confirm the project will be operated for at least 1 year.

6. Existing Programs: Please describe any existing programs that will be linked to the proposed project.

7. Staffing: Please describe the project team that will deliver the project and any administrative support required from the SGVRHT or its architectural consultant. Please confirm that assigned staff will be available throughout the project term to meet with the project team and complete deliverables².

² City staffing is essential to project completion and will be further outlined in the MOA once a project is approved.

8. City Support: Please describe any entitlements or City Council approvals required to complete the project.

9. Additional information: Please attach any additional information available including site plans, examples of similar projects, staffing models, etc.

Property Address 1
 XXXX E Pasadena St, Pomona, CA
Property Address 2
 XXX N Eleanor St Pomona, CA 91767

Total Sqft
 5,226

Sale Type
 Purchase Price \$1,800,000
 Total List \$1,800,000
 Avg Per Sqft \$344

Total Bedrooms 15
Total Bathrooms 7
Average Age 1934
Total land sqft 18356
Number of Units 6
Number of Properties 2



Ryan Ottosen
 DRE #01842391
 626-774-5000
 CapitalAndInfluence.com

SGVCOG
 Original Application \$1,800,000
 Current Ask \$1,800,000

Original number of persons housed 12
 Projected number of persons housed 15

God's Pantry
 All in contribution \$38,250

Property Address
 XXX N Eleanor St Pomona, CA 91767
 Parcel Number
 475-XXX-XXX

Sq. Ft
 1,411

Sale Type
 Purchase Price
 List Price
 Per Sq Ft

Traditional
 \$750,000
 \$749,000
 \$532

Bedrooms
 Baths
 Year Built
 Lot Size
 Number of Units

5
 2
 1914
 7414
 1



Ryan Ottosen
 dre #01842391
 626-774-5000
 CapitalAndInfluence.com

SGVRHT
 Contribution
 Cost Per Room
 Percentage of Application

\$750,000
 \$150,000
 41.67%

Number of Persons Housed
 5

God's Pantry
 Closing Cost
 \$11,250

Property Address
 XXXX E Pasadena St, Pomona, CA 91767
 Parcel Number
 475-XXX-XXX

Sq. Ft
 3,815

Sale Type
 Purchase Price
 List Price
 Per Sq Ft

Traditional
 \$1,050,000
 \$1,050,000
 \$275

Bedrooms
 Baths
 Year Built
 Lot Size
 Number of Units

10
 5
 1954
 10942
 5



Ryan Ottosen
 dre #01842391
 626-774-5000
 CapitalAndInfluence.com

SGVRHT
 Contribution
 Cost Per Room
 Percentage of Application

\$1,050,000
 \$105,000
 58.33%

Number of Persons Housed
 10

God's Pantry
 Closing Cost
 \$15,750

DATE: February 15, 2024
TO: Board of Directors
FROM: Marisa Creter, Executive Director
RE: **REVOLVING LOAN FUND ALLOCATIONS**

RECOMMENDED ACTION

Adopt Resolution 24-04 authorizing the Executive Director to execute a Letter of Intent with American Family Housing for an amount not to exceed \$3,392,510 for Mariposa Apartments (Alhambra)

BACKGROUND

In June 2022, the San Gabriel Valley Regional Housing Trust (SGVRHT) Board of Directors approved Guidelines for the Revolving Loan Fund (RLF) which defined project and borrower eligibility, established recommended per-project and per-unit award amounts, defined eligible expenses, and defined the loan terms. The fund has accepted applications on a rolling basis and has received consultant support from Harris and Associates to review applications and secure necessary due diligence. After staff and consultant review, RLF applications are reviewed by the loan committee which includes the Housing and Homelessness expert board members. The loan committee met this month to review an application for Mariposa Apartments in Alhambra.

The RLF was anticipated to increase by \$5 million following award of Regional Early Action Planning (REAP) 2.0 funds from the Southern California Association of Governments (SCAG), however these funds are on hold pending a potential budget cut proposed by the governor. Therefore, the RLF can only allocate funds from its initial allocation of \$7.8 million, plus any forward commitments of funds for projects with construction to permanent financing which pay off the RLF loan.

DISCUSSION

American Family Housing, applied for an RLF loan in the amount of \$3,996,000. The RLF loan committee recommended funding in the amount of \$3,392,510 which is the amount of funds remaining in the fund. The developer has confirmed that this amount can be successfully utilized to support the project during predevelopment. A description of the project is below:

Mariposa Apartments, Alhambra (\$3,392,510) is a 50-unit affordable housing development proposed by American Family Housing which will serve low-income and extremely low-income families earning 30 to 50% Area Median Income (AMI). The project received 25 project-based vouchers from the Los Angeles County Development Authority

REPORT

(LACDA). LACDA is also providing a construction to permanent financing loan in the amount of \$5,350,000. The project received \$5,830,000 from the City of Alhambra which includes successor agency funding and a seller carryback for the City owned parcel. The Boulevard was previously awarded a \$1,000,000 construction to permanent financing commitment from the SGVRHT which includes \$500,000 in matching funds through the Local Housing Trust Fund (LHTF) program¹ which completes its public sources. The project initially requested an RLF loan of \$3,996,000, which exceeds the remaining funds available. The RLF loan will be partially repaid at construction closing in summer 2024 by the \$1,000,000 SGVRHT/LHTF loan and the remaining RLF loan will be repaid at conversion to permanent financing in 2027. The loan committee highlighted the importance of the extremely low-income units developed by this project.

To date the RLF has provided 5 loans to support the development of 192 units. RLF awards are summarized below. Approval of the recommended award will utilize the remaining funding.

Project Name	Units	Project Description	Funding Request
Torch Street	12	single family affordable ownership	\$1,000,000
Angeleno	4	single family affordable ownership	\$336,000
The Boulevard	81	affordable housing	\$4,000,000
405 S Del Mar	70	affordable housing	\$810,000
Pathway	35	affordable housing for families	\$1,571,490
Mariposa	50	Low and extremely low-income housing	\$3,392,510
total units	242	total funding request	\$11,110,000
		Remaining available funds ²	\$0

An estimated RLF repayment and loan projection is included below to demonstrate when funds will be available for future allocations.

Date	Project	Full or Partial Repayment	Funding Available ³
July 2024	Mariposa	Partial	\$1,000,000
April 2025	BLVD	Full	\$4,000,000
September 2026	Angeleno	Full	\$1,000,000

NEXT STEPS

If the RLF allocations are approved, staff and Harris and Associates will work with the developer to execute loan documents and complete draw requests. The RLF loan will be

¹ The LHTF program requires funds to be on deposit, therefore the SGVRHT cannot pull forward its portion of these funds to increase the RLF award to this project.

² Equals \$7,800,000 originally allocated to the RLF, minus awarded and recommended awards. Funds were pulled forward for projects with eligible permanent loans which will pay down the RLF loan including \$2,500,000 for Boulevard and \$810,000 for 405 S. Del Mar.

³ Exact timeline may vary as most RLF loans include an optional 6-month extension if needed. Additional funds may be available sooner pending clarification of the availability of the SGVRHT REAP 2.0 award.

REPORT

partially repaid at construction closing with the remaining balance paid off at conversion to permanent financing.

Pending an update from SCAG on the availability of REAP 2.0 funds, the RLF will be temporarily exhausted, with an anticipated repayment of \$1,000,000 this summer and additional repayments in 2025 and 2026.

Prepared by: *Brielle Salazar*
Brielle Salazar
Regional Housing Trust Manager

Approved by: *Marisa Creter*
Marisa Creter
Executive Director

ATTACHMENTS

Attachment A –Mariposa Loan Committee Report

Attachment B- Resolution 24-04 authorizing the Executive Director to issue a Letter of Intent with American Family Housing for an amount not to exceed \$3,392,510 for Mariposa Apartments (Alhambra)

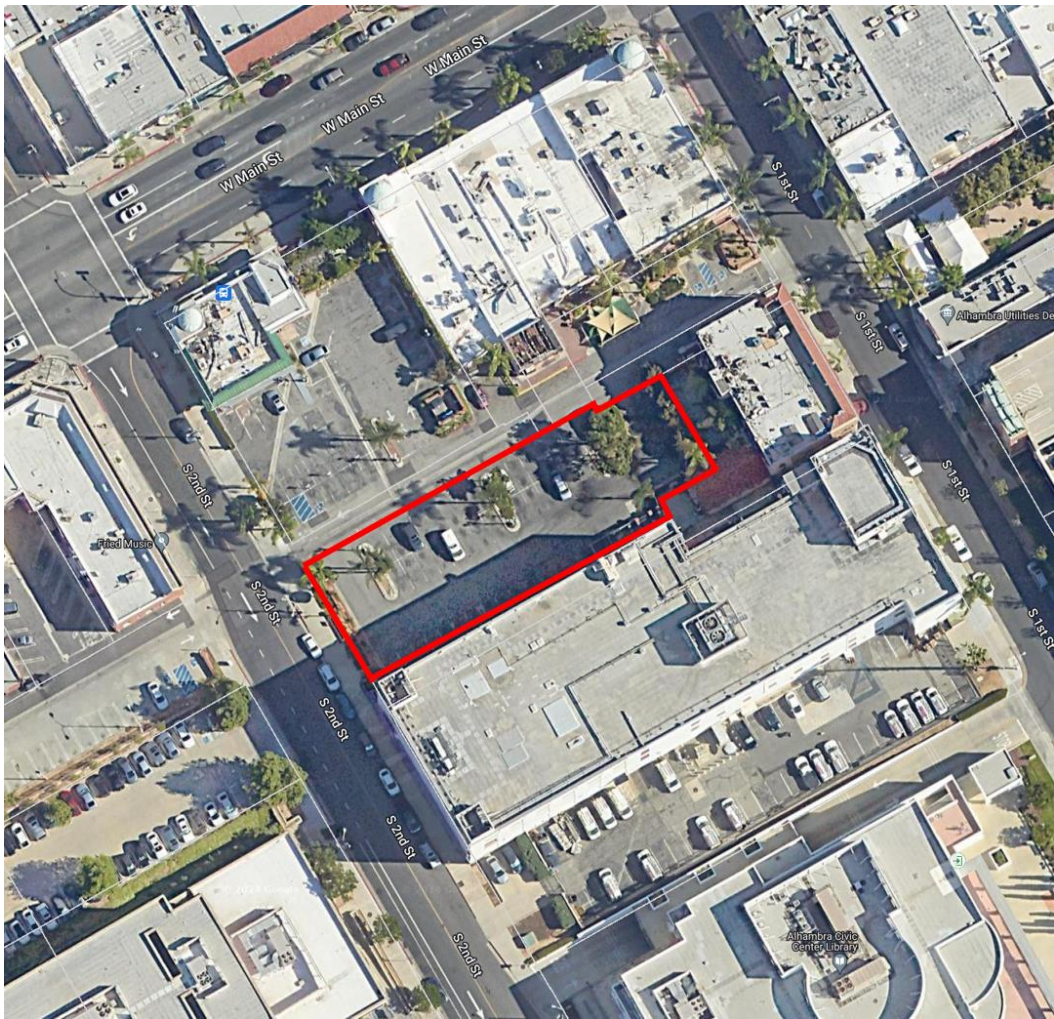
SAN GABRIEL VALLEY REGIONAL HOUSING TRUST
REVOLVING LOAN FUND PROGRAM

LOAN COMMITTEE REPORT

ACQUISITION/PREDEVELOPMENT LOAN

PROJECT LOCATION

**46 South Second Street,
Alhambra, CA 91801**



For Committee Meeting on February 7th, 2024 & Board Meeting on February 15th, 2024
Prepared by Harris & Associates
Prepared for San Gabriel Valley Regional Housing Trust, Revolving Loan Fund

EXECUTIVE SUMMARY

Development Location: 46 S. Second Street, Alhambra, CA 91801
APN 5344-026-915

Development Type: New Construction – Affordable Rental Housing

Requested Loan: \$3,996,000 Acquisition-Predevelopment Loan
(\$79,920 per unit)
Available funding: \$3,392,510 (\$67,850 per unit)

Additional Request Subsidy: N/A

Construction Type: New Construction

Number/Type Units: Fifty (50) Units.
Thirty (30) 1-bedroom/1-bathroom units, Twenty (20) 2-bedroom/1-bathroom units. Fifty-one (51) parking spaces will be provided, including twenty-seven (27) public spaces.

Target Population: The developer plans to select tenants through the Los Angeles County Coordinated Entry System. Thirty-five (35) units will be Permanent Supportive Housing (“PSH”) reserved for households at or below 30% of the area median income (“AMI”), fourteen (14) units for households at or below 50% AMI, and one (1) unit will be reserved as a manager unit.

Program Guidelines: Complies with Revolving Loan Fund (“RLF”) Guidelines

I. REQUEST

The developer intends to use the RLF loan to finance land acquisition and site preparation costs. The developer previously obtained \$1,000,000 in permanent financing from the San Gabriel Valley Regional Housing Trust (“SGVRHT”), funding which is subject to Local Housing Trust Fund (“LHTF”) program guidelines.

Developer	American Family Housing
Loan Amount	Requested: \$3,996,000 or \$79,920 per residential unit Available: \$3,392,510 or \$67,850 per residential unit The maximum loan amount for new construction in Fiscal Year 2023-2024, per the RLF Guidelines, is \$4,000,000 per development, \$85,000 per one-bedroom residence, and \$90,000 per two or more-bedroom residences. The Board of Directors may approve loan amounts exceeding these limits with justification.

Interest Rate	Three percent (3%)
Loan Term	Three years with two six-month extension options.
Security / Loan Documents	Promissory Note, Deed of Trust, Loan Agreement, Assignment of Contracts and Plans, and Regulatory Agreement
Affordability	The targeted income levels are 30% and 50% AMI. The proposed term for affordability restrictions is 55 years.
Repayment	The loan will have monthly payments of interest only. Payment of principal is deferred until the construction-permanent financing conversion or loan maturity.
Subordination	The RLF loan can potentially be subordinated to the project's construction loan and other sources during the construction period, at the discretion of the SGVRHT executive director.
Prepayment	The loan may be repaid in part or whole at any time without penalty.

II. BENEFITS OF THE DEVELOPMENT

- A. The proposed development is currently envisioned as a fifty (50) unit residential development.
- B. The development will house lower-income households earning no more than thirty percent (30%) and fifty percent (50%) AMI for Los Angeles County. American Family Housing will commit to providing thirty-five (35) PSH units restricted at the 30% AMI level. Fourteen (14) units will be reserved for households earning no more than 50% AMI. One (1) unit will serve as a manager's unit.
- C. The proposed development will help meet a high and rising demand among local low-income households for affordable rental housing in a region where for-sale housing prices are generally unaffordable for low-income families and individuals.
- D. The development location has convenient access to public transportation. There are multiple bus stops within a one-half-mile radius, along Metro bus lines 76 and 260, Montebello bus line 30, and the Alhambra Community Transit blue and green bus lines. Grocery stores within a two-mile radius include Sprouts Farmer's Market, Hamilton Euromarket, and 99 Ranch Market. Story Park and Almansor Park are within a five (5) minute driving distance from the project site. The site is within walking distance of Alhambra High School, within one mile of the Sierra School of Alhambra (dedicated to providing special education services), and within two (2) miles of Granada Elementary School and San Gabriel High School. A United States Postal Service office and the City's Civic Center Library, Police Department, and City Hall are within walking distance. Multiple medical clinics are accessible within a three (3) mile radius.



- E. The proposed development aligns with the SGVRHT’s overall goal of funding and financing the planning and construction of affordable housing serving extremely low-, very low-, and low-income households.

III. PROPERTY & DEVELOPMENT DESCRIPTION

- A. RLF Application Summary: American Family Housing submitted an initial application in November 2023 and a Full Application in January 2024. The application covers site acquisition and preparation costs.
- B. Current Property Ownership: The developer has an executed Disposition, Development, and Loan Agreement (“DDA”) with the City of Alhambra, the owner of the proposed development site. The DDA was executed on November 9, 2020, amended in August 2022, and remains in effect through November 2024.
- C. Development Description: The Developer is beginning the pre-development process with the intent to develop fifty (50) residences for low-income households consisting of 1-bedroom/1-bathroom and 2-bedroom/1-bathroom residences. Units will measure approximately 578 square feet (“SF”) for 1-bedroom units and approximately 800 SF for 2-bedroom units. Fifty-one (51) parking spaces will be provided, including twenty-seven (27) public spaces.
- D. Property Description: The property is located at 46 South Second Street, near the intersection of Second Street and Main Street, approximately two (2) miles north of Interstate 10, and within walking distance of Alhambra City Hall. The site consists of a parking lot in active use within the City’s downtown region. The property is described as Los Angeles County Assessor's Parcel Number (“APN”) 5344-026-915. The site is 18,400 gross square feet or 0.42 acres.
- E. Zoning and Entitlements: The development property is zoned as Central Business District (“CBD”) and is located within the Downtown Revitalization District overlay. The planned development of fifty (50) dwelling units falls within the allowable zoning code development standards for this property with the City density bonus and the State Density Bonus law.
- F. Development Schedule: American Family Housing is in the entitlements phase and plans to complete site acquisition by December 2024, with an anticipated construction completion date in October 2026 and full occupancy in December 2026.

IV. DEVELOPER TEAM CAPACITY

Owner/Borrower/Developer:	Jose Torres, Director of Real Estate, American Family Housing
Architect:	KTGY
Financial Consultant:	Veloce Partners
Attorney:	Goldfarb Lipman

General Contractor: ECON Construction
 Construction Manager: AMJ Construction Management
 Conventional Lenders: TBD. Possibly Citibank, who issued a commitment letter.
 Social Service Provider: American Family Housing

The RLF Guidelines require that applicants demonstrate the capacity to develop the proposed project successfully and that the SGVRHT shall evaluate capacity based on the applicant’s and the development team member’s record in developing and managing affordable housing.

American Family Housing is a 501(c)3 nonprofit organization that provides affordable housing and social services to support low-income individuals and households. American Family Housing operates sixty-three (63) and owns fifty-two (52) residential communities located throughout Los Angeles, Orange, and San Bernardino Counties. The company’s portfolio includes 267 units, of which 75% are family units, 25% are permanent supportive housing, and 10% are set aside for formerly homeless veterans. As of 2020, the company had 275 residential units in its development pipeline.

V. UNIT MIX AND INCOME LEVELS

The proposed rent levels for this development will comply with the RLF Guidelines minimum affordability requirements. The developer proposes thirty-five (35) to be restricted at the 30% AMI level, fourteen (14) units to be restricted at the 50% AMI level, and one (1) unit to be reserved as a manager’s unit. Below is a summary of the proposed unit mix.

Bedrooms	Affordability Restriction	Units
1	30% AMI	35
2	50% AMI	14
2	Manager’s Unit	1
Total		50

VI. MARKETING AND TENANT SELECTION

The developer plans to engage Solari Enterprises as the property manager. Solari Enterprises has experience managing tax credit/affordable housing developments and will work with American Family Housing to ensure affordability requirements are met. It is anticipated that all tenants for units restricted at the 30% and 50% AMI level will be sourced from the Los Angeles County Coordinated Entry System (“CES”) for Families.

VII. SUPPORTIVE & SOCIAL SERVICES

Supportive and social services will be offered by American Family Housing through a continuum of care and an array of services to enable residents to be an active part of their community and to achieve a self-sustaining way of life.

VIII. CONSTRUCTION AND PERMANENT FINANCING SOURCES AND USES

The development will utilize a bank loan for the construction period. Citibank issued a commitment letter on August 4, 2023, for a construction-permanent period loan in an amount not to exceed \$27,900,000. Additional construction funding includes approximately \$10.6 million in loans from the public agencies, approximately \$2 million in tax credit equity, and approximately \$2.7 million in deferred costs. The construction period funding is detailed in the following table.

Mariposa on 2nd – Construction Period Sources

Sources	Total	Per Unit
Construction Loan	\$27,850,000	\$557,000
Soft Debt (public agency loans)	10,645,000	212,900
Tax Credit Equity	1,946,720	38,934
GP Equity	100	2
Deferred costs (reserves & developer fee)	2,669,594	53,392
Total Sources	\$43,111,414	\$862,228

The developer has underwritten a permanent bank loan amount of \$6,300,000. Additional permanent funding amounts include approximately \$13.0 million in Limited Partner Equity (i.e., federal tax credit equity), approximately \$9.6 million in State tax credit equity, an approximately \$5.8 million loan from the City of Alhambra, an approximately \$5.35 million loan through the Los Angeles County Development Authority (“LACDA”) Affordable Housing Trust Fund program, and a \$1 million SGVRHT loan. The developer is applying for 4% LIHTC financing and aims to use allocated RLF funding to improve the project’s eligibility score to secure financing. The permanent financing sources provided in the development proforma are shown in the following table.

Mariposa on 2nd – Permanent Period Sources

Sources	Total	Per Unit
Loan 1: 1st - Permanent	\$6,300,000	\$126,000
Loan 3: Deferred Developer Fee	1,529,228	30,585
Loan 5: Alhambra	5,830,000	116,600
Loan 6: LACDA - AHTF	5,350,000	107,000
Loan 7: SGVRHT	1,000,000	20,000
Loan 8: GP Loan - State Credits	9,623,953	192,479
AHP	500,000	10,000
General Partner Equity	100	2
Limited Partner Equity	12,978,133	259,563
Total Sources	\$43,111,414	\$862,228

Given the current development timeline, the RLF loan would likely be repaid either during or at the end of construction. Having the loan repaid sooner would be more consistent with the standard approach for acquisition-predevelopment loans. Having the loan repaid

closer to the end of construction would help to reduce the cost of development by reducing the need for the private construction loan.

The development uses are detailed in the following table. The hard construction costs total approximately \$26.7 million (including “Construction-Residential” and “Allocated Const Cost”). This represents an approximately 32% increase from the hard construction costs budgeted when the developer applied to the SGVRHT for permanent financing. As an explanation for this increase, the developer indicated that:

- A. the prior budget was estimated using schematic drawings and the latest budget was estimated using plan checked drawings;
- B. the need for Type I structural design for the two-story parking garage increased cost compared to the schematic-based estimate;
- C. necessary grading and site preparation work was more than expected; and
- D. the development has to draw power from a remote electric source due to insufficient nearby capacity.

Mariposa on 2nd – Development Budget

Uses	Total	Per Unit
Land & Off Sites & Demo	\$1,933,708	\$38,674
Developer Fee-Residential	2,500,000	50,000
Construction-Residential	25,136,040	502,721
Architect & Engineering	1,794,800	35,896
Hard Cost Contingency	2,711,503	54,230
Allocated Const Cost (Permit/Acctg/Lender/T&R)	1,459,210	29,184
Insurance	750,000	15,000
Construction-Commercial	1,598,991	31,980
Site Improvements	438,663	8,773
Personal Property	180,000	3,600
Permanent Loan Fees	992,554	19,851
Marketing & Lease-Up	200,000	4,000
Organization & Start-Up	18,000	360
Tax Credit Fees	122,995	2,460
Construction Loan	2,577,376	51,548
Expensed Costs	35,000	700
Syndication Legal	60,000	1,200
Reserve Accounts	465,759	9,315
Other Costs & Fees	136,815	2,736
Total Uses	\$43,111,414	\$862,228

IX. OPERATING BUDGET AND CASH FLOW

According to the development proforma, annual operating expenses in Year 1 of operation (2026) total \$474,781, or \$9,495 per unit. This amount aligns with per-unit operating expense amounts required in Los Angeles County. The debt service coverage

ratio (“DSCR”) for the property fluctuates from a minimum of approximately 1.19 to a maximum of 1.48 during the first fifteen (15) years of operation. The minimum exceeds the range required by the RLF Guidelines.

X. RELOCATION

The development site is currently used as a parking lot. No relocation is required.

XI. DESIGN AND ENTITLEMENTS

American Family Housing shared site plans for fifty (50) units in total on the site, meeting the zoning requirements of the Central Business District and the Downtown Revitalization District overlay, with the City density bonus and the State Density Bonus law.

XII. ENVIRONMENTAL REVIEW

EFI Global conducted a Phase I environmental site assessment of the property, dated January 4th, 2024. The report identified no recognized environmental conditions, significant data gaps, vapor intrusion risk, de minimis conditions, or business environmental risk. The Phase I assessment indicated “no additional investigation is recommended at this time.”

XIII. APPRAISAL AND SECURITY

The property was valued at \$1,830,000 based on an appraisal dated November 4th, 2020, completed by Stringer Appraisals. This value aligns with the site purchase price detailed in the Executed DDA. The SGVRHT will distribute funds for the loan on a reimbursement basis for completed predevelopment work. The RLF loan would be secured by a combination of the land and the value of completed predevelopment work, including the site prep and the architectural designs. Should the developer back out of the project, SGVRHT will have a right to use and/or assign the contracts and plans for another developer to continue the project. The loan still carries some risk, but the assignment of contracts and plans mitigates the risk.

XIV. FUNDING AVAILABILITY

The SGVRHT currently has \$3,392,510 in RLF funding available to commit. Of this amount, \$82,510 is available from the original total funding amount, \$810,000 is available to be forward-committed from RLF funding originally provided to the 405 S. Del Mar project, and \$2,500,000 is available to be forward-committed from RLF funding originally provided to The Boulevard project. The SGVRHT was awarded REAP 2.0 funding to expand its RLF funding by \$5 million. However, as of the date of this document, there exists uncertainty surrounding REAP 2.0 due to the Governor's proposed state budget cut. Without the REAP 2.0 funding, the total available RLF funding will remain at \$3,392,510.

The developer has requested an RLF loan of \$3,996,000. If REAP 2.0 funds are not made available to expand RLF funding, and the SGVRHT were to approve providing an RLF loan to the project in the amount of total funds available to commit (i.e., \$3.39 million), no



RLF funds would remain to apply for future projects until outstanding RLF loan amounts are paid.

XV. THRESHOLD CRITERIA AND FUNDING PRIORITIES OF THE LOAN REQUEST

Per the RLF Guidelines, the proposed development satisfies the five requirements to be considered eligible for RLF funding identified below:

- (1) Applicant qualifications: The applicant is a non-profit developer, and has provided the required documentation that demonstrates experience, financial, and legal capacity to successfully undertake the proposed project.
- (2) Geographic eligibility: The proposed development is in the City of Alhambra, an SGVRHT Full Member.
- (3) Project eligibility: The project type is new construction of an affordable housing rental development, meeting the eligibility requirement.
- (4) Expenditure eligibility: The expenditure type is a short-term acquisition/predevelopment loan for affordable rental housing, which is an eligible use per RLF guidelines.
- (5) Affordability requirements: The applicant's rental housing project shall be limited to households with incomes no more than between 30 and 80% of AMI, meeting the affordability requirements.

The proposed development addresses the optional funding priorities in the RLF Guidelines as follows:

- (1) Sub-Regional Equity: The SGVRHT intends to support developments within all Member jurisdictions and throughout the San Gabriel Valley. At this time there have been no RLF funds committed within the City of Alhambra.
- (2) Affordability Levels: The SGVRHT seeks to provide affordable housing to households at all lower income levels (i.e., extremely low-income, very low-income, and low-income) and may prioritize a project or group of projects that include a balance of units at the lower-income levels. The proposed development serves households with incomes of no more than 30% and 50% AMI, which correspond to the very-low-income and extremely-low-income levels.
- (3) Populations Served: The SGVRHT may consider how or whether projects serve the specific needs of the Member jurisdictions in which they are located. The proposed development will serve lower-income households and people most at risk of homelessness and/or who have experienced homelessness.
- (4) Cost Effectiveness: The SGVRHT may prioritize projects that are most cost-effective or achieve the lowest possible subsidy per unit for SGVRHT resources.



The requested loan equals \$79,920 per unit, less than the applicable Fiscal Year 2023-2024 limit of \$85,000 per unit for 0 and 1-bedroom units and \$90,000 per unit for 2- or more-bedroom units.

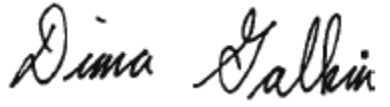
(5) Readiness & Risk: The SGVRHT may prioritize projects that can reasonably close financing and begin construction sooner than other projects. Construction financing is anticipated to be complete by July 2024, with construction projected to be complete by October 2026 and occupancy of the site completed in December 2026.

(6) Loan Repayment: The SGVRHT may prioritize projects that realistically propose accelerated loan repayment. The developer indicated an intent to repay the loan during construction loan closing.

XVI. RECOMMENDATION

It is recommended that a loan amount of up to \$3,392,510 be approved, with a conditional approval of up to \$3,996,000 subject to funding availability, for the acquisition and predevelopment costs set forth in this report.

Reviewed and submitted by:



Dima Galkin
Dima Galkin
Director

Report submitted: February 5, 2024



RESOLUTION NO. 24-04

RESOLUTION OF THE SAN GABRIEL VALLEY REGIONAL HOUSING TRUST (SGVRHT) AUTHORIZING EXECUTIVE DIRECTOR TO ISSUE LETTERS OF COMMITMENT FOR RECOMMENDED PROJECTS

WHEREAS, the San Gabriel Valley Regional Housing Trust allocated \$7,800,000 to develop a Revolving Loan Fund (RLF) to support acquisition, predevelopment, and construction of affordable housing;

WHEREAS, the RLF loan committee reviews RLF applications and makes recommendations for funding; and

WHEREAS, the RLF loan committee recommends funding for the below projects; and

WHEREAS, funding awards for the recommended projects would be designated with a Letter of Commitment.

NOW, THEREFORE, BE IT RESOLVED that the Board of Directors authorizes the Executive Director to issue a Letter of Commitment to American Family Housing for an amount not to exceed \$3,392,510 for Mariposa Apartments (Alhambra).

PASSED AND ADOPTED by the Board of Directors of the San Gabriel Valley Regional Housing Trust, in the County of Los Angeles, State of California, on the 15th day of February 2024.

San Gabriel Valley Regional Housing Trust

Jed Leano, Chair

Attest:

I, Marisa Creter, Executive Director and Secretary of the Board of Directors of the San Gabriel Valley Regional Housing Trust, do hereby certify that Resolution 24-04 was adopted at a regular meeting of the Board of Directors held on the 15th day of February 2024, by the following vote:

AYES:	
NOES:	
ABSTAIN:	
ABSENT:	

Marisa Creter, Secretary