



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

THURSDAY, NOVEMBER 17, 2022 – 2:00 P.M.

Teleconference Meeting

Zoom Link: <https://us06web.zoom.us/j/88946091914>

Livestream Available at: <https://youtu.be/TWfiamCOhDQ>

SGVRHT Officers

Chair

Jed Leano

Vice-Chair

Becky Shevlin

**Jurisdictional
Representatives**

Northeast Representative
Gary Boyer, Glendora

Norwest Representative
Becky Shevlin, Monrovia

Central Representative
Maria Morales, El Monte
(Delegate)

Emmanuel Estrada,
Baldwin Park (Alternate)

Southeast Representative
Patty Cortez, Covina

Southwest District
Adele Andrade-Stadler,
Alhambra

At-Large Representatives
Margaret Finlay, Duarte
Jed Leano, Claremont

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
- Irwindale
- La Cañada Flintridge
- La Verne
- Monrovia
- Montebello
- 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. A copy of the agenda is also viewable at the Alhambra City Hall, 111 S. 1st Street, Alhambra, CA 91801. Documents distributed to a majority of the Committee after the posting will be available for review in the SGVCOG office and on the SGVCOG website. Attendance at this public meeting may result in the recording of your voice.

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.

TO ADDRESS THE GOVERNING BOARD: At a regular meeting, the public may comment on any matter within the jurisdiction of the Board of Directors 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 wishing to speak are asked to complete a comment card or simply rise to be recognized when the Chair asks for public comments to speak. We ask that members of the public state their name for the record and keep their remarks brief. There is a three-minute limit on all public comments. Proxies are not permitted, and individuals may not cede their comment time to other members of the public. **The Board of Directors may not discuss or vote on items not on the agenda.**

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.

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.



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.



MEETING MODIFICATIONS DUE TO THE STATE AND LOCAL STATE OF EMERGENCY RESULTING FROM THE THREAT OF COVID-19: On March 17, 2020, Governor Gavin Newsom issued Executive Order N-29-20 authorizing a local legislative body to hold public meetings via teleconferencing and allows for members of the public to observe and address the meeting telephonically or electronically to promote social distancing due to the state and local State of Emergency resulting from the threat of the Novel Coronavirus (COVID-19).

To follow the new Order issued by the Governor and ensure the safety of Board Members and staff for the purpose of limiting the risk of COVID-19, in-person public participation at the San Gabriel Valley Regional Housing Trust Board of Directors meeting scheduled for November 17, 2022 at 2:00 PM will not be allowed. To allow for public participation, the Executive Committee will conduct its meeting through Zoom Video Communications. To participate in the meeting, download Zoom on any phone or computer device and copy and paste the following link into your browser to access the live meeting: <https://us06web.zoom.us/j/88946091914>. You may also access the meeting via the livestream link on the front of the agenda page.

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 Acevedo at bacevedo@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. While there is no page or word count limit for written comments, the time for reading written public comments into the record will be limited to three minutes, which is the same time allotted for verbal comments.
- Verbal Comments (Zoom): Through Zoom, you may provide a verbal comment by using the web interface "Raise Hand" feature. Wait to be called upon by staff, and then you may provide verbal comments for up to 3 minutes. Public comment is taken at the beginning of the meeting for items not on the agenda. Public comment is also accepted at the beginning of each agenda item.

Any member of the public requiring a reasonable accommodation to participate in this meeting should contact Brielle Acevedo at least 48 hours prior to the meeting at (626) 209-9238 or at bacevedo@sgvrht.org.

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 27, 2022 Meeting- Page 1
Recommended Action: Adopt Board of Directors minutes for the October 27, 2022 meeting.
6. Special Findings to Enable SGVRHT Board to continue to hold Teleconference meetings- Page 4
Recommended Action: Adopt Resolution 22-27 making specified findings to enable the SGVRHT Board of Directors to continue to hold meetings via teleconferencing.
7. Revolving Loan Fund documents- Page 8
Recommended Action: Authorize Executive Director to finalize and execute loan documents for RLF funded projects

ACTION ITEMS

15 MINUTES

8. State Budget Earmark Priorities- Page 10
Recommended Action: Adopt Resolution 22-28 adopting State Budget Earmark Priorities: 1. Project Pipeline Capital- \$10 million 2. Revolving Loan Fund- \$6 million 3. Innovative Affordable Housing and Homeless Programs- \$4 million 4. San Gabriel Valley Land Trust start-up capital- \$10 million

UPDATE ITEMS

5 MINUTES

9. Chair's Report
10. Executive Director's Report
11. General Counsel's Report

CLOSED SESSION

15 MINUTES

Conference with Real Property Negotiators pursuant to Government Code section 54956.8.

Property: 405 South Del Mar, San Gabriel, CA
SGVRHT Negotiators: Executive Director Marisa Creter, Regional Housing Trust Manager Brielle Acevedo, General Counsel David DeBerry
Negotiating Parties: San Gabriel Valley Regional Housing Trust and San Gabriel Valley Council of Governments
Under negotiation: Price and terms of payment.

ADJOURN

SGVRHT Board of Directors Unapproved Minutes

Date: October 27, 2022
Time: 9:00 AM
Location: Zoom Virtual Meeting

PRELIMINARY BUSINESS

1. Call to Order
Chair Leano called the meeting to order at 9:09 AM.

2. Roll Call

A quorum was in attendance.

Members Present

Jed Leano, At-Large Member
Becky Shevlin, City of Monrovia
Adele Andrade-Stadler, City of Alhambra
Carol Averell, City of Baldwin Park
Gary Boyer, City of Glendora
Patty Cortez, City of Covina

Members Absent

Benita DeFrank,
Housing/Homeless Expert
Margaret Finlay, City of Duarte
Maria Morales, City of El Monte

Staff

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

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

CONSENT CALENDAR

5. Board of Directors Minutes- October 13, 2022 Meeting
Recommended Action: Adopt Board of Directors minutes for the October 13, 2022 meeting.
6. Special Findings to Enable SGVRHT Board to continue to hold Teleconference meetings.
Recommended Action: Adopt Resolution 22-25 making specified findings to enable the SGVRHT Board of Directors to continue to hold meetings via teleconferencing.
7. Serenity Homes Operational Funding
Recommended Action: Adopt Resolution 22-26 authorizing the Executive Director to amend the Agreement with the City of Baldwin Park from \$1,250,000 to \$1,728,000 to backfill LAHSA funds and support the operations of Serenity Homes.
8. Esperanza Villa Site Operator Contract
Recommended Action: Authorize the Executive Director to execute a contract with City Net to operate Esperanza Villa with one one-year options to extend.

There was a motion to approve Consent Calendar Items 5, 6, 7, and 8. (M/S: Shevlin/Andrade-Stadler).

[Motion Passed]

AYES:	Leano, Shevlin, Andrade-Stadler, Averell, Boyer
NOES:	
ABSTAIN:	Shevlin abstained on Item 5 of the Consent Calendar
ABSENT:	Cortez, DeFrank, Finlay, Morales

ACTION ITEMS

9. Revolving Loan Fund Guidelines

There was a motion to authorize the Executive Director to execute Letters of Commitment to Habitat for Humanity for the following projects: 1. N. Angeleno Avenue, Azusa \$336,000 2. 12279 Torch Street, Baldwin Park \$1,000,000 (M/S: Shevlin/Averell).

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

PRESENTATION

10. San Gabriel Valley Land Trust Presentation

Presented by: Jessica Sargent – Primrose Research, Amy Wilson Morris – Land and Water Connections Consulting

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 Brielle Acevedo will be attending the Southern California Association of Non-Profit Housing (SCANPH) annual meeting tomorrow 10/28. This meeting will be an excellent opportunity to promote the programs that SGVRHT has available; staff will have a table with flyers and information and can further get the word out to developers.

M. Creter also shared that yesterday the San Gabriel Valley Council of Governments (SGVCOG) launched their Mobile Crisis Program which provides an alternative response for people experiencing mental health crisis in the cities of Arcadia, San Marino, South Pasadena, and Montebello.

CHAIR’S REPORT

Chair Leano expressed interest in committing RLF funds as quickly as possible to support affordable housing projects in the San Gabriel Valley.

ADJOURN

Chair Leano adjourned the meeting at 9:48 AM.

REPORT

DATE: November 17, 2022

TO: SGVRHT Board of Directors

FROM: Marisa Creter, Executive Director

RE: **ADOPT RESOLUTION 22-27 MAKING SPECIFIED FINDINGS TO ENABLE THE GOVERNING BOARD TO CONTINUE TO HOLD MEETINGS VIA TELECONFERENCING**

RECOMMENDED ACTION

Adopt Resolution 22-27 making certain findings that the existence of a local and state of emergency in California caused by the ongoing COVID-19 pandemic continues to directly impact the ability of the SGVRHT to hold public meetings safely in person thereby necessitating an ability to continue holding meetings via teleconferencing.

BACKGROUND

Introduced by Assemblymember Robert Rivas (D-Hollister) on February 1, 2021, AB 361 codifies portions of Governor Gavin Newsom's existing Ralph M. Brown Act exemptions pertaining to teleconferencing if a local agency issues an emergency finding, and reissues it every 30 days, that it is unsafe to meet in person. Specifically, the Brown Act exemptions include requirements to provide a public teleconference location, to maintain a member quorum within the agency's jurisdiction and to provide for public comment at each teleconference location, such as a private residence. The legislation expires in December 2024. On September 16, 2021, California Governor Gavin Newsom signed AB 361 into law, effective immediately.

A local agency wishing to rely on the provisions of AB 361 must meet one of the following criteria:

1. The local agency holds a meeting during a proclaimed state of emergency, and state or local officials have imposed or recommended measures to promote social distancing; or
2. The local holds a meeting during a proclaimed state of emergency for the purpose of determining, by majority vote, whether as a result of the emergency, meeting in person would present imminent risks to the health or safety of attendees; or
3. The local agency holds a meeting during a proclaimed state of emergency and has determined, by majority vote, that, as a result of the emergency, meeting in person would present imminent risks to the health or safety of attendees.

On March 4, 2020, Governor Newsom proclaimed a State of Emergency in California due to the threat of COVID-19 and shortly thereafter issued Executive Order N-29-20 suspending certain Brown Act provisions relating to teleconferencing as public meetings

began to be held online.¹ However, this Executive Order expired on September 30, 2021, despite the State of Emergency remaining in place.

The threat that COVID-19 has presented continues to directly impact the ability of the SGVRHT to conduct Board of Directors meetings safely in person. Updated guidelines issued by the Centers for Disease Control and Los Angeles Department of Public Health in July and August 2021 advise governmental entities to refrain from conducting indoor meetings and consider moving operations outdoors, where feasible, to prevent transmission. SGVRHT staff finds it has been unable to find a suitable outdoor space with the requisite audio/visual capabilities at which the monthly Committee meetings can be held safely. Similarly, an indoor space with sufficient capacity to accommodate safe social distance practices among members, staff, and the public could not be identified

In order to continue to conduct meetings in a safe manner and to prevent unnecessary COVID-19 exposure to members, staff and the public, staff is recommending that the Board of Directors adopt Resolution 22-27 making certain findings in order to be able to continue teleconferencing for its meetings.

Prepared by: 
Brielle Acevedo
Regional Housing Trust Manager

Approved by: 
Marisa Creter
Executive Director

ATTACHMENTS

Attachment A – Resolution 22-27

¹ Similarly, on March 4, 2020, the Los Angeles County Board of Supervisors and Los Angeles County Health Officer declared a local and health emergency due to the threat of COVID-19.

RESOLUTION NO. 22-27

RESOLUTION OF THE SAN GABRIEL VALLEY REGIONAL HOUSING TRUST (SGVRHT) MAKING SPECIFIED FINDINGS TO ENABLE THE BOARD OF DIRECTORS TO CONTINUE TO HOLD MEETINGS VIA TELECONFERENCING

WHEREAS, AB 361 (Rivas), and specifically Government Code section 54953 (“Section 54953”), authorizes local agencies to use teleconferencing without complying with the specified teleconferencing requirements imposed by the Ralph M. Brown Act when the legislative body of a local agency holds a meeting during a declared state of emergency and makes certain findings relating thereto; and

WHEREAS, Section 54953 allows for local agencies to teleconference if the legislative body finds, among other things, that state or local official continue to impose or recommend measures to promote social distancing or whether a state of emergency directly impacts the ability of the legislative body to meet safely and that meeting in person would present imminent risks to the health and safety of attendees; and

WHEREAS, on March 4, 2020, the Governor of California proclaimed a State of Emergency to exist in California as result of the threat of COVID-19, which state of emergency remains in place; and

WHEREAS, on March 4, 2020, the Los Angeles County Board of Supervisors and Los Angeles County Health Officer declared a local and health emergency as result of the threat of COVID-19, which emergency remains in place; and

WHEREAS, Los Angeles County and State health officials continue to recommend social distancing as a result of COVID-19; and

WHEREAS, due to the resurgence of COVID-19 reported cases and surge of the Delta variant statewide and in particular, in Los Angeles County, the California Department of Public Health’s Best Practice Guidance encourages all governmental entities to refrain from conducting indoor meetings and consider moving operations outdoors, where feasible, in order to prevent transmission; and

WHEREAS, SGVCOG’s inability to facilitate Governing Board and Committee meetings using a centralized outdoor space with audio/visual capabilities, as well as the lack of indoor capacity to accommodate safe social distance practices among members and joining staff makes it unsafe for its members and the public to meet safely in person; and

WHEREAS, teleconferencing meetings enables the SGVRHT to retain the ability to continue to conduct meetings in a safe manner that would reduce exposure to members and staff to COVID-19; and

WHEREAS, public access and participation remain a core value of the SGVRHT, and the SGVRHT has the capability to meet the requirements in Section 54953 to provide

the public with the ability to view, hear, and participate in such meetings in a manner that protects the statutory and constitutional rights of all persons to participate in such meetings; and

WHEREAS, as a condition of extending the use of the provisions to conduct remote teleconference meetings without compliance with specified Brown Act teleconference requirements, the SGVRHT must reconsider the circumstances of the state of emergency that exists, and the SGVRHT Board of Directors has done so.

NOW, THEREFORE, BE IT RESOLVED that the Board of Directors does hereby find the existence of a local and state of emergency in California caused by COVID-19 continues to directly impact the ability of the SGVRHT to hold public meetings safely in person and local and state health officials continue to recommend social distancing.

PASSED, APPROVED, and ADOPTED by the Board of Directors of the San Gabriel Valley Regional Housing Trust, on the 17th day of November 2022.

SAN GABRIEL VALLEY REGIONAL HOUSING TRUST

Jed Leano, Chair

Attest:

I, Marisa Creter, Executive Director and Secretary of the San Gabriel Valley Regional Housing Trust, do hereby certify that Resolution 22-27 was adopted at a meeting of the Governing Board held on the 17th day of November 2022, by the following vote:

AYES:	
NOES:	
ABSTAIN:	
ABSENT:	

Marisa Creter, Secretary

REPORT

DATE: November 17, 2022

TO: Board of Directors

FROM: Marisa Creter, Executive Director

RE: **REVOLVING LOAN FUND DOCUMENTS AND SIGNATURE AUTHORITY**

RECCOMENDED ACTION

Authorize the Executive Director to finalize and execute loan documents for Revolving Loan Fund (RLF) projects.

BACKGROUND

The San Gabriel Valley Regional Housing Trust (SGVRHT) Board allocated \$8 million to the Revolving Loan (RLF) in September 2021. In October 2022 the Board approved RLF funding for two projects, totaling 16 units of affordable homeownership. These are the first single-family affordable homeownership projects funded by the SGVRHT. In June 2022, the Board approved funding guidelines for the RLF which included the loan term, interest rate, and fees. To capture the terms of the RLF and the specific requirements of single-family affordable homeownership projects, the SGVRHT's RLF consultant, Harris & Associates, completed the following loan documents for approval by the Board of Directors:

- Loan Agreement
- Promissory Note
- Regulatory Agreement

The RLF loan documents are in substantially final draft form and staff requests that the Board authorize the Executive Director to finalize and execute the documents. In the event of any substantive changes, the documents will be brought to the Board for approval.

Prepared by: 
Brielle Acevedo
Regional Housing Trust Manager

Approved by: 
Marisa Creter
Executive Director

ATTACHMENTS

Attachment A – [Loan Documents](#)

DATE: November 17, 2022

TO: Board of Directors

FROM: Marisa Creter, Executive Director

RE: **FUNDING PRIORITIES FOR \$30 MILLION STATE EARMARK**

RECOMMENDED ACTIONS

Adopt Resolution 22-28 adopting State Earmark Funding Priorities: 1. Add amounts

BACKGROUND

The San Gabriel Valley Regional Housing Trust (SGVRHT) received a State Budget Earmark of \$30 million to address the affordable housing shortage and homeless crisis in the San Gabriel Valley. The State Earmark funds are anticipated to be available within a few weeks. In anticipation of these funds, staff has developed a list of funding priorities which include:

1. Project Pipeline Capital
2. Revolving Loan Fund
3. Innovative Affordable Housing and Homeless Programs
4. San Gabriel Valley Land Trust start-up capital

These funding priorities expand on the funding priorities adopted by the SGVRHT Board in September 2021 and the Regional Early Action Planning (REAP) studies completed in partnership with the San Gabriel Valley Council of Governments (SGVCOG). REAP projects related to the SGVRHT included:

1. Revolving Loan Fund
2. Land Trust Feasibility Analysis and Implementation Plan
3. Bond Financing Feasibility Study and Implementation Plan¹

These programs resulted in the creation of a Revolving Loan Fund, the recommendation to establish a San Gabriel Valley Land Trust, and a feasibility study on bond financing as a funding source for the SGVRHT. REAP projects are intended to help accelerate housing production in the San Gabriel Valley, and have a net-positive effect on housing supply by increasing housing planning. The State Budget Earmark represents an opportunity to implement the best practices identified by the SGVRHT and SGVCOG's planning efforts and expand the SGVRHT's successes in producing affordable and homeless housing the past two years.

¹ The Bond Financing Feasibility Study and Implementation Plan is anticipated to be completed in June 2023.

DISCUSSION

The proposed programs will enable the SGVRHT to support the development of affordable and homeless housing units and serve additional member cities. Operation of the programs will require resources including legal counsel, consultant support for project review, ongoing monitoring, site analysis, and staff time, therefore modest administrative expenses are included in the program descriptions below. Eligible expenses include project management and technical support which will be provided by staff and consultants.

Project Pipeline Capital- \$10 Million

The SGVRHT maintains the San Gabriel Valley Project Pipeline (Pipeline), a list of affordable and homeless housing projects requesting gap financing from the SGVRHT. In September 2021 the Board approved Pipeline Evaluation Criteria as follows:

1. Readiness to close financing and begin construction within next 12 months
2. Projects with City funding
3. Per unit funding maximum of \$50,000 and overall funding request maximum of \$2,500,000

With the above limits, this allocation could support the development of 200 units of affordable housing.

The work associated with executing loan documents for projects and administering payments will be supported by the loan origination fees and administrative set aside from the funding allocation.

Revolving Loan Fund- \$6 Million

In September 2021, the SGVRHT Board created the Revolving Loan Fund (RLF) to address an unmet need for early acquisition capital for projects in the San Gabriel Valley. This loan product allows the SGVRHT to support projects earlier in the development phase and may help projects in the San Gabriel Valley to be more successful by providing access to less expensive predevelopment financing as a result of the below market rate interest rate.

The RLF enables the SGVRHT to recycle State Budget Earmark funds and reuse them to support projects in perpetuity. The RLF is the only renewable funding source currently available to the SGVRHT. Loan repayments will be utilized to support future affordable housing projects.

A summary of RLF activity follows:

Applications Received	3
Requested Loan Amount	\$3,433,000
RLF projects awarded funding	2
RLF funding awarded	\$1,333,000
Pending application request	\$2,100,000
Remaining RLF Funding	\$6,467,000*
Interested parties/ Potential applications	1
Potential application amount	\$4,000,000

*If the pending RLF application and anticipated application are awarded, \$367,000 would remain in the RLF fund balance.

To date, 2 projects have been awarded funding totaling \$1,333,000. A third application is pending review and staff anticipates receiving a 4th application this month, demonstrating interest in this loan product. By increasing the RLF to a total of \$14 million (\$8 million 2021 allocation and proposed \$6 million 2022 allocation), the SGVRHT will also have an opportunity to market the program for matching funds from a Community Development Financial Institution (CDFI) to further leverage the SGVRHT's investment. Similar programs include the Los Angeles County Housing Innovation Fund II (LACHIF II)² which pairs Los Angeles County Development Authority (LACDA) funds with lending partners Low Income Investment Fund (LIIF), Corporation for Supportive Housing (CSH), and Century Housing.

The work associated with developing the revolving loan fund, executing loan documents for projects and administering payments will be supported by the loan origination fees and administrative set aside from the funding allocation.

Innovative Affordable Housing and Homeless Programs- \$4 Million

Between November 2021 and September 2022, the SGVRHT developed 105 units of homeless housing through its homeless housing pilot program. The program provides \$25,000 per bed/unit of homeless housing that is operated for a minimum of 2 years and a prorated amount from programs that operate for a minimum of one year. To expand on the success of this program and meet the unique needs of San Gabriel Valley cities, staff recommends expanding the program to include alternative models of innovative housing which may include: motel conversion, master leasing, modular housing, noncongregate shelter, and other alternative housing models and programs that address the immediate housing needs of individuals experiencing homelessness.

An application process will be presented to the Board for approval at a future meeting. The work associated with administering pilot programs, including staff time and architectural and financial consultants, will be supported by an administrative set aside from the funding allocation.

² Additional information can be found at <https://www.lacda.org/affordable-housing/la-county-housing-innovation-fund>

San Gabriel Valley Land Trust- \$10 Million

Formation of a San Gabriel Valley Land Trust would create additional affordable housing opportunities by separating the cost of land from the cost of improvements including multifamily and single family affordable homeownership projects. The Land Trust would be able to acquire properties and sell, grant, or ground lease the properties to developers to support the development of affordable housing. For rehabilitation projects in Los Angeles County, land acquisition represents 58% of the development cost³. The scoring for several other funding sources, including Local Housing Trust Fund (LHTF) disincentivize rehabilitation projects. The Land Trust and RLF could work together to support acquisition and predevelopment activities to increase affordable housing opportunities in the San Gabriel Valley.

An allocation of \$10 million would enable the SGVRHT to create the land trust and support initial investment opportunities. The land trust represents a second sustainable funding source for the SGVRHT as the land trust would achieve financial stability within a few years and could support operations based on the fees it collects for its activities including ground lease payments. Land purchase also represents an opportunity to leverage State Budget Earmark funds as matching funds for the Local Housing Trust Fund (LHTF) program. While State Budget Earmark funds are not considered an eligible matching source under LHTF guidelines as they are required to be spent on housing, land acquired with these funds could be utilized as matching funds based on the appraised value of the land.

The San Gabriel Valley Land Trust would be a 501c3 entity, but would share its board with the SGVRHT and the entities would work closely together to achieve shared goals of housing affordability. Creation of a land trust may provide the ability to purchase property at a reduced cost. The work associated with developing the land trust, including formation of a nonprofit entity, developing loan documents, and identifying properties and executing transactions, will be supported by the administrative set aside from the funding allocation. A set aside will support all start up activities and initial operation before the land trust can support itself through a fee structure.

NEXT STEPS

If the State Budget Priorities are approved, staff will work with consultants to complete an implementation plan and establish the San Gabriel Valley Land Trust. Applications for the RLF, Pipeline, and innovative housing programs will continue to be accepted on a rolling basis. The SGVRHT board will meet in early December to consider funding for any Pipeline projects seeking Los Angeles County Development Authority (LACDA) funds. The SGVRHT will continue to commit funding to projects that are ready to proceed, while

³ California Housing Partnership. 2022 Los Angeles County: Annual Affordable Housing Outcomes Report. June 30, 2022.

seeking opportunities for renewable funding sources to support the agency's long term financial stability.

Prepared by: Brielle Acevedo
Brielle Acevedo
Regional Housing Trust Manager

Approved by: Marisa Creter
Marisa Creter
Executive Director

ATTACHMENTS

Attachment A – Resolution 22-28

RESOLUTION NO. 22-28

RESOLUTION OF THE SAN GABRIEL VALLEY REGIONAL HOUSING TRUST (SGVRHT) ADOPTING STATE EARMARK FUNDING PRIORITIES

WHEREAS, the San Gabriel Valley Regional Housing Trust (SGVRHT) received a State Budget Earmark for \$30,000,000 to address the affordable housing shortage and homeless crisis in the San Gabriel Valley; and

WHEREAS, the SGVRHT is addressing the homeless crisis through its Innovative Housing Program; and

WHEREAS, the SGVRHT is addressing the affordable housing shortage through financing for projects on the San Gabriel Valley Project Pipeline; and

WHEREAS, the SGVRHT is addressing the affordable housing shortage through financing for affordable housing projects utilizing the Revolving Loan Fund (RLF); and

WHEREAS, the SGVRHT determined a Land Trust would further leverage the ability to develop affordable and homeless housing in the San Gabriel Valley.

NOW, THEREFORE, BE IT RESOLVED that the Board of Directors of the Trust approve the following State Earmark Funding Priorities.

1. **\$10 million in Project Pipeline Capital**, including \$250,000 in administrative funding. Projects will be considered by the following criteria:
 - i. Readiness to close financing and begin construction within next 12 months
 - ii. Projects with City funding
 - iii. Per unit funding maximum of \$50,000 and overall funding request maximum of \$2,500,000
2. **\$6 million Revolving Loan Fund**
3. **\$4 million in Innovative Affordable Housing and Homeless Program funding**
4. **\$10 million in Land Trust startup capital**

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 17th day of November 2022.

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 22-28 was adopted at a regular meeting of the Governing Board held on the 17th day of November 2022, by the following roll call vote:

AYES:	
NOES:	
ABSTAIN:	
ABSENT:	

Marisa Creter, Secretary