Strategic Planning Study

San Gabriel Valley Regional Housing Trust

September 3, 2021

bae urban economics

Sadlon
& Associates, Inc.

THE future ORGANIZATION

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INTRODUCTION

The purpose of this study, prepared by BAE Urban Economics, Sadlon & Associates, and The Future Organization, is to provide the data, benchmarking, and insights needed for the SGVRHT to create a high-quality Strategic Plan.

This moment, the second year of SGVRHT operations, is a unique opportunity to thoughtfully lay the groundwork for a successful venture that makes both immediate and long-term impact.
To inform the SGVRHT strategic plan, pursuant to the Request for Proposals issued by the SGVRHT, this study includes the following components:

- An assessment of housing needs data across the San Gabriel Valley
- A member cities survey
- Stakeholder interviews
- Best practices research on Regional Housing Trusts
- An overview and assessment of public funding opportunities
- An environmental scan of private funding opportunities

Under separate cover, the consultant team has prepared a Strategic Plan and Strategic Plan Implementation Plan. A strategic planning session is scheduled with the SGVRHT Board on June 2, 2021 to review and discuss the study findings and recommendations. Following the Board's endorsement of the Strategic Framework and Strategic Implementation Plan, the consultant team will work with SGVRHT staff to finalize the Strategic Plan for adoption followed by the development of a Fundraising Strategy, Implementation Plan, and Toolkit.

HOUSING NEEDS ASSESSMENT

Introduction

The Housing Needs Assessment incorporates a demographic and economic data analysis, population and housing need projections, a housing inventory, a market rate housing analysis, a pipeline projects analysis, and, ultimately, summarizes the housing needs of the San Gabriel Valley in light of the SGVRHT mission.

Geographies

Given the SGVRHT's approach to addressing regional housing need, this report primarily summarizes key characteristics for the entire San Gabriel Valley. The San Gabriel Valley, as presented in Figure 1 below, stretches from the eastern portion of Los Angeles County, including the Cities of Claremont and Pomona, to the western boundary of the Cities of La Cañada Flintridge, Pasadena, Alhambra, Monterey Park, and Montebello. The Valley includes a total of 31 cities and several unincorporated communities that are under the jurisdiction of Los Angeles County. To provide context to data summarizing conditions within the San Gabriel Valley, the following analysis also presents data for Los Angeles County as a whole. As presented in Figure 2 below, the San Gabriel Valley sits within the eastern portion of Los Angeles County, just to the east of the City of Los Angeles.

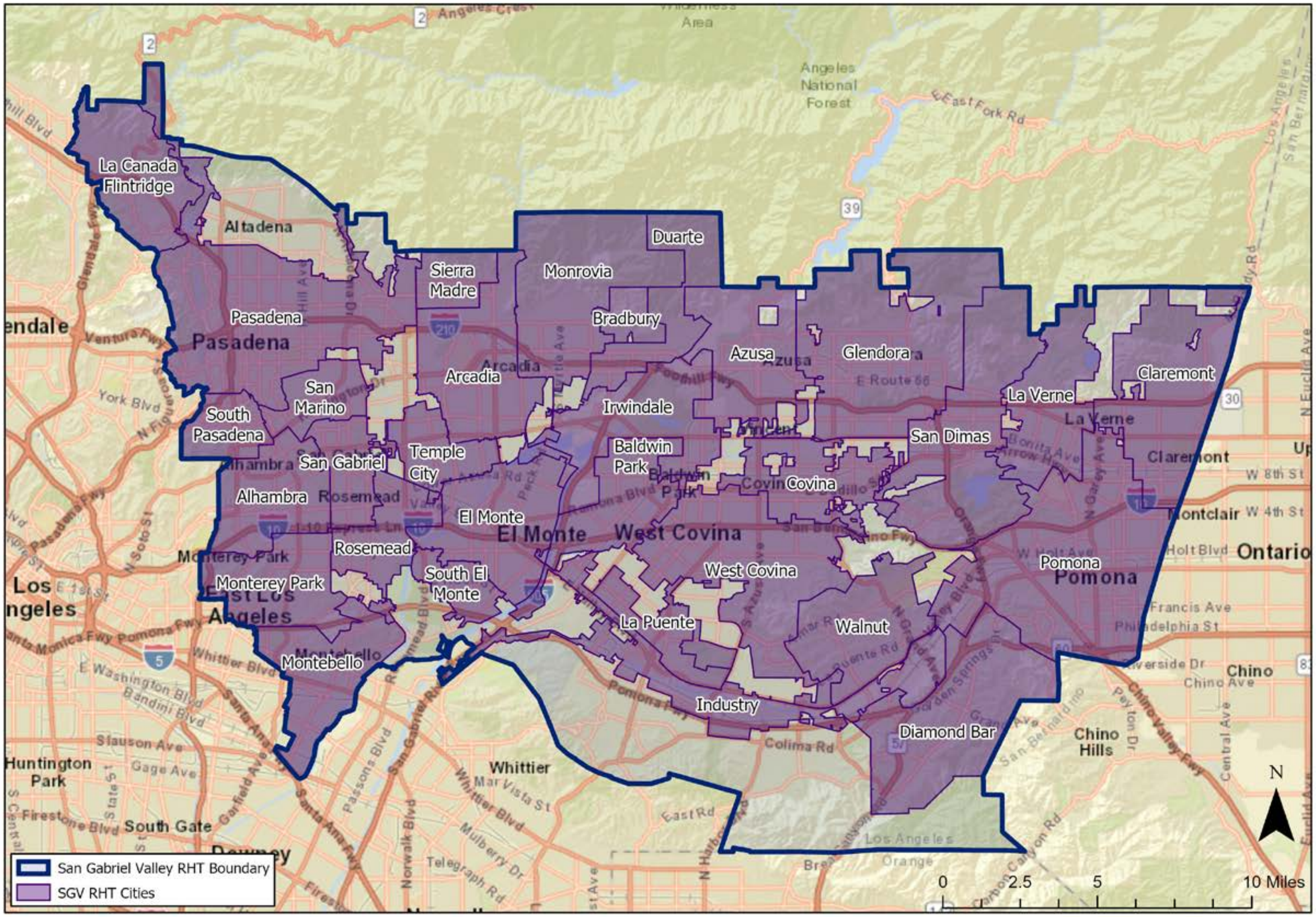
Data Sources

The following analysis relies on a range of private and publicly available data sources. Given all jurisdictions within Los Angeles County are currently undergoing their State-required Housing Elements, the following analysis leverages similar data sources that will be used in the Housing Elements. These include:

- U.S. Census Bureau Decennial Census
- U.S. Census Bureau American Community Survey (ACS)
- U.S. Census Bureau Longitudinal Employer-Household Dynamics (LEHD)
- U.S. Department of Housing and Urban Development (HUD) Comprehensive Housing Affordability Strategy (CHAS) dataset
- California Department of Finance Demographic Research Unit
- California Department of Housing and Community Development (HCD)
- California Tax Credit Allocation Committee (TCAC)
- Southern California Association of Governments

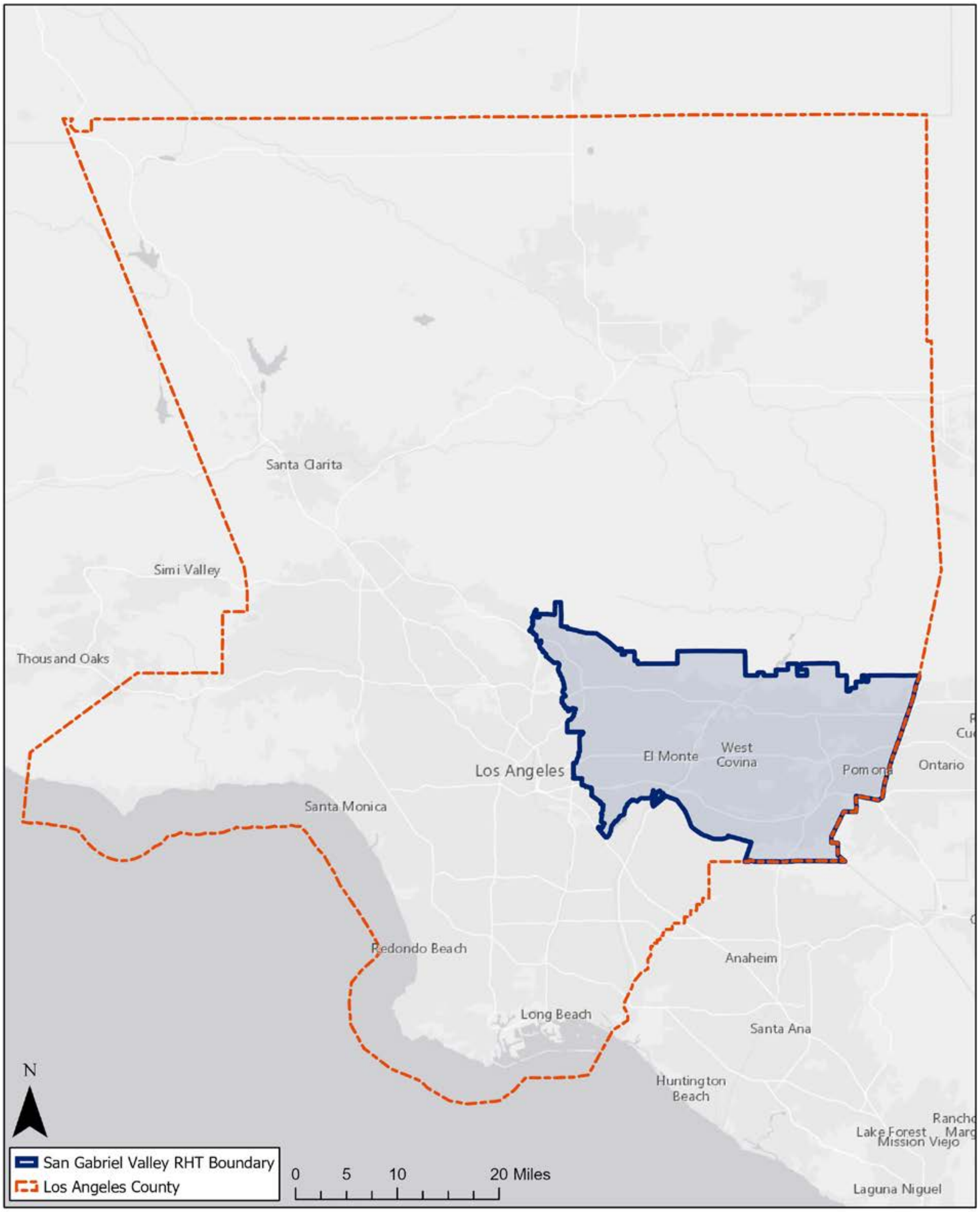
Together, these sources provide an overview of existing and projected demographic, economic, and real estate market conditions that influence the San Gabriel Valley's housing need.

Figure 1: San Gabriel Valley Region and Cities



Source: SCAG; BAE, 2021.

Figure 2: Los Angeles County and San Gabriel Valley



Sources: SCAG; ESRI; U.S. Census Bureau; BAE, 2021.

Key Findings and Recommendations

Demographic and Economic Conditions

- San Gabriel Valley accounts for roughly 18.5 percent of the Los Angeles County population.
- Population and household growth over the past decade in the Valley were notably slower than Los Angeles County as a whole.
- The San Gabriel Valley is comprised of a significantly higher share of owner households (57.4 percent) relative to Los Angeles County (45.8 percent).
- San Gabriel Valley households, with a median household income of $75,000 per year, earn higher incomes than households Countywide,.
- San Gabriel Valley is home to a smaller share of lower-income households relative to all of Los Angeles County, and defined as households earning less than 80 percent of the area median income.
- These lower-income households in the San Gabriel Valley tend to rent their homes, whereas higher income households tend to own their homes.
- There are roughly 3,880 San Gabriel Valley residents currently experiencing homelessness, roughly 83 percent of which are unsheltered.

Housing Stock Characteristics

- San Gabriel Valley has a significantly lower share of multifamily residential units (26.4 percent) than all of Los Angeles County (43.4 percent).
- The existing housing stock in the Valley is relatively older, with limited new residential development in the past decade to accommodate population growth.
- Although the residential vacancy rate has increased in the Valley over the past decade, vacancy rates specifically for renters have dropped to roughly 1.0 percent, suggesting limited opportunities for households seeking rental housing in the Valley.
- Approximately 68 percent of San Gabriel Valley low-income households, or those with incomes below 80 percent of the area median income, are cost burdened and pay more than 30 percent of their income on housing.
- Low-income renters experience higher rates of cost burden relative to low-income owner households.
- Small-related households, or those with four or less people, account for the largest share of cost burdened low-income households, followed by elderly households.

Housing Market Conditions

- The median single-family sale price in the San Gabriel Valley is approximately $777,000, well outside beyond the ability to pay by lower-income households.
- The median condominium or townhome sale price in the San Gabriel Valley is approximately $525,000, still unaffordable for lower-income households.

- Sale prices in the San Gabriel Valley have doubled over the past decade, tracking similarly to sale price trends throughout Los Angeles County during the same period.
- The average multifamily rental rate in the San Gabriel Valley is roughly $1,672 per unit, roughly 15 percent below the Countywide average rental rate.
- The average multifamily unit is affordable to households making 80 precent of the area median income, though new market-rate residential projects will likely be unaffordable to low-income households.
- The San Gabriel Valley contains nearly 12,000 deed-restricted affordable housing units, the majority of which were funded through the Low-Income Housing Tax Credits (LIHTC) program.
- These affordable housing projects are concentrated in a few areas throughout the San Gabriel Valley, including the City of Pasadena, Pomona, and El Monte.
- There are roughly 2,270 units of deed-restricted affordable housing units in the development pipeline.

Projected Regional Housing Needs

- Between 2021 and 2028, the entire San Gabriel Valley must accommodate a total of roughly 118,683 new housing units, according to the RHNA allocation.
- Approximately 51,306 of these units must be affordable to lower-income households, or those making less than 80 percent of AMI.
- The SGVRHT has various options for addressing this project housing need, including focus on specific household types, affordability levels, and geographic distribution of the housing need.

Prioritizing Potential Projects Based on the Housing Needs Assessment Findings

The Housing Needs Assessment identifies a variety of demographic, economic, and geographic aspects of low-income households and housing opportunity in the San Gabriel Valley. Depending on available resources to the SGVRHT, and the flexibility funders allow for local decision-making, the SGVRHT could consider a variety of approaches to prioritize applicant projects. Currently, the Low-Income Housing Trust Fund guidelines prioritize affordability and project readiness, and this source is the mainstay of SGVRHT lending. Over time, as the SGVRHT builds its funding resources, it could consider the following options, or a combination of the options as follows:

- A **Household Types Approach** would prioritize funding for certain household types such as seniors, people experiencing homelessness, small households, large households, and so forth.
- An **Existing Need Approach** would prioritize funding for projects in certain cities and neighborhoods throughout the San Gabriel Valley that have the highest existing affordable housing need. This could include cities with the highest share of residents currently experiencing homelessness, or cities/neighborhoods where lower-income households experience the highest rates of cost burden.

- A **Future Need Approach** would prioritize funding for jurisdictions with the highest projected future need based on the Regional Housing Needs Allocation (RHNA) process. These cities will require the most assistance in reaching their future housing need and support from the SGVRHT could help in achieving these goals.
- An **Anti-Displacement Approach** would target the creation of affordable housing in neighborhoods that are rapidly gentrifying and displacing current residents.
- A **High Resources Areas Approach** would prioritize funding projects in “high resource” communities throughout the San Gabriel Valley.

Demographic and Economic Conditions

Population and Household Characteristics

To understand the demographic characteristics of the San Gabriel Valley as a region, BAE compiled population and household characteristics data from the 2010 decennial census and the 2019 five-year American Community Survey (ACS) sample data for 31 cities and unincorporated Los Angeles County.[1] Together, these data profile the existing conditions within the San Gabriel Valley, as well as historic trends in population and household characteristics that influence existing and future affordable housing needs in the Valley. Most of this section profiles the existing conditions in the San Gabriel Valley as a whole, though more detailed information for the cities and unincorporated area can be found in Appendix A.

Population and Household Trends

Over the past decade, the San Gabriel Valley population grew more slowly than Los Angeles County while household sizes for both geographies remained the same. Table 1, below, reports the 2010 and 2019 population and household counts for both the San Gabriel Valley and Los Angeles County. From 2010 and 2019, the San Gabriel Valley experienced population growth of 32,000 residents, representing a 1.7 percent growth, versus the countywide growth rate of 2.7 percent. In terms of household growth, the number of households within the San Gabriel Valley only increased marginally over the past ten years.

Although San Gabriel Valley gained 32,000 residents within the past decade, the household count only increased by 830 over the same period. The difference between the San Gabriel Valley's household count in 2010 and 2019 indicates a 0.1 percent growth since 2010, compared to Los Angeles County's 2.3 percent growth in the total number of households. This change resulted in an increasing average household size in the San Gabriel Valley. As population growth exceeded household growth in the San Gabriel Valley, average household size increased from 3.21 persons per households in 2010 to 3.25 persons per household in 2019. By comparison, the average household size within Los Angeles County stayed relatively stable at just under 3.0 persons per household.

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[1] San Gabriel Valley Cities include: Alhambra, Arcadia, Azusa, Baldwin Park, Bradbury, Claremont, Covina, Diamond Bar, Duarte, El Monte, Glendora, Industry, Irwindale, La Cañada Flintridge, La Puente, La Verne, Monrovia, Montebello, Monterey Park, Pasadena, Pomona, Rosemead, San Dimas, San Gabriel, San Marino, Sierra Madre, South El Monte, South Pasadena, Temple City, Walnut, West Covina

Table 1: Population and Households, 2010 and 2019 Five-Year Sample Period

Population	2010	2019	Change, 2010 to 2019 Number	Change, 2010 to 2019 Percent
San Gabriel Valley (a)	1,829,972	1,861,750	31,778	1.7%
Los Angeles County	9,818,605	10,081,570	262,965	2.7%

Households	2010	2019	Change, 2010 to 2019 Number	Change, 2010 to 2019 Percent
San Gabriel Valley (a)	561,640	562,470	830	0.1%
Los Angeles County	3,241,204	3,316,795	75,591	2.3%

Average Household Size	2010	2019
San Gabriel Valley (a)	3.21	3.25
Los Angeles County	2.98	2.99

Note:
(a) San Gabriel Valley is defined by 409 census tracts within Los Angeles County.

Sources: U.S. Census Bureau, 2010 Decennial Census, Table P12, P42, and H16; American Community Survey, 2015-2019 five-year sample data, Table B26001, S0101, and S1101; BAE, 2021.

Age Distribution

San Gabriel Valley is comprised of residents with higher median ages than Los Angeles County and a larger proportion of seniors aged 55 or older. As provided below in Table 2, the San Gabriel Valley contains an older median age (39.1 years of age) compared to Los Angeles County (36.6 years of age). In terms of age distribution, the San Gabriel Valley has a greater proportion of residents age 55 and older (28.5 percent) than Los Angeles County as a whole (25.1 percent). Although the San Gabriel Valley and Los Angeles County has a similar proportion of residents under the age of 18 and between the ages of 18 and 24, the San Gabriel Valley has a slightly lower proportion of working-aged residents between the age of 25 and 54 years of age.

Table 2: Age Distribution, 2019 Five-Year Sample Period

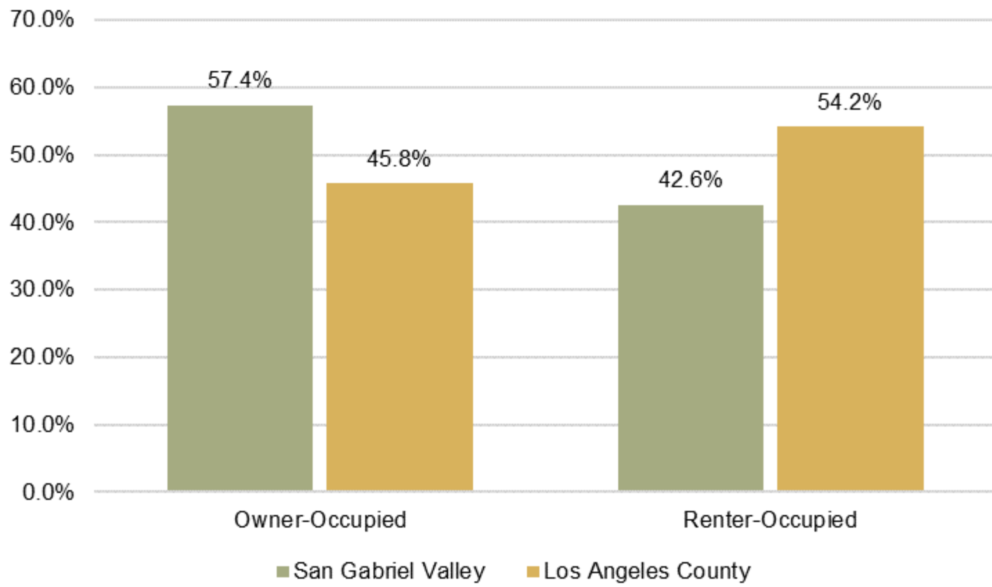
	San Gabriel Valley		Los Angeles County	
Age Distribution	Number	Percent	Number	Percent
Under 18	392,649	21.1%	2,214,760	22.0%
18-24	176,755	9.5%	979,915	9.7%
25-34	265,672	14.3%	1,623,246	16.1%
35-44	241,242	13.0%	1,379,814	13.7%
45-54	254,643	13.7%	1,355,625	13.4%
55-64	240,030	12.9%	1,192,232	11.8%
65 or older	290,759	15.6%	1,335,978	13.3%
Total Population	**1,861,750**	**100.0%**	**10,081,570**	**100.0%**
Median Age	**39.1**		**36.6**	

Sources: U.S. Census Bureau, American Community Survey, 2015-2019 five-year sample data, Table S0101; BAE, 2021.

Households by Tenure

Viewed as a region, the San Gabriel Valley has a higher proportion of owner-occupied households, or roughly 57.4 percent, relative to Los Angeles County, where owners account for just under 46 percent (see Figure 3 below). Although San Gabriel Valley households are predominantly owner households, household tenure varies from city to city. Within the San Gabriel Valley, the cities of Bradbury, La Cañada Flintridge, San Marino, and Walnut recorded more than 80 percent of their total households to be owner-occupied. Conversely, cities with majority renter households include cities of Industry, Monrovia, Montebello, Pasadena, Rosemead, San Gabriel, and South Pasadena.

Figure 3: Households by Tenure, 2019 Five-Year Sample Period



Sources: U.S. Census Bureau, American Community Survey, 2015-2019 five-year sample data, Table B25014; BAE, 2021.

Household Income Distribution

The number of households earning less than $100,000 per year are declining in both the San Gabriel Valley and Los Angeles County while households earning more than $100,000 per year are increasing. Between 2010 and 2019, both the San Gabriel Valley and Los Angeles County experienced a significant increase in households earning $100,000 or more, which resulted in an increase in median household incomes. As provided below in Table 3, within the ten-year period, the San Gabriel Valley gained nearly 51,700 households earning $100,000 or more, while Los Angeles County gained approximately 340,000 households. Additionally, in both geographies, households earning $200,000 or more represented the largest growth rate compared to other income categories. During the same period, both Los Angeles County and the San Gabriel Valley saw significant declines in the number of households making less than $100,000 annually. This may be a result of existing households making higher incomes, though may also be a result of higher-income households moving into the San Gabriel Valley and pushing lower-income households to other parts of the region. As of 2019, the San Gabriel Valley's median household income was approximately $7,000 higher than that of Los Angeles County. Although the Valley recorded a median household income of $75,136, household incomes vary by city to city. Cities with higher incomes, or those with median incomes above $100,000 per year, include Bradbury, Claremont, La Cañada Flintridge, San Marino, Sierra Madre, South Pasadena, and Walnut. Cities with lower median incomes, or those making less than $60,000 per year, including El Monte, Montebello, Rosemead, and South El Monte.

Table 3: Household Income, 2010 Five-Year and 2019 Five-Year Sample Period

	2010		2019		Change, 2010 to 2019	
San Gabriel Valley	**Number**	**Percent**	**Number**	**Percent**	**Number**	**Percent**
Less than $15,000	50,310	9.1%	46,177	8.2%	(4,133)	-8.2%
$15,000-$24,999	50,488	9.1%	43,108	7.7%	(7,380)	-14.6%
$25,000-$34,999	48,879	8.8%	41,195	7.3%	(7,684)	-15.7%
$35,000-$49,999	71,353	12.8%	59,696	10.6%	(11,657)	-16.3%
$50,000-$74,999	102,806	18.5%	90,656	16.1%	(12,150)	-11.8%
$75,000-$99,999	75,770	13.6%	74,024	13.2%	(1,746)	-2.3%
$100,000-$149,999	86,571	15.6%	99,811	17.7%	13,240	15.3%
$150,000-$199,999	36,924	6.6%	50,335	8.9%	13,411	36.3%
$200,000 or more	32,437	5.8%	57,468	10.2%	25,031	77.2%
Total Households	**555,538**	**100.0%**	**562,470**	**100.0%**	**6,932**	**1.2%**
Median Household Income	**$63,091**		**$75,136**			

	2010		2019		Change, 2010 to 2019	
Los Angeles County	**Number**	**Percent**	**Number**	**Percent**	**Number**	**Percent**
Less than $15,000	385,811	12.0%	343,255	10.3%	(42,556)	-11.0%
$15,000-$24,999	338,792	10.5%	278,367	8.4%	(60,425)	-17.8%
$25,000-$34,999	314,841	9.8%	267,996	8.1%	(46,845)	-14.9%
$35,000-$49,999	422,011	13.1%	371,150	11.2%	(50,861)	-12.1%
$50,000-$74,999	567,038	17.6%	526,618	15.9%	(40,420)	-7.1%
$75,000-$99,999	386,173	12.0%	408,135	12.3%	21,962	5.7%
$100,000-$149,999	432,762	13.4%	524,129	15.8%	91,367	21.1%
$150,000-$199,999	178,048	5.5%	258,815	7.8%	80,767	45.4%
$200,000 or more	192,413	6.0%	338,330	10.2%	145,917	75.8%
Total Households	**3,217,889**	**100.0%**	**3,316,795**	**100.0%**	**98,906**	**3.1%**
Median Household Income	**$55,476**		**$68,044**			

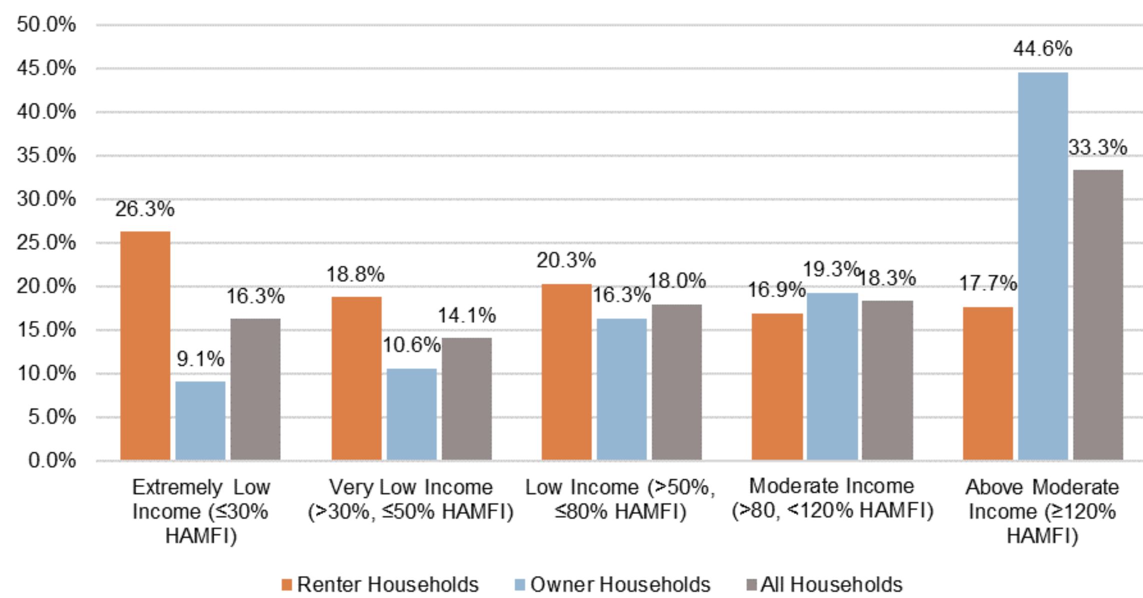
Sources: U.S. Census Bureau, American Community Survey, 2006-2010 and 2015-2019 five-year sample data, Table B19001 and S1903; BAE, 2021.

Households by Income Category

Nearly half of San Gabriel Valley households are considered low income, earning less than 80 percent AMI, and the majority of lower income households are renters. Figure 4 illustrates the distribution of households by income level and tenure according to 2013-2017 Comprehensive Housing Affordability Strategy (CHAS) data published by the U.S. Department of Housing and Urban Development (HUD). The HUD Area Median Family Income (HAMFI) is used as a threshold for determining a household's income category. The regional HAMFI used for the analysis corresponds to the Los Angeles-Long Beach-Glendale HUD Metro Fair Market Rent Area. In 2020, the HAMFI for this region was $77,300.

As seen below, nearly half of all San Gabriel Valley households are classified as low income, or households earning less than or equal to 80 percent HAMFI. Of the cities in the Valley, El Monte and South El Monte recorded the largest share of lower income households (73 percent) among all San Gabriel Valley cities, while Bradbury, San Marino, and Sierra Madre registered the lowest percentages of lower income households (between 15 and 16 percent). As Figure 4 also displays, the majority of lower income households in the San Gabriel Valley are renters. Approximately 65 percent of renters in San Gabriel Valley are low income. Of this household type, more than 25 percent are extremely low-income households, or those earning less than or equal to 30 percent HAMFI. Conversely, owner households are predominantly in the moderate and above moderate-income categories, or those making more than 80 percent of HAMFI.

Figure 4: Households by Income Level and Tenure, San Gabriel Valley, 2017 Five-Year Sample Data

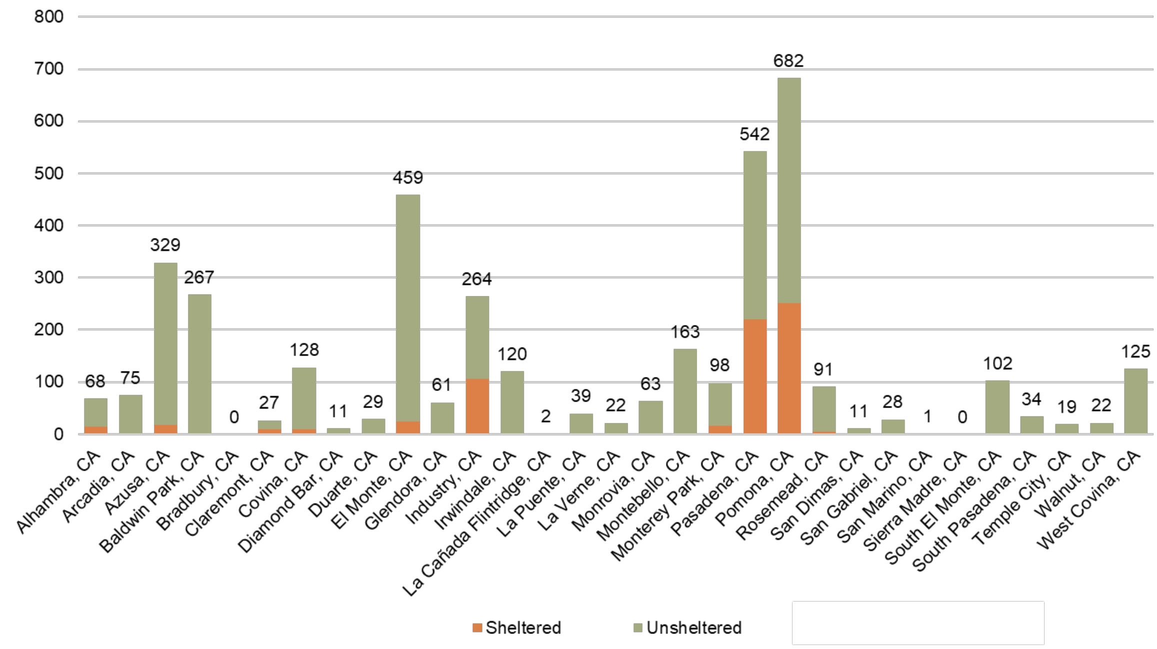


Sources: U.S. Department of Housing and Urban Development, 2013-2017 Comprehensive Housing Affordability Strategy (CHAS) data; BAE, 2021.

Households Experiencing Homelessness

People who are homeless in San Gabriel Valley are primarily unsheltered and are concentrated in five jurisdictions. As provided below in Figure 5, the San Gabriel Valley had roughly 3,880 homeless residents according to the 2019 Point-in-Time (PIT) homeless count. The PIT count is administered by the U.S. Department of Housing and Urban Development (HUD) annually and requires all homeless programs nationwide to conduct counts of sheltered and unsheltered people within the last week of January. Although the PIT count does not fully represent the exact population of those experiencing homelessness, it establishes the estimate and magnitude of those experiencing homelessness in the region. Of the 3,880 residents experiencing homelessness, 71 percent are concentrated in five cities: Azusa, Baldwin Park, El Monte, Pasadena, and Pomona. Also provided below, the majority of San Gabriel Valley residents experiencing homelessness are unsheltered. Due to the lack of available shelters throughout the San Gabriel Valley, 83 percent of residents experiencing homelessness are unsheltered.

Figure 5: Households Experiencing Homelessness by Jurisdiction, 2019



Sources: Southern California Association of Governments, 2020; BAE, 2021.

Economic and Workforce Trends

The following section profiles the current economic and workforce trends within the San Gabriel Valley. Although not directly relating to housing affordability and need, these economic conditions highlight existing employment characteristics within the Valley that lead to housing demand.

Jobs by Industry

As shown in Table 4 below, the majority of workers in the San Gabriel Valley and Los Angeles County are employed in the following four industries:

- Education services and healthcare/social assistance (22.6 percent);
- Professional, scientific, and management, and administrative and waste management services (12.1 percent);
- Arts, entertainment, and recreation, and accommodation and food services (10.3 percent); and
- Retail (10.3 percent)

The San Gabriel Valley's top employment industries are nearly identical to Los Angeles County, wherein these four industries make up approximately 55 percent of jobs in both geographies. Of all industries in the region, educational services and healthcare/social assistance holds the largest percentage of workers, comprising near 23 percent of workers in the San Gabriel Valley and 20.5 percent in Los Angeles County.

Table 4: Employment by Industry, 2019 Five-Year Sample Period

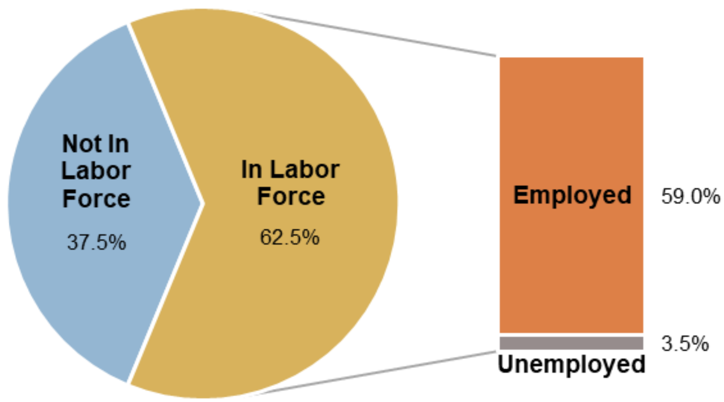
	San Gabriel Valley		Los Angeles County	
Industry	**Number**	**Percent**	**Number**	**Percent**
Agriculture, forestry, fishing and hunting, and mining	4,045	0.5%	21,221	0.4%
Construction	48,807	5.6%	285,368	5.9%
Manufacturing	85,518	9.8%	448,283	9.3%
Wholesale trade	37,781	4.3%	161,481	3.4%
Retail trade	90,596	10.3%	490,838	10.2%
Transportation and warehousing, and utilities	53,937	6.2%	291,227	6.1%
Information	20,754	2.4%	213,297	4.4%
Finance and insurance, and real estate and rental and leasing	57,393	6.5%	290,183	6.0%
Professional, scientific, and mgmt, and administrative and waste mgmt svcs	105,796	12.1%	636,724	13.2%
Educational svcs, and health care and social assistance	198,234	22.6%	986,184	20.5%
Arts, entertainment, and recreation, and accommodation and food svcs	89,869	10.3%	542,821	11.3%
Other svcs (except public administration)	47,925	5.5%	281,984	5.9%
Public administration	35,230	4.0%	157,453	3.3%
Armed forces	603	0.1%	4,344	0.1%
Total Workers	**876,488**	**100.0%**	**4,811,408**	**100.0%**

Sources: U.S. Census Bureau, American Community Survey, 2015-2019 five-year sample data, Table B08126; BAE, 2021.

Unemployment and Labor Force Trends

The majority of San Gabriel Valley residents age 16 years and older are employed residents in the labor force. Of the 1.5 million San Gabriel Valley residents age 16 years and older, approximately 948,500 residents, or 62.5 percent, are in the labor force. The majority of these residents in the labor force are currently employed, resulting in a considerably low unemployment rate. Figure 6 presents the employment status for the San Gabriel Valley residents based on 2019 five-year sample data from ACS. The population universe of this analysis includes San Gabriel Valley residents age 16 years and older. More specifically, prior to the COVID-19 pandemic, San Gabriel Valley contained an unemployment rate of just 3.5 percent. Interestingly, according to the ACS data, the San Gabriel Valley registered a larger percentage of residents not in the labor forced compared to Los Angeles County. In 2019, 37.5 percent of San Gabriel Valley residents age 16 years and older were not in the labor force. This proportion is greater than that of Los Angeles County by 2.2 percentage points. Those not in the labor force are generally residents who did not work or look for work during the sample period. This population may include residents who are ill or disabled, retired, and going to school or have home responsibilities.

Figure 6: Labor Force Employment Status, San Gabriel Valley, 2019 Five-Year Sample Period



Sources: U.S. Census Bureau, American Community Survey, 2015-2019 five-year sample data, Table DP03; BAE, 2021.

Employed Residents by Occupation

Table 5 shows the distribution of employed residents by occupation for the San Gabriel Valley and Los Angeles County based on 2019 five-year sample data from ACS. As provided below, approximately one third of employed residents in the San Gabriel Valley and Los Angeles County work in office/administrative support, sales and sales related, and management occupations. Residents working in office/administrative support comprise nearly 13 percent of all San Gabriel Valley employed residents and 12 percent of Los Angeles County employed residents.

Table 5: Employed Residents by Occupation, 2019 Five-Year Sample Period

Occupation	San Gabriel Valley Number	San Gabriel Valley Percent	Los Angeles County Number	Los Angeles County Percent
Management	86,755	9.7%	476,543	9.7%
Business/Financial	51,151	5.7%	260,417	5.3%
Computer/Mathematical	23,836	2.7%	121,463	2.5%
Architecture/Engineering	17,335	1.9%	83,892	1.7%
Life/Physical/Social Science	8,848	1.0%	40,004	0.8%
Community/Social Service	15,192	1.7%	79,339	1.6%
Legal	10,125	1.1%	67,971	1.4%
Education/Training/Library	51,291	5.7%	254,383	5.2%
Arts/Design/Entertainment/Sports/Media	22,925	2.6%	233,976	4.7%
Healthcare Practitioner/Technician	46,263	5.2%	237,081	4.8%
Healthcare Support	34,903	3.9%	183,676	3.7%
Protective Service	14,868	1.7%	92,840	1.9%
Food Preparation/Serving Related	54,442	6.1%	287,406	5.8%
Building/Grounds Cleaning/Maintenance	32,446	3.6%	216,650	4.4%
Personal Care/Service	27,198	3.0%	154,177	3.1%
Sales and Sales Related	94,643	10.6%	509,631	10.3%
Office/Administrative Support	115,078	12.9%	582,353	11.8%
Farming/Fishing/Forestry	2,719	0.3%	14,723	0.3%
Construction/Extraction	39,361	4.4%	240,491	4.9%
Installation/Maintenance/Repair	22,620	2.5%	119,152	2.4%
Production	52,697	5.9%	281,756	5.7%
Transportation/Material Moving	70,497	7.9%	391,939	8.0%
Total Employed Residents (a)	**895,193**	**100.0%**	**4,929,863**	**100.0%**

Note:
(a) Includes employed residents age 16 years and older.

Sources: U.S. Census Bureau, American Community Survey, 2015-2019 five-year sample data, Table S2401; BAE, 2021.

Regional Commute Patterns

Although the San Gabriel Valley is home to a large population base and relatively significant employment base, there is a substantial amount of in- and out-commuting of both residents and employees of the Valley. While not directly tied to housing need, this may suggest that some employees of the San Gabriel Valley are unable to afford housing near their work location, while some residents of the Valley commute longer distances to jobs, all of this leading to worsening traffic and environmental conditions. Table 6 displays the commute flow of San Gabriel Valley's workers and residents by place of residence and place of work according to the U.S. Census Bureau 2018 On The Map Longitudinal Employer-Household Dynamics (LEHD) Origin Destination Employment Statistics (LODES). As provided below, the majority of workers within the San Gabriel Valley live within Los Angeles County. The largest share, or approximately ten percent of workers, live within the City of Los Angeles, followed by the San Gabriel Valley cities of Pasadena, Pomona, El Monte, and West Covina. Nearly 16 percent of San Gabriel Valley workers live in San Bernardino County and Riverside County to the east, with another 7.5 percent residing in Orange County to the south.

In terms of the workplace location of San Gabriel Valley residents, roughly three-fourths work within Los Angeles County, though nearly 17.5 percent commute outside of the San Gabriel Valley to the City of Los Angeles for work. San Gabriel Valley cities with the largest share of resident work locations include the cities of Pasadena, Industry, and El Monte. Outside of Los Angeles County, nearly ten percent of San Gabriel Valley residents commute to Orange County, with another 9 percent commuting to San Bernardino and Riverside Counties.

Table 6: Commute Flow, San Gabriel Valley, 2018

Workers by Place of Residence			Residents by Place of Work		
	Workers			Employed Residents	
Place of Residence	**Number**	**Percent**	**Place of Work**	**Number**	**Percent**
Los Angeles County	**519,924**	**69.7%**	**Los Angeles County**	**615,327**	**75.4%**
Los Angeles	74,502	10.0%	Los Angeles	142,747	17.5%
Pasadena	24,061	3.2%	Pasadena	46,195	5.7%
Pomona	21,378	2.9%	Industry	29,723	3.6%
El Monte	21,147	2.8%	El Monte	17,926	2.2%
West Covina	21,104	2.8%	Pomona	15,780	1.9%
Baldwin Park	15,543	2.1%	Arcadia	15,534	1.9%
Alhambra	14,391	1.9%	West Covina	14,671	1.8%
Arcadia	11,382	1.5%	Alhambra	14,512	1.8%
Rosemead	11,004	1.5%	Burbank	13,385	1.6%
Glendora	10,829	1.5%	Glendale	13,225	1.6%
All Other Los Angeles County	294,583	39.5%	All Other Los Angeles County	291,629	35.8%
San Bernardino County	**84,138**	**11.3%**	**Orange County**	**76,879**	**9.4%**
Orange County	**56,036**	**7.5%**	**San Bernardino County**	**51,498**	**6.3%**
Riverside County	**32,980**	**4.4%**	**Riverside County**	**19,311**	**2.4%**
San Diego County	**15,435**	**2.1%**	**San Diego County**	**13,790**	**1.7%**
All Other Counties	**37,336**	**5.0%**	**All Other Counties**	**38,902**	**4.8%**
Total Workers	**745,849**	**100.0%**	**Total Employed Residents**	**815,707**	**100.0%**

Sources: Longitudinal Employer-Household Dynamics (LEHD) via OnTheMap, 2018; BAE, 2021.

Housing Stock Characteristics

Units in Structure

The San Gabriel Valley is predominantly composed of single-family residential units, with only one quarter of the housing stock being comprised of multi-family housing (see Table 7 below). More specifically, roughly 71 percent of all housing units in the Valley are single-family residential, compared to 55 percent in Los Angeles County as a whole. Therefore, multifamily units only comprise one-quarter of the existing housing stock in the Valley, of which the majority are smaller multifamily properties, or properties with less than 20 units. In Los Angeles County, by comparison, larger multifamily properties, or those with 20 or more units, comprise nearly 20 percent of the total housing stock, compared to just over ten percent in the San Gabriel Valley.

Table 7: Housing Type by Units in Structure, 2019 Five-Year Sample Period

	San Gabriel Valley		Los Angeles County	
Type of Residence	**Number**	**Percent**	**Number**	**Percent**
Single Family Detached	380,158	63.6%	1,722,121	48.6%
Single Family Attached	46,298	7.7%	223,134	6.3%
Multifamily 2 Units	11,162	1.9%	94,619	2.7%
Multifamily 3-19 Units	83,510	14.0%	757,389	21.4%
Multifamily 20-49 Units	26,920	4.5%	320,904	9.1%
Multifamily 50+	35,943	6.0%	364,906	10.3%
Mobile Home/Other (a)	13,785	2.3%	59,727	1.7%
Total Housing Units	**597,776**	**100.0%**	**3,542,800**	**100.0%**
Single Family Housing Units	**426,456**	**71.3%**	**1,945,255**	**54.9%**
Multifamily Housing Units	**157,535**	**26.4%**	**1,537,818**	**43.4%**

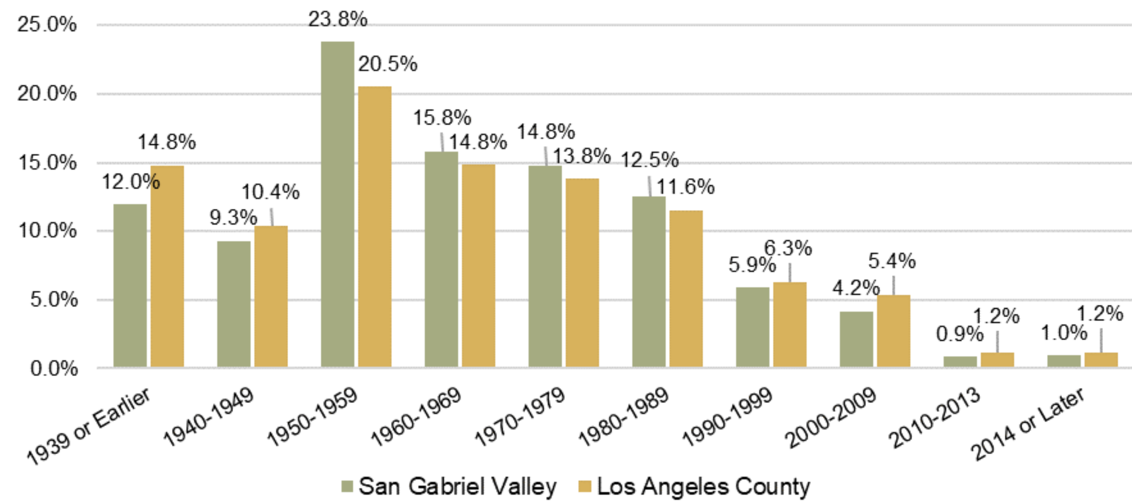
Notes:
(a) Includes boats, RVs, vans, or any other non-traditional residences.

Sources: U.S. Census Bureau, American Community Survey 2015-2019 five-year sample data, Table B25024; BAE, 2021.

Year Built

San Gabriel Valley is comprised of relatively older housing stock and limited housing development over the last three decades. The San Gabriel Valley and Los Angeles County present a relatively older housing inventory, with the largest share of units built in the 1950s. As depicted in Figure 7, approximately 45 percent of housing units in both the Valley and County were built before 1960. Housing production has since declined, with an especially low inventory of units delivered after the Great Recession. Although housing production has remained relatively limited in both geographies, Los Angeles County has produced a greater proportion of housing since 2000 compared to the San Gabriel Valley. This limited production of housing units in the San Gabriel Valley is likely resulting in increasing housing costs due to the lack of inventory and relatively strong demand for housing in the Valley.

Figure 7: Housing Units by Year Built, 2019 Five-Year Sample Period



Sources: U.S. Census Bureau, American Community Survey 2015-2019 five-year sample data, Table B25034; BAE, 2021.

Occupancy and Vacancy Status

Over the past decade, the residential vacancy rate has increased somewhat substantially in the San Gabriel Valley (meaning more units are uninhabited than ten years ago). Yet, at the same time, the current vacancy rates indicate that there is a tight market for households seeking rental units. As provided in Table 8, the San Gabriel Valley's vacancy rate has increased by 1.4 percent since 2010 from 4.5 percent to 5.9 percent. The Valley experienced a 34 percent growth in vacant units within the last ten years, of which is primarily due to the increase in the number of unoccupied rented or sold, seasonal, and other vacant units. Since 2010, the number of vacant units within the San Gabriel Valley increased by approximately 15,500 units in those three categories. Interestingly, the "other" vacant unit category actually recorded the largest increase within the ten-year period, with an increase of roughly 12,000 units. These "other" vacant units encompass units that are vacant due to personal/family reasons, personal repairs/renovation, renovation/construction to be on the market, foreclosure, storage, extended absences, legal proceedings, abandonment or demolition, or specific housing use. In the San Gabriel Valley, cities of Bradbury, Irwindale, Pasadena, and San Marino had more than five percent of their total housing inventory classified as other vacant. In the context of housing availability, this issue of other vacant units may be worth further study and investigation by member cities or the SGVCOG.

As also provided below in Table 8, the number of vacant units available for rent or for-sale with the Valley has reduced significantly over the past decade. The San Gabriel Valley lost approximately half of its vacant rental stock and one tenth of its vacant for-sale stock within the past decade. These negative vacancy growths, however, are not readily reflected in the Valley's absorption rate and reveal that the loss of these vacant units might be an indicator of unit conversion to either seasonal or other vacant units.

Table 8: Housing Units by Occupancy and Vacancy Status, San Gabriel Valley, 2010 and 2019 Five-Year Sample Period

	2010		2019		Change, 2010-2019	
Occupancy Status	**Number**	**Percent**	**Number**	**Percent**	**Number**	**Percent**
Vacant Units	**26,280**	**4.5%**	**35,306**	**5.9%**	**9,026**	**34.3%**
For Rent	12,497	2.1%	6,488	1.1%	(6,009)	-48.1%
For Sale	4,118	0.7%	3,706	0.6%	(412)	-10.0%
Rented or Sold, Not Occupied	1,780	0.3%	3,133	0.5%	1,353	76.0%
For Seasonal, Recreational, or Occasional Use	2,055	0.3%	4,150	0.7%	2,095	101.9%
For Migrant Workers	14	0.0%	-	0.0%	(14)	-100.0%
Other	5,816	1.0%	17,829	3.0%	12,013	206.6%
Occupied Units	**561,640**	**95.5%**	**562,470**	**94.1%**	**830**	**0.1%**
Total Housing Units	**587,920**	**100.0%**	**597,776**	**100.0%**	**9,856**	**1.7%**

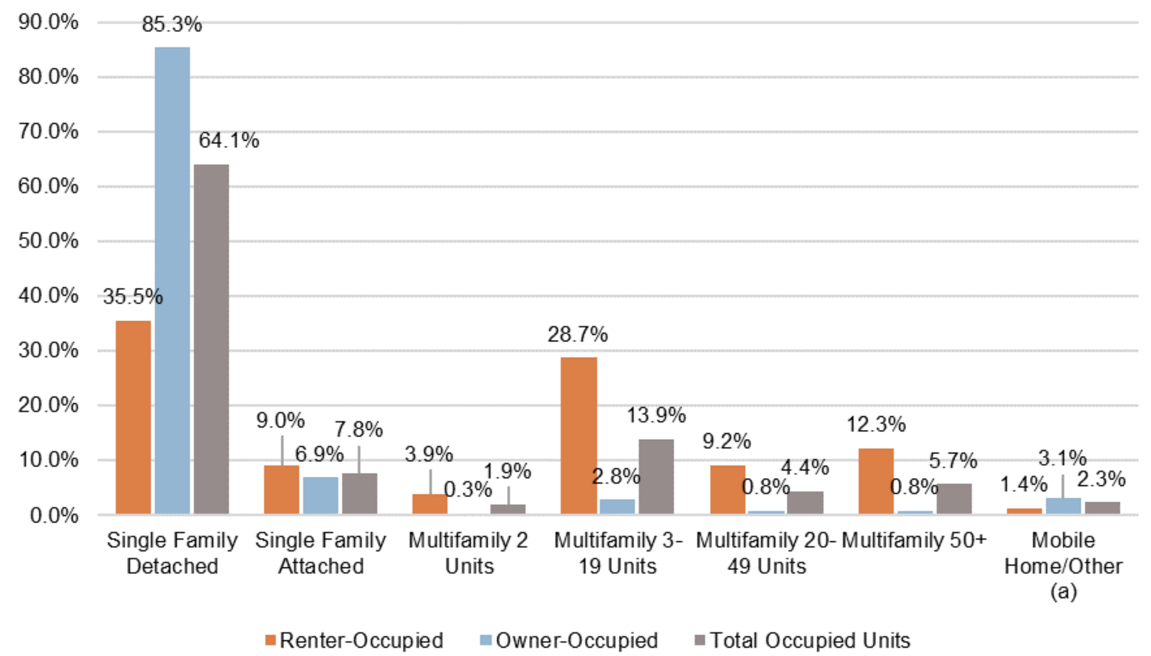
Sources: U.S. Census Bureau, 2010 Decennial Census, Table H3 and H5; American Community Survey 2015-2019 five-year sample data, Table B25004 and B25032; BAE, 2021.

Housing Units by Size and Tenure

Single family homes comprise the overwhelming majority housing type for owner households and a significant proportion of rental housing in the San Gabriel Valley. As provided below in Figure 8, the majority of owner households live in single-family homes. In the San Gabriel Valley, 92 percent of all owner households are in single-family homes, including both detached and attached single-family homes. Only a marginal portion of owner-occupied units are multifamily units, of which more than half are units located in smaller multifamily properties.

Renter-occupied units feature a more diverse distribution of the type of units occupied. Unlike owner-occupied units, which are predominantly single-family units, the proportion of renter occupancy in single-family and multifamily units are similar. Around 54 percent of San Gabriel Valley renters live in multifamily units, while 44 percent of households live in single-family units.

Figure 8: Occupied Housing Units by Units in Structure, San Gabriel Valley, 2019 Five-Year Sample Period



Notes:
(a) Includes boats, RVs, vans, or any other non-traditional residences.

Sources: U.S. Census Bureau, American Community Survey 2015-2019 five-year sample data, Table B25032; BAE, 2021.

Low Income Housing Problems

The following section assesses current housing problems of low-income households within the San Gabriel Valley. As defined by HUD, housing problems include lack of kitchen or plumbing, overcrowding (more than one person per room), or housing cost that are greater than 30 percent of the household income.

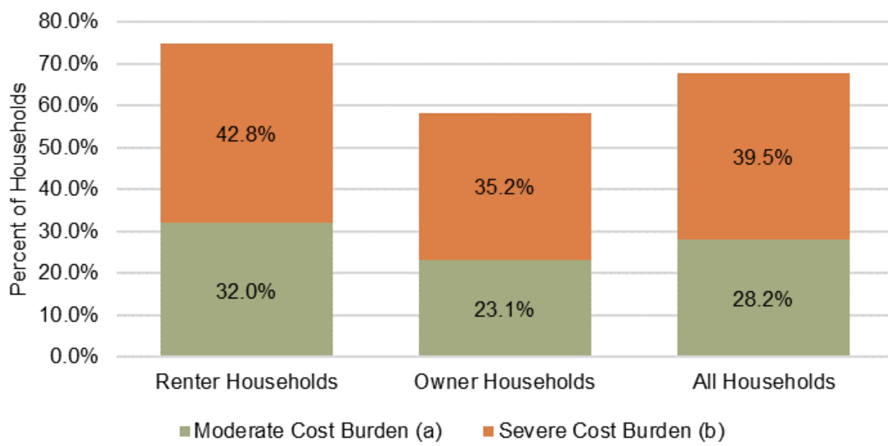
Cost Burden

The majority of San Gabriel Valley low-income renters and homeowners experience housing cost burden, with low-income renters experiencing the highest levels of cost burden and severe cost burden. Figure 9 illustrates the level of housing cost burden for low-income households in the San Gabriel Valley, earning less than or equal to 80 percent HAMFI, according to 2013-2017 Comprehensive Housing Affordability Strategy (CHAS) data published by HUD. Housing cost burden is assessed by comparing the housing costs of each household to the household's total income. Households spending more than 30 percent but less than or equal to 50 percent of their total income on housing expenses are moderately cost burdened. Those that spend more than 50 percent on housing costs are severely cost burdened.

As provided below, a large share of low-income households currently experience some level of cost burden. Low-income households are at a tighter financial constraint than moderate and above moderate-income households, and thus are more vulnerable to housing insecurities such as housing cost burdens and the threat of eviction or foreclosure. Approximately 68 percent of all low-income households in the San Gabriel Valley are experiencing some level of housing cost burden. Nearly 40 percent of San Gabriel Low-Income households are severely cost burdened by spending more than half of their income on housing, with the remaining 28 percent paying between 30 and 50 percent of their income on housing.

Broken down by tenure, low-income renters experience higher rates of cost burden compared to owners. As provided below, nearly 75 percent of all low-income renters are cost burdened, the majority of which are severely cost burdened. Approximately 58 percent of low-income owner households, by comparison, experience some form of cost burden. Despite lower incomes, these owners likely experience lower rates of cost burden as a result of owning their home and the fixed nature of mortgage payments. Renters, by contrast, are susceptible to escalating rents as housing market conditions continue to strengthen with steady demand and limited production.

Figure 9: Housing Cost Burdens of Low-Income Households by Tenure, San Gabriel Valley, 2017 Five-Year Sample Period



Notes:
(a) Households that spend more than 30 percent but less than or equal to 50 percent of their gross incomes on housing costs.
(b) Households that spend more than 50 percent of their gross incomes on housing costs

Sources: U.S. Department of Housing and Urban Development, 2013-2017 Comprehensive Housing Affordability Strategy (CHAS) data; BAE, 2021.

Cost Burden by Household Type

In the San Gabriel Valley, the household types that experience the most housing cost burden are small related households and senior households. Figure 10 shows the distribution of low-income households experiencing housing cost burden by tenure and type, according to the 2013-2017 CHAS data published by HUD. Household types are broken down into four categories: small related, which are small family households with four or less person, none of which are 62 years or older; large related, or large family households with five or more persons;

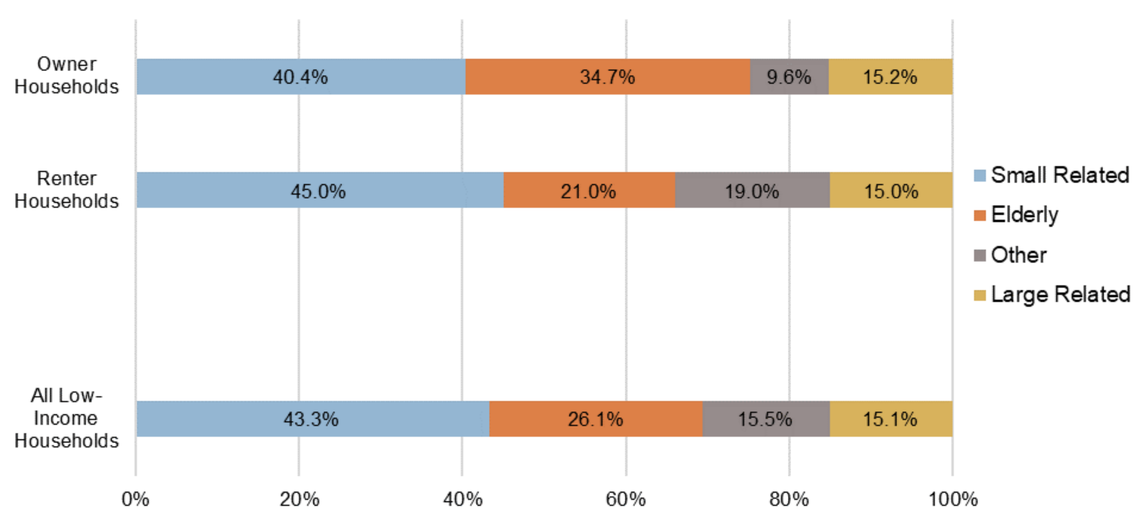
elderly, defined as households with one or two persons, with either person 62 years or older; and other, which are non-family and non-elderly households.

As provided below, small family households account for the largest share of the cost-burdened, low-income households, accounting for roughly 43.3 percent of the households. Elderly households represent the second largest cohort of cost-burdened, low-income households, at roughly 26.1 percent of all households. The remaining cost-burdened, low-income households are equally split between large-related households and other households, both accounting for roughly 15 percent each.

The distribution of household types of the low-income households experiencing some form of cost burden differ modestly by tenure. As provided in the figure below, the largest difference between renter and owner households is in the elderly population. More specifically, roughly 35 percent of cost-burdened, low-income owner households are elderly households. This same household type only accounts for 21 percent of the cost-burdened renter households. This suggests that elderly households, typically on fixed incomes, that currently own their and are overpaying for housing comprise a significant portion of more affordable housing demand.

From an affordable housing development perspective, and future opportunities for SGVRHT innovation, the large number of low-income senior does indicate that there could be room in the market for a program that targets senior homeowners for home improvements, home-sharing programs, and ADU development initiatives.

Figure 10: Household Cost Burden by Tenure and Type, San Gabriel Valley, 2017 Five-Year Sample Period



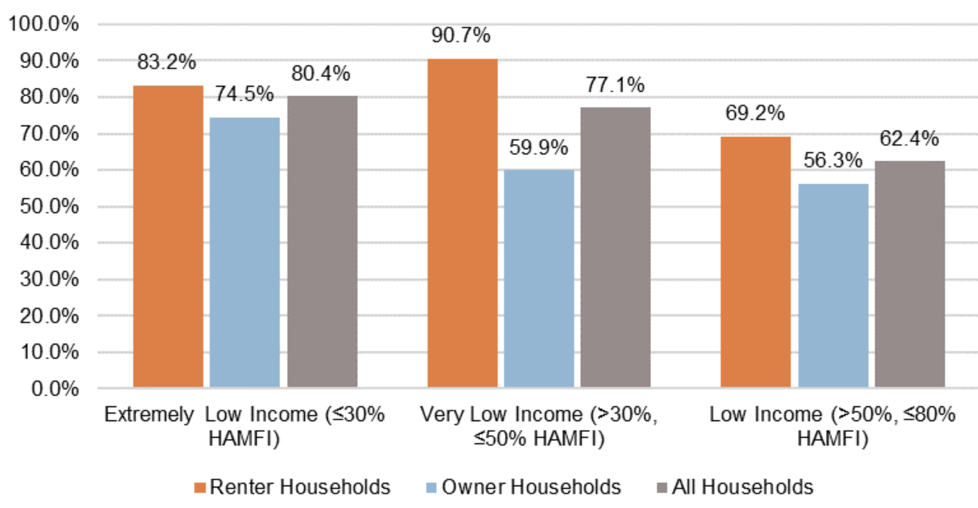
Sources: U.S. Department of Housing and Urban Development, 2013-2017 Comprehensive Housing Affordability Strategy (CHAS) data; BAE, 2021.

Other Housing Problems

Extremely low-income households are at the greatest risk of experiencing one or more housing problems and, according to the CHAS data, approximately 80 percent of all extremely low-income households in the San Gabriel Valley are experiencing one or more housing problems. Figure 11 shows the distribution of households with one or more housing problems by income distribution and tenure. As defined by HUD, housing problems include lack of kitchen or plumbing, overcrowding (more than one person per room), or housing cost burden greater than 30 percent HAMFI. Because of the economic and income disadvantage that come with earning less than or equal to 30 percent HAMFI, extremely low-income households are more limited in their housing options relative to higher income households. Households in this income category are more likely to spend a larger share of their total income for housing, settle for housing that lacks necessary amenities in order to offset costs, or be overcrowded.

Renter households face a larger housing problem disparity than owner households. Among all extremely low-, very low-, and low-income households, renter households constitute a greater proportion of households with one or more housing problems compared to owner households. With limited affordable rental housing opportunities or financial rental assistance for lower income households in the San Gabriel Valley, renters are at greater risk of housing cost burden, living without adequate kitchen or plumbing facilities, and overcrowding. The prevalence of renter households experiencing one or more housing problems also suggests a significant affordability and livability issue for renters in the Valley. These issues are possibly a result of the lack of availability of rental housing inventory and low levels of production during the last 20 years.

Figure 11: Households Experiencing One or More Housing Problems by Income and Tenure, San Gabriel Valley, 2017 Five-Year Sample Period



Sources: U.S. Department of Housing and Urban Development, 2013-2017 Comprehensive Housing Affordability Strategy (CHAS) data; BAE, 2021.

Housing Market Conditions

To understand the housing market conditions faced by lower-income households within the San Gabriel Valley, the following section summarizes current for-sale and rental market conditions. Each subsection also compares current market rates to the maximum affordable rental rates and sale prices to assess the general affordability of the current housing market for lower-income households. Lastly, this section profiles the current inventory of deed-restricted affordable housing projects as well as the pipeline of projects to meet the future affordable housing need.

CoStar as a Rental Inventory Source

To evaluate recent trends in the multifamily rental market, BAE compiled data from CoStar, a leading commercial real estate database. CoStar reports inventory characteristics, such as the number of units and floor plans. The database also tracks key performance metrics, including asking rents and vacancies, for many of these properties. It is important to note that CoStar data do not reflect a full census or representative sample of rental units in the San Gabriel Valley. CoStar does not capture renter-occupied single-family homes and may underreport rental units in buildings of five or fewer units. Nonetheless, CoStar still offers the most comprehensive and up-to-date rental market insights available at the local level.

For-Sale Housing Conditions

The following section profiles the existing for-sale housing market, including sale price trends in the San Gabriel Valley largest cities, as well as the affordable home sale price at various income levels.

Sale Price Characteristics

Between August 2020 and January 2021, the median sale price of all single-family homes sold in the San Gabriel Valley was $777,000, while the median sale price for condominiums or townhomes was roughly $525,000 over that same period. As provided in Table 9 below, nearly 90 percent of all single-family homes sold over this time period contained three bedrooms or more, suggesting a relatively limited supply of smaller for-sale detached single-family homes. Similarly, the average unit size of all detached single-family homes sold over this time frame was nearly 2,000 square feet. Based on the distribution of sale price ranges shown below, only seven percent of single-family home sales in the San Gabriel Valley were sold for less than $500,000, while 65 percent were priced between $500,000 and $999,999 in total sale price.

During this same period of August 2020 to January 2021, roughly 1,600 condominium or townhome units sold in the San Gabriel Valley, accounting for roughly 23 percent of all homes sales during that time frame. In terms of unit characteristics, roughly 85 percent of these homes had between two and three bedrooms, with an average size for all units sold of roughly 1,360 square feet. As is evident, these units are significantly smaller than their single-family counterparts, and are therefore cheaper. The median sale price for these condominium and townhome units, as noted above, is over $250,000 less than the median single-family detached unit sale price. Approximately 16 percent of units sold were priced below $400,000, while another 51 percent of units sold were priced between $400,000 and $599,999. Interestingly, even when accounting for unit size, condominium units tend to be less expensive, likely due to the reduced lot size. As provided at the bottom of Table 9 below, the median sale price per square foot of the condominium and townhome units was roughly $400, compared to nearly $465 per square foot of single-family detached units.

Table 9: Home Sale Price Distribution, San Gabriel Valley, Aug. 2020 to Jan. 2021

Single-Family Homes

Sale Price Range	1 BR	2 BR	3 BR	4+ BR	Total	Percent of Total
Less than $500,000	20	103	215	66	**404**	**7.4%**
$500,000-$749,999	9	240	1,169	675	**2,093**	**38.5%**
$750,000-$999,999	5	168	587	653	**1,413**	**26.0%**
$1,000,000-$1,499,999	1	64	400	457	**922**	**17.0%**
$1,500,000 or more	2	13	130	462	**607**	**11.2%**
Total Units Sold	**37**	**588**	**2,501**	**2,313**	**5,439**	**100.0%**
Percent of Total	**0.7%**	**10.8%**	**46.0%**	**42.5%**	**100.0%**	
Median Sale Price	**$482,000**	**$700,000**	**$705,000**	**$880,000**	**$777,000**	
Average Sale Price	**$661,628**	**$749,700**	**$814,304**	**$1,164,680**	**$955,283**	
Average Unit Size (SF)	**867**	**1,148**	**1,583**	**2,577**	**1,954**	
Median Price per SF	**$757.29**	**$644.70**	**$487.85**	**$406.84**	**$463.96**	
Average Price per SF	**$852.15**	**$666.95**	**$514.24**	**$442.14**	**$502.38**	

Condominiums/Townhomes

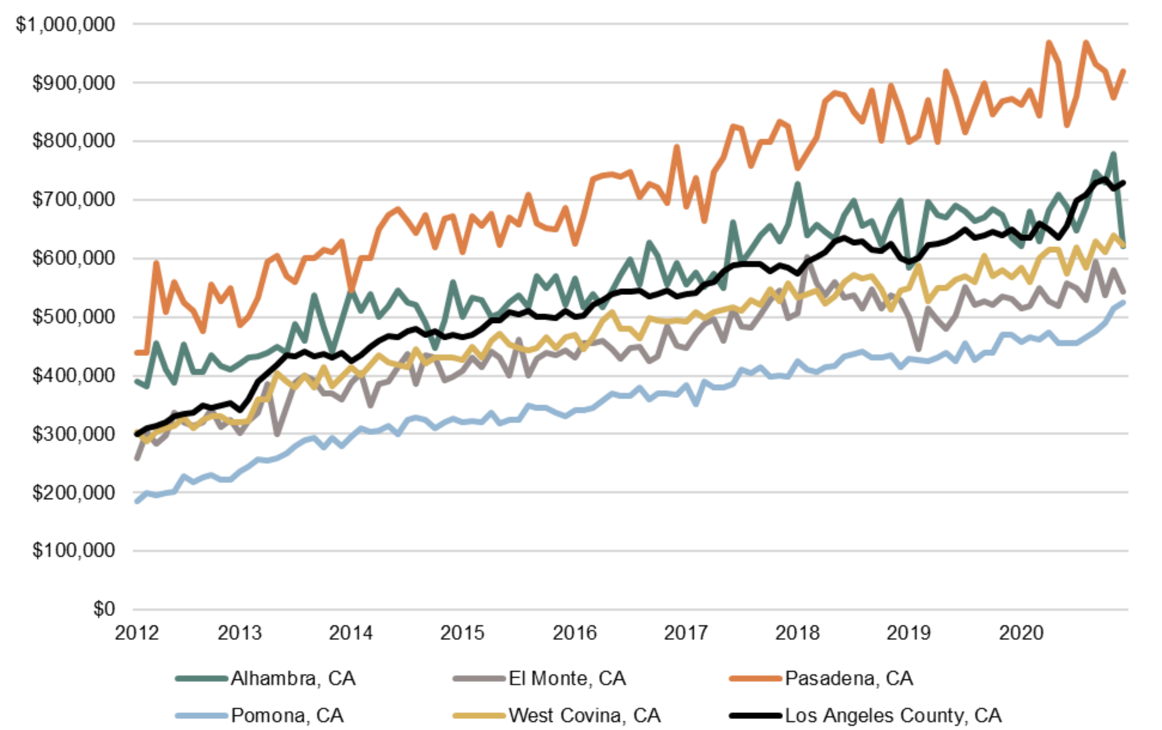
Sale Price Range	1 BR	2 BR	3 BR	4+ BR	Total	Percent of Total
Less than $400,000	51	176	33	0	**260**	**16.2%**
$400,000-$599,999	52	335	382	46	**815**	**50.7%**
$600,000-$799,999	9	138	162	49	**358**	**22.3%**
$800,000-$999,999	0	29	53	28	**110**	**6.8%**
$1,000,000 or more	0	13	34	16	**63**	**3.9%**
Total Units Sold	**112**	**691**	**664**	**139**	**1,606**	**100.0%**
Percent of Total	**7.0%**	**43.0%**	**41.3%**	**8.7%**	**100.0%**	
Median Sale Price	**$407,500**	**$480,000**	**$550,000**	**$680,000**	**$525,000**	
Average Sale Price	**$409,847**	**$517,535**	**$628,498**	**$734,053**	**$573,926**	
Average Unit Size (SF)	**787**	**1,161**	**1,549**	**1,932**	**1,360**	
Median Price per SF	**$513.79**	**$430.40**	**$370.93**	**$358.86**	**$400.81**	
Average Price per SF	**$527.63**	**$445.76**	**$397.91**	**$380.78**	**$426.67**	

Sources: Redfin; BAE, 2021.

Sale Price Trends

Home sales prices in the San Gabriel Valley increased dramatically between 2012 to 2020. In addition to the current sale characteristics presented above, Figure 12 below presents historic sale price trends within Los Angeles County and the five largest cities in the San Gabriel Valley, due to data availability and reliability, between 2012 to 2020. As provided below, sale prices over the past eight years in the San Gabriel Valley have generally kept pace with the broader Los Angeles County trends (shown in black). The City of Pomona, one of San Gabriel Valley's more affordable cities, recorded the most robust home sale appreciation rate between 2021 and 2020. More specifically, the median home sale price in Pomona increased from $185,000 to $525,000 over the eight-year time frame, representing a 183.8 percent growth rate. That said, sale prices in the more expensive cities within the San Gabriel Valley have also escalated relatively quickly over this time frame. As provided below, sale prices in the City of Pasadena have increased from roughly $450,000 in 2012 to over $900,000 at the end of 2020, or a doubling of the median sale price in the eight-year period.

Figure 12: Median Sale Price Trends, 2012-2020



Sources: Redfin Data Center, 2020; BAE, 2021.

Affordable For-Sale Prices

An analysis of for-sale housing prices in the San Gabriel Valley indicates that median-priced homes in the Valley are affordable to households earning at and above 120 percent of area median income. Table 10 and Table 11 below summarize the affordable for-sale single-family home and condominium (condo) housing prices with an FHA mortgage by household income limits. These tables are used to assess the financial capacity of households earning less than 120 percent of area median income (AMI) and their ability to enter the residential market as homebuyers without being cost burdened. The analysis calculates the maximum affordable sale price by income category, where affordability is defined as spending no more than 31 percent of gross monthly income on housing, given the mortgages, homeowner's insurance, property taxes, possible HOA fees, and/or other payments.

Household income limits are based on the CA Department of Housing and Community Development (HCD) state income limits for Los Angeles County for 2020. Data from the Redfin Data Center recorded 5,439 single-family homes and 1,606 condos and townhomes sold between August 2020 and January 2021, as provided above in Table 9. These recorded home sales provided the basis for a median single-family home sale price of $777,000 and a median condo/townhome sale price of $525,000. Other data pertaining to mortgage financing rates, insurance premiums, HOA fees, and property taxes are collected from published sources from HCD, the Federal Housing Administration, CA Department of Insurance, Los Angeles County Controller's Office, Freddie Mac, etc.

As provided below, the maximum affordable purchase price for an extremely low-income household, or one making less than 30 percent of the area median income, ranges from $100,000 to $155,500 depending on household size. When compared to the median sale price in the San Gabriel Valley, these households are well short of the ability to purchase a single-family or townhome unit. In fact, based on the analysis presented below no household making less than 120 percent of the area median income can afford the median sale price within the San Gabriel Valley without paying more than 30 percent of their income towards housing. That said, the affordability gap is notably lower in the condominium and townhome units due to the lower sale prices summarized above.

Table 10: Summary of Affordable For-Sale Single-Family Home Prices with FHA Mortgage, San Gabriel Valley, 2021

	Household Size				
Maximum Affordable Sale Price	**1 Person**	**2 Person**	**3 Person**	**4 Person**	**5 Person**
Extremely Low Income (up to 30% AMI)					
Household Income (a)	$23,700	$27,050	$30,450	$33,800	$36,550
Max. Affordable Sale Price (b)	$100,765	$115,090	$129,579	$143,739	$155,429
Amount Above (Below) Median Sale Price (c)	($676,235)	($661,910)	($647,421)	($633,261)	($621,571)
Very Low Income (31-50% AMI)					
Household Income (a)	$39,450	$45,050	$50,700	$56,300	$60,850
Max. Affordable Sale Price (b)	$167,778	$191,652	$215,691	$239,400	$258,829
Amount Above (Below) Median Sale Price (c)	($609,222)	($585,348)	($561,309)	($537,600)	($518,171)
Low Income (51-80% AMI)					
Household Income (a)	$63,100	$72,100	$81,100	$90,100	$97,350
Max. Affordable Sale Price (b)	$268,378	$306,742	$344,940	$383,304	$414,093
Amount Above (Below) Median Sale Price (c)	($508,622)	($470,258)	($432,060)	($393,696)	($362,907)
Moderate Income (81-120% AMI)					
Household Income (a)	$64,900	$74,200	$83,500	$92,750	$100,150
Max. Affordable Sale Price (b)	$276,117	$315,633	$355,149	$394,500	$425,948
Amount Above (Below) Median Sale Price (c)	($500,883)	($461,367)	($421,851)	($382,500)	($351,052)

Notes:

(a) Based on California Department of Housing and Community Development income limits for 2020.
(b) These figures are 31% of gross monthly household income, the maximum amount that a household can spend on housing expenses based on FHA requirements. See APPENDIX for full tabulation.
(c) Per Redfin, the median sale price for a single-family home sold in the San Gabriel Valley between August 2020 and January 2021 was $777,000.

Sources: Redfin Data Center; California Department of Housing and Community Development, 2020; Federal Housing Administration, 2020; Freddie Mac, 2020; California Department of Insurance; Los Angeles County Controller's Office, 2020-2021; BAE, 2021.

Table 11: Summary of Affordable For-Sale Condominium and Townhome Prices with an FHA Mortgage, San Gabriel Valley, 2021

	Household Size				
Maximum Affordable Sale Price	**1 Person**	**2 Person**	**3 Person**	**4 Person**	**5 Person**
Extremely Low Income (up to 30% AMI)					
Household Income (a)	$23,700	$27,050	$30,450	$33,800	$36,550
Max. Affordable Sale Price (b)	$41,922	$56,983	$72,217	$87,105	$99,396
Amount Above (Below) Median Sale Price (c)	($483,078)	($468,017)	($452,783)	($437,895)	($425,604)
Very Low Income (31-50% AMI)					
Household Income (a)	$39,450	$45,050	$50,700	$56,300	$60,850
Max. Affordable Sale Price (b)	$112,380	$137,482	$162,757	$187,686	$208,113
Amount Above (Below) Median Sale Price (c)	($412,620)	($387,518)	($362,243)	($337,314)	($316,887)
Low Income (51-80% AMI)					
Household Income (a)	$63,100	$72,100	$81,100	$90,100	$97,350
Max. Affordable Sale Price (b)	$218,154	$258,490	$298,653	$338,989	$371,362
Amount Above (Below) Median Sale Price (c)	($306,846)	($266,510)	($226,347)	($186,011)	($153,638)
Moderate Income (81-120% AMI)					
Household Income (a)	$64,900	$74,200	$83,500	$92,750	$100,150
Max. Affordable Sale Price (b)	$226,291	$267,839	$309,386	$350,761	$383,826
Amount Above (Below) Median Sale Price (c)	($298,709)	($257,161)	($215,614)	($174,239)	($141,174)

Notes:
(a) Based on California Department of Housing and Community Development income limits for 2020.
(b) These figures are 31% of gross monthly household income, the maximum amount that a household can spend on housing expenses based on FHA requirements. See APPENDIX for full tabulation.
(c) Per Redfin, the median sale price for a condominium or townhome sold in the San Gabriel Valley between August 2020 and January 2021 was $525,000.

Sources: Redfin Data Center; California Department of Housing and Community Development, 2020; Federal Housing Administration, 2020; Freddie Mac, 2020; California Department of Insurance; Los Angeles County Controller's Office, 2020-2021; BAE, 2021.

Rental Housing Costs

The following section profiles the existing multifamily market conditions, including rental rates and vacancy rates. This section also includes the affordable rental rates broken down by income level and an assessment of the ability for low-income renters to afford market rate rents.

Multifamily Existing Market Characteristics

Market rate multifamily rents in the San Gabriel Valley are slightly more affordable than Los Angeles County average asking rents. More specifically, according to CoStar market data, the average asking rent for all multifamily units in the Valley amounted to approximately $1,672 per unit, which is roughly ten percent cheaper than the Los Angeles average rent of $1,869 in the same period.

In terms of unit type distribution, San Gabriel Valley and Los Angeles County share similar distributions, although the San Gabriel Valley has slightly less studio units and slightly more three-bedroom multifamily rental units, likely driven by the slightly larger household sizes and demand profile for housing in the San Gabriel Valley. The vacancy rate in the Valley is notably lower than the vacancy rate within Los Angeles County. As provided below, CoStar market data indicates that only four percent of multifamily rental units were vacant in the San Gabriel Valley, compared to nearly six percent in Los Angeles.

Table 12: Multifamily Market Conditions, Q4 2020

San Gabriel Valley (a)	Studio	1 BR	2 BR	3 BR	4+ BR	All Unit Types
Inventory, Q4 2020 (units)	33,237	40,184	41,049	6,522	522	121,514
% of Units	27.4%	33.1%	33.8%	5.4%	0.4%	100.0%
Occupied Units	29,183	38,054	38,376	5,536	337	111,487
Vacant Units	1,381	1,524	1,554	203	11	4,672
Vacancy Rate	4.5%	3.8%	3.9%	3.5%	3.0%	4.0%
Avg. Asking Rents, Q4 2019 - Q4 2020						
Avg. Asking Rent, Q4 2019	$1,313	$1,462	$1,825	$2,061	$2,156	$1,650
Avg. Asking Rent, Q4 2020	$1,318	$1,482	$1,849	$2,104	$2,193	$1,672
% Change Q4 2019 - Q4 2020	0.4%	1.4%	1.3%	2.1%	1.7%	1.3%

Los Angeles County	Studio	1 BR	2 BR	3 BR	4+ BR	All Unit Types
Inventory, Q4 2020 (units)	399,186	416,241	331,886	52,234	6,122	1,205,669
% of Units	33.1%	34.5%	27.5%	4.3%	0.5%	100.0%
Occupied Units	343,744	383,486	302,901	46,365	5,171	1,081,667
Vacant Units	21,574	24,959	18,773	2,524	337	68,167
Vacancy Rate	5.9%	6.1%	5.8%	5.2%	6.1%	5.9%
Avg. Asking Rents, Q4 2019 - Q4 2020						
Avg. Asking Rent, Q4 2019	$1,440	$1,713	$2,217	$2,573	$2,493	$1,900
Avg. Asking Rent, Q4 2020	$1,402	$1,678	$2,188	$2,568	$2,586	$1,869
% Change Q4 2019 - Q4 2020	-2.6%	-2.0%	-1.3%	-0.2%	3.7%	-1.6%

Sources: CoStar Group; BAE, 2021.

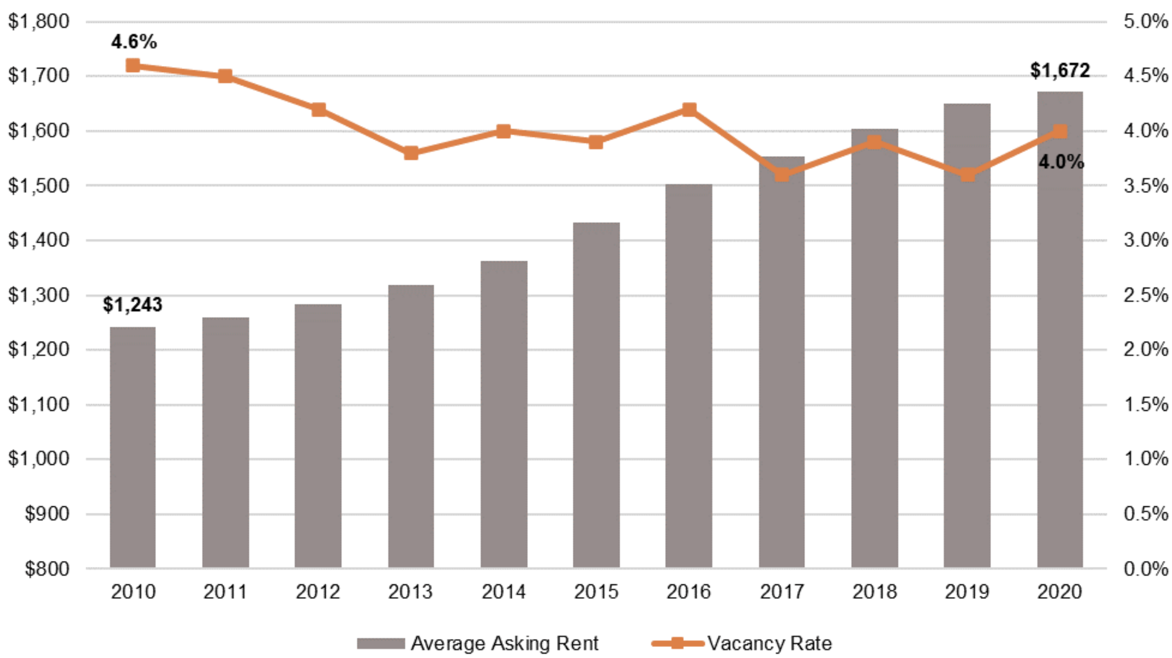
Multifamily Rental and Vacancy Rate Trends

Overall San Gabriel Valley rental market is characterized by decreasing vacancies and increasing rents, both of which make it difficult for renters to find and maintain housing. In addition to the current market conditions presented above, Figure 13 below shows the historic ten-year multifamily rental and vacancy trends of the San Gabriel Valley based on data from CoStar. As provided below, between 2010 and 2020, vacancies within multifamily rental units declined at a fairly stable rate in the San Gabriel Valley. The Valley's vacancy rate peaked in 2010 at 4.6

percent, during the last leg of the Great Recession, and have since remained under 4.5 percent vacancy. Since 2017, the vacancy rate has fluctuated between 3.6 to four percent. According to CoStar, the San Gabriel Valley recorded a four percent vacancy rate in 2020.

Although vacancy rates have slowly decreased over the past decade, asking rents in the Valley have increased rather robustly, from approximately $1,200 in 2010 to $1,670 in 2020. The rent appreciation in the San Gabriel Valley represents a 34 percent growth. According to the 2019 five-year sample data from ACS, cities such as Diamond Bar, La Cañada Flintridge, San Marino, and Walnut recorded median gross rent exceeding $2,000, whereas cities of El Monte, Irwindale, Montebello, Pomona, and South El Monte registered median rents less than $1,400.

Figure 13: Average Asking Rent and Vacancy Trends, San Gabriel Valley, 2010-2020



Sources: CoStar Group, 2021; BAE, 2021.

Affordable Rental Rates

This analysis calculates the maximum affordable rent by income category, where affordability is defined as spending no more than 30 percent of gross monthly income on housing, including rent and utility payments. Average market-rate rents and utilities were based on CoStar's fourth quarter 2020 average asking rent figures and Los Angeles County's 2020 utility costs. Household income figures were based on the California Department of Housing and Community Development (HCD) income limits for 2020.

Table 13 shows the maximum multifamily unit rent that San Gabriel Valley households can afford by income level compared to market-rate rents. According to CoStar, the average market-rate rental unit rents range from $1,318 for a one-person household studio unit to $2,193 for a five-person household four-bedroom unit. These rental rates are slightly below the maximum affordable monthly rent for low- and moderate-income households. However, extremely low- and very low-income renter households would be spending more than 30 percent of their total income on housing leaving them with a housing cost burden. Households earning less than or equal to 50 percent of AMI would be outpriced in the San Gabriel Valley. These households would require some form of rental assistance or subsidies to offset housing expenses.

Table 13: Affordable Rents, San Gabriel Valley, 2020

	Household (Unit) Size				
Market Rents and Utilities	**1 Person (Studio)**	**2 Person (1 BR)**	**3 Person (2 BR)**	**4 Person (3 BR)**	**5 Person (4 BR)**
Average Market-Rate Rent (a)	$1,318	$1,482	$1,849	$2,104	$2,193
Utility Costs (b)	$37	$48	$60	$72	$89
Maximum Affordable Monthly Rent					
Extremely Low Income (up to 30% AMI)					
Household Income (c)	$23,700	$27,050	$30,450	$33,800	$36,550
Max. Affordable Monthly Rent (d)	$556	$628	$701	$773	$825
Amount Above (Below) Market Rate Rent	($763)	($854)	($1,148)	($1,331)	($1,368)
Very Low Income (31-50% AMI)					
Household Income (c)	$39,450	$45,050	$50,700	$56,300	$60,850
Max. Affordable Monthly Rent (d)	$949	$1,078	$1,208	$1,336	$1,432
Amount Above (Below) Market Rate Rent	($369)	($404)	($642)	($769)	($761)
Low Income (51-80% AMI)					
Household Income (c)	$63,100	$72,100	$81,100	$90,100	$97,350
Max. Affordable Monthly Rent (d)	$1,541	$1,755	$1,968	$2,181	$2,345
Amount Above (Below) Market Rate Rent	$223	$273	$119	$77	$152
Moderate Income (81-120% AMI)					
Household Income (c)	$64,900	$74,200	$83,500	$92,750	$100,150
Max. Affordable Monthly Rent (d)	$1,586	$1,807	$2,028	$2,247	$2,415
Amount Above (Below) Market Rate Rent	$268	$325	$179	$143	$222

Notes:
(a) Data reflect average asking rates of units in multifamily properties of five units or more in San Gabriel Valley in the fourth quarter of 2020.
(b) Housing Authority of the County of Los Angeles 2020 allowances for tenant-furnished utilities and other services for a multifamily unit that uses gas cooking, heating, and water heating, as well as electricity for lights and appliances. The allowance is based on the number of bedrooms in the unit and a household is assumed to have one bedroom fewer than the number of people in the household.
(c) Based on California Department of Housing and Community Development income limits for 2020.
(d) These figures are 30% of gross monthly household income, the maximum amount that a household can spend on housing expenses without being considered cost burdened.

Sources: California Department of Housing and Community Development, 2020; CoStar Group, 2020; BAE, 2021.

Affordable Housing Inventory

To meet the affordable housing needs of lower-income households, there are nearly 12,000 existing deed-restricted affordable housing units throughout the San Gabriel Valley that leveraged State and Federal funds to finance their development. The majority of these units are funded by the Low-Income Housing Tax Credit (LIHTC) program, which is a Federal tax incentive for investors to invest in affordable housing projects. Units funded by the LIHTC program account for nearly 70 percent of all existing deed-restricted affordable housing units within the

San Gabriel Valley, or approximately 8,234 total units. The remaining affordable housing inventory was developed using funds from the U.S. Housing and Urban Development Department (HUD) through various financing programs. In total, units funded through HUD programs, including capital and/or operating subsidies, amount to roughly 3,760 total units throughout the San Gabriel Valley. Both HUD units and LIHTC units are deed-restricted for affordable housing for a certain period, so the existing inventory will eventually face expiring covenants. Opportunities for the SGVRHT to facilitate and/or finance acquisition/preservation deals will certainly arise in coming years.

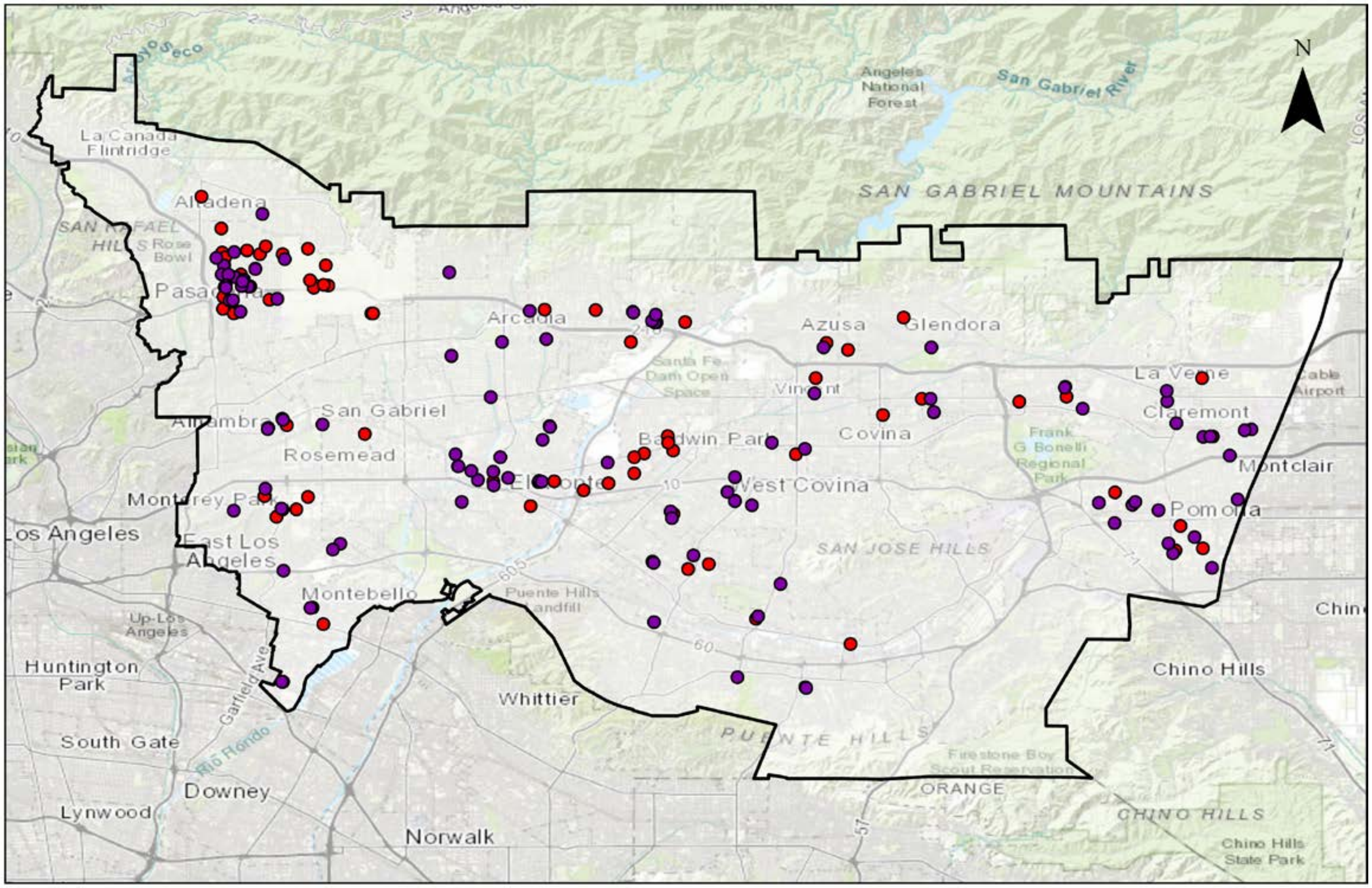
The existing deed-restricted affordable housing projects tend to be clustered in a few locations throughout the San Gabriel Valley. As provided below in Figure 14, the most significant cluster of affordable housing projects are located in the northwestern portion of the Valley, primarily in the City of Pasadena. The Valley also has a cluster of projects in the eastern portion, including the cities of Pomona and Claremont. The last major cluster of projects is in the center of the Valley along the I-10 freeway, including the cities of Baldwin Park, El Monte, and Monterey Park. The remaining affordable housing projects are scattered throughout the San Gabriel Valley, though there is an apparent undersupply of affordable housing north of the I-210 freeway corridor in the eastern portion of the County, and in the southeastern portion of the San Gabriel Valley which is primarily unincorporated Los Angeles County.

Table 14: Existing Inventory of Publicly Funded Deed-Restricted Affordable Housing Projects, San Gabriel Valley

	Affordable Housing	
Funding Type	Properties	Units
Low-Income Housing Tax Credit (LIHTC)		
New Construction	55	3,793
Acquisition & Rehabilitation	47	4,441
Subtotal, LIHTC Projects	**102**	**8,234**
HUD CONTRACTS		
Project Based Section 8	39	2,499
202/PRAC	12	853
811/PRAC	12	92
Public Housing	2	275
S236/BMIR	1	40
Subtotal, HUD Contracts	**66**	**3,759**
TOTAL Deed-Restricted Projects	**168**	**11,993**

Sources: California TCAC; HUD; BAE, 2021.

Figure 14: Existing Publicly Funded Deed-Restricted Affordable Housing Projects, San Gabriel Valley



● TCAC Multifamily Housing Projects
● HUD-Subsidized Housing Projects
☐ San Gabriel Valley COG Boundary

Sources: TCAC; HUD; BAE, 2021

Affordable Housing Pipeline

Currently, there are nearly 2,270 units of deed-restricted affordable housing in the San Gabriel Valley development pipeline. This amounts to an increase of roughly 20 percent above the existing inventory of deed-restricted affordable housing units in the Valley, as previously reported above in Table 14. Approximately 48 percent of the development pipeline, shown below in Table 15, has already applied for various State and Federal funding sources, suggesting they will likely deliver in the near-term. The remaining 52 percent, or 1,188 units, are earlier on in the development process, though are still likely to deliver in the near- to medium-term, especially as the SGVRHT ramps up operations and funding capabilities to assist in filling the projects' existing funding gaps. As is evident from the data displayed in Table 15 below, fifteen of the San Gabriel Valley's 31 cities plus Los Angeles County have at least one affordable housing project in the development pipeline. Of note is the City of El Monte, with 573 affordable housing units in their pipeline, as well as the cities of Pomona, Pasadena, and Baldwin Park, all with between 200 and 320 new affordable housing units in the development pipeline.

Table 15: Affordable Housing Development Pipeline, San Gabriel Valley Jurisdictions

Applied for State/Federal Funding

Project Name	City	Target Population	Housing Type	Affordable Units
Baldwin Park Affordable Housing	Baldwin Park	Large Family	New Construction	52
11730 Ramona Boulevard	El Monte	Seniors	New Construction	38
El Monte Metro II	El Monte	Large Family	New Construction	52
Ramona Metro Point	El Monte	Large Family	New Construction	50
El Monte Metro	El Monte	Large Family	New Construction	24
Villa Raintree	El Monte	At-Risk	Acquisition & Rehabilitation	69
Tyler - Valley Metro Housing	El Monte	Large Family	New Construction	52
Sunny Garden Apartments	La Puente	n.a.	Acquisition & Rehabilitation	94
Arboleda Apartments	La Puente	Seniors	New Construction	73
6th Street Grand	Montebello	Special Needs	New Construction	62
Beverly & Hay	Montebello	Large Family	New Construction	80
Pasadena Studios	Pasadena	n.a.	New Construction	179
Villa Raymond Apartments	Pasadena	n.a.	Acquisition & Rehabilitation	60
West Mission Apartments	Pomona	Large Family	New Construction	56
Veterans Park Apartments	Pomona	Large Family	New Construction	60
Avocado Heights	Unincorporated	Large Family	New Construction	80
Total, Applied for State/Fed Funding				**1,081**

SGVRHT Early Stage Development Pipeline

Project Name	City	Project Description	Affordable Units
Mariposa	Alhambra	low and extremely low-income housing	50
Chapel	Alhambra	low and extremely low-income housing	44
Lucile St.	Arcadia	County owned parcel entitled for affordable	9
Metro Central Place	Baldwin Park	affordable housing	55
Maine and Pacific	Baldwin Park	affordable housing, including units for homeless	90
14404- 14412 Ramona	Baldwin Park	affordable housing and workforce housing	13
Harrison Avenue	Claremont	affordable housing	21
Unnamed	Covina	n.a.	52
Gold Line	Duarte	Affordable housing adjacent to the Duarte Gold Line	60
Duarte Park Apartments	Duarte	Senior housing at risk of expiring affordability	100
Unnamed	El Monte	Up to 100 units of transitional housing units for	100
Unnamed	El Monte	n.a.	38
Unnamed	El Monte	n.a.	150
Unnamed	Monrovia	n.a.	66
East Holt	Pomona	affordable housing for low and very low-income	125
Unnamed	Pomona	n.a.	75
Unnamed	South El Monte	Rehabilitation project to provide transitional housing	n.a.
Unnamed	South El Monte	affordable housing for low-income seniors	140
Unnamed	South Pasadena	Purchase and rehabilitation of excess Caltrans	n.a.
Total, SGVRHT Pipeline			**1,188**

TOTAL AFFORDABLE HOUSING PIPELINE	**2,269**

Sources: SGVRHT; California TCAC; BAE, 2021.

Projected Regional Housing Needs

The California Department of Housing and Community Development (HCD) and the Southern California Association of Government (SCAG) recently conducted an extensive analysis to allocate the required number of residential units by income level that each San Gabriel Valley jurisdiction must accommodate as part of the 2021 to 2029 Housing Element process, called the Regional Housing Needs Assessment (RHNA) allocation. To align with these statewide and regional growth allocations, the following section projects existing and future affordable housing need based on the allocations to all San Gabriel Valley cities, and the portion of unincorporated Los Angeles County that falls within the San Gabriel Valley RHT boundary.

Total Housing Need

According to the RHNA allocation for each San Gabriel Valley jurisdiction, the Valley must accommodate an estimated 118,683 total new housing units through 2029. This regional growth allocation, through the RHNA process, represents a 20 percent increase in the total housing units within the San Gabriel Valley over the next eight years. As provided below in Table 16, approximately 41 percent of the projected housing need, or nearly 50,000 units, must be affordable to households with above moderate household incomes, or those making more than 120 percent of the Area Median Income. Based on the above analysis, these units are expected to be delivered by market rate development and therefore are not the focus of the SGVRHT. Units affordable to incomes between 80 and 120 percent of AMI, or moderate-income households, account for 15.7 percent of the projected housing need, equaling another 18,610 additional projected housing units. Like the projected need for above moderate-income households, the need for units affordable to moderate-income households is generally assumed to be delivered by market rate development and is also outside of the focus of the SGVRHT.

The remaining projected housing demand is for housing units that are affordable to households making less than 80 percent of AMI. Based on the SGVRHT formation documents, these are the affordability levels the RHT will serve through their programs and activities. In total, the projected need for households making less than 80 percent of the area median income in the San Gabriel Valley through 2029 is roughly 51,306 total housing units. Nearly two-thirds of this projected housing need, or nearly 33,487 units, is targeted for Very Low-Income households, or those making less than 50 percent of AMI. The projected need for Low-Income households, or those making between 50 percent and 80 percent of AMI, amounts to nearly 17,819 housing units, or approximately 15 percent of the total housing need in San Gabriel Valley.

Table 16: Total Projected Housing Need by Income Level, San Gabriel Valley, 2021-2029

	San Gabriel Valley	
Income Level	Units	Percent
Very Low-Income	33,487	28.2%
Low-Income	17,819	15.0%
Moderate-Income	18,651	15.7%
Above Moderate-Income	48,726	41.1%
Total RHNA Allocation	**118,683**	**100%**

Sources: SCAG; BAE, 2021.

Characteristics of Lower Income Housing Need

Based on the RHNA allocation, the San Gabriel Valley must plan for and support the development roughly 51,306 total units that are affordable to households making less than 80 percent of the area median income. To further inform the SGVRHT on how to prioritize the funding and set goals for Trust activities, the following section further distributes the projected demand based on more detailed affordability levels, household types, and potential geographic distributions throughout the Valley.

Affordability Level

Although the RHNA allocation distributes projected housing need by income level, one significant omission is an analysis of deeper affordability levels. As noted above, the lowest income category projected as part of the RHNA allocation methodology is Very Low-Income, or those making less than 50 percent of AMI.

Based on a more detailed projection of lower-income housing need through the 2021-2029 Housing Element Cycle, the need within the San Gabriel Valley distributes fairly evenly into three income categories which generally account for one-third of the demand: Extremely-Low Income, Very-Low Income, and Low-Income, as shown below in Table 17 the Valley must accommodate:

- Nearly 18,000 housing units affordable to Extremely Low-Income households earning less than 30 percent of AMI. Generally, housing developments that meet this income level typically leverage funding sources reserved for permanent supportive housing.
- Roughly 15,500 housing units affordable to Very Low-Income households earning 30 to 50 percent of AMI.
- Approximately 17,800 units affordable to Low-Income households or those making between 50 and 80 percent of AMI. Although some portion of this housing need may be met by innovative solutions form market rate developers, escalating construction and housing prices and the unaffordability of new market rate units for lower-income households suggest these units will still likely require public subsidy in order to restrict the affordability levels.

Table 17: Lower Income Housing Need by Detailed Income Level, San Gabriel Valley, 2021-2029

AMI Level	Lower-Income Housing Need Units	Lower-Income Housing Need Percent
Extremely Low-Income *(Less than 30% AMI)*	17,984	35.1%
Very Low-Income *(30-50% AMI)*	15,502	30.2%
Low-Income *(50-80% AMI)*	17,819	34.7%
Total, Low-Income Housing	**51,306**	**100.0%**

Sources: SCAG; HUD, CHAS Database; BAE, 2021.

Household Type

The primary need for affordable housing within the San Gabriel Valley is for Small Related households, defined as households with two adults below the age of 62, or up to four related persons. As provided below in Table 18, these households account for roughly 42 percent of the projected housing need, or 21,690 total housing units. The second highest concentration of projected housing demand is from elderly households, defined as a two-person household with at least one person over the age of 62. Demand from this population accounts for another 26 percent of the projected housing need, or approximately 13,070 total housing units. Large-related households, or those with five persons or more, are expected to generate demand for roughly 7,560 new housing units, or nearly 15 percent of the total projected housing need. The remaining projected housing need falls into the "Other" household type category, which includes single-person households or non-related households. Together, these other categories generate demand for roughly 8,820 housing units, or 17 percent of the housing demand. This general category includes housing for non-elderly, non-family households.

Table 18: Lower Income Housing Need by Household Type, San Gabriel Valley, 2021-2029

Housing Type	Lower-Income Housing Need (a) Units	Lower-Income Housing Need (a) Percent
Small Related	21,691	42.4%
Elderly	13,074	25.6%
Large Related	7,561	14.8%
Other (b)	8,816	17.2%
Total, Low-Income Housing	**51,141**	**100%**

Note:
(a) Includes the projected housing needs for units affordable to household at or below 80 percent of AMI.
(b) "Other" housing type includes housing for non-elderly, non-family households.

Sources: SCAG; HUD, CHAS Database; BAE, 2021.

Geographic Distribution

Given the regional approach to addressing housing need throughout the Valley, the SGVRHT has several options for addressing housing need from a geographic perspective in the Valley.

Although the above analysis focused on the existing and future need for affordable housing at a regional level, when economically feasible, the SGVRHT may want to prioritize its funding based on issues identified in the following geographic analysis.

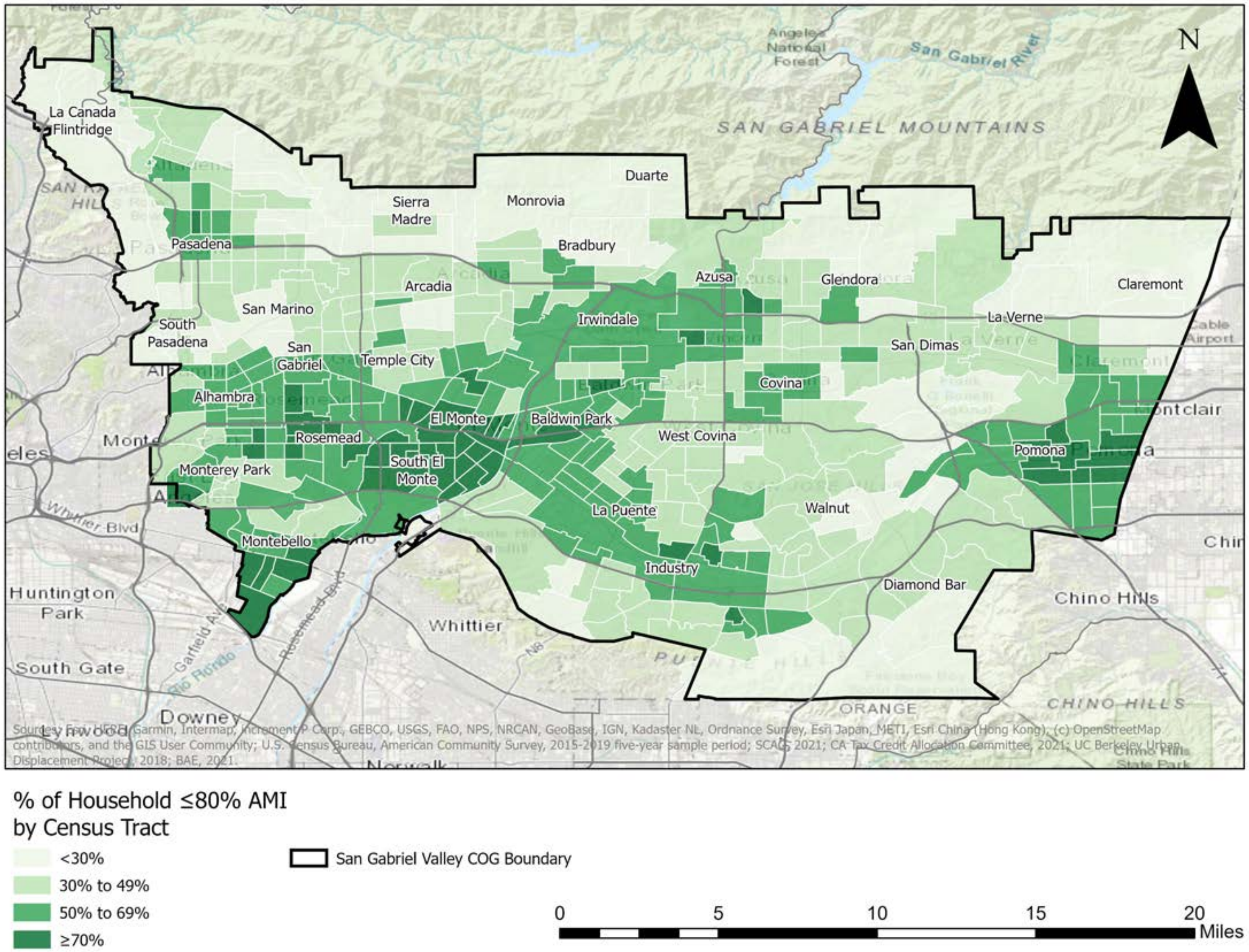
Existing Need Approach

Although 48 percent of San Gabriel Valley households make less than 80 percent of the area median income, and therefore are considered lower income, the distribution of these households throughout the region differs by community. As provided in Figure 15 below, lower-income households are concentrated in various portions of the Valley, as shown by the concentration of dark green census tracts. The highest concentration of lower-income households is near the intersection of the I-10 freeway and the I-605 freeway, including portions of the City of El Monte, South El Monte, Baldwin Park, and Rosemead. Another significant concentration of lower-income households is in the City of Pomona in the eastern portion of the San Gabriel Valley, and the City of Montebello in the southwest portion of the Valley. As the SGVRHT considers prioritizing funding opportunities, it may wish to identify projects in these areas to stabilize existing lower-income households.

Anti-Displacement Approach

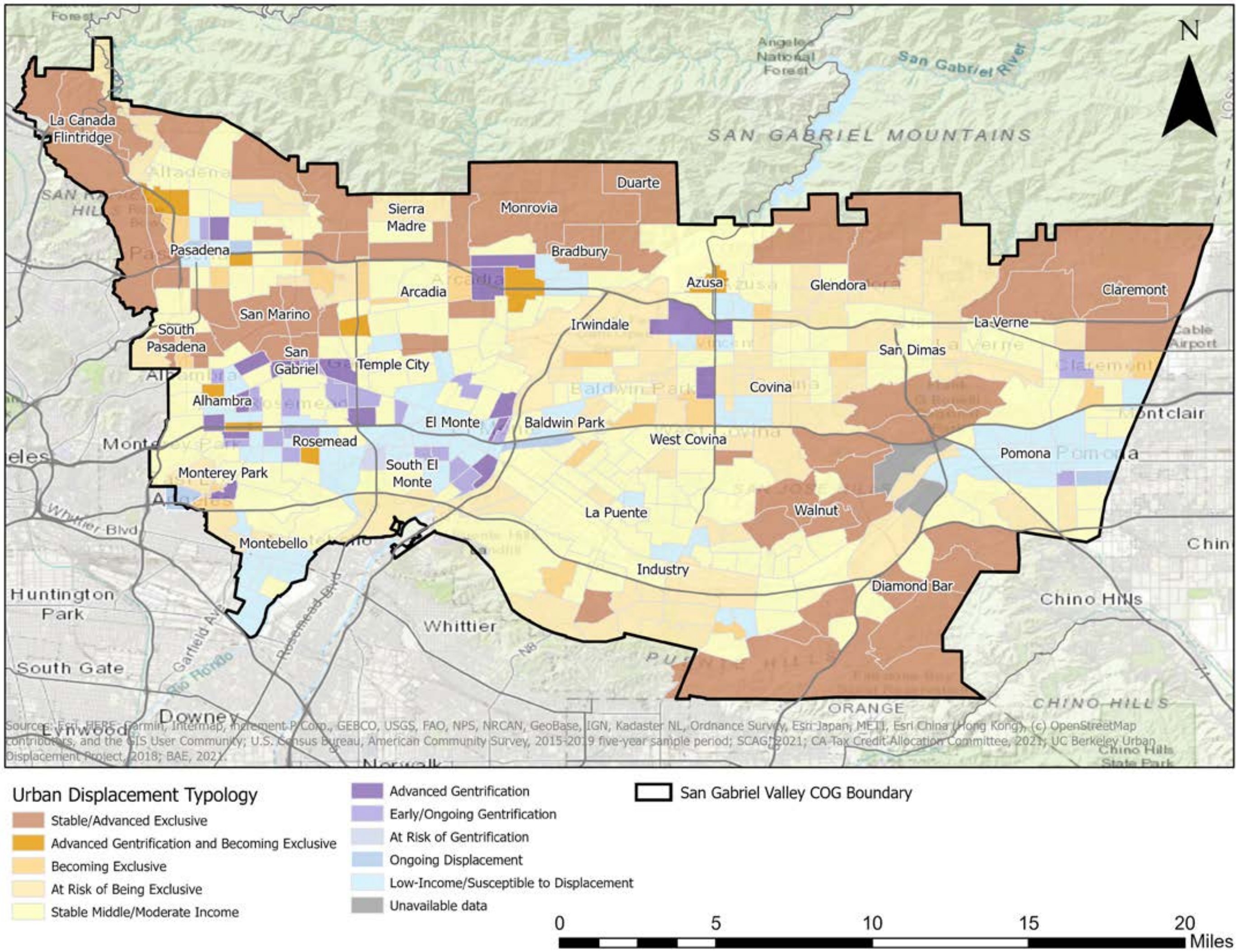
Another potential methodology to identify the existing need that incorporates additional data beyond the data presented in Figure 15, would be to assess the areas of the region that are currently experiencing demographic changes and worsening housing affordability conditions which put existing lower-income households at risk of displacement. Based on detailed demographic, economic, and housing market trends at the sub-city level conducted by the Urban Displacement Project, a research initiative of the University of California, Berkeley, it is apparent that several neighborhoods throughout the Valley are at risk of gentrification and displacement of lower-income households. Shown in the blue and purple census tracts in Figure 16, areas with high displacement pressures include portions of the City of El Monte, South El Monte, and Rosemead in the center of the Valley. Other areas with potential displacement pressures include portions of the City of Pasadena, Pomona, Covina, and Montebello.

Figure 15: Existing Distribution of Lower-Income Households, San Gabriel Valley



Sources: HUD CHAS Dataset; BAE, 2021.

Figure 16: Urban Displacement Project Typology, San Gabriel Valley

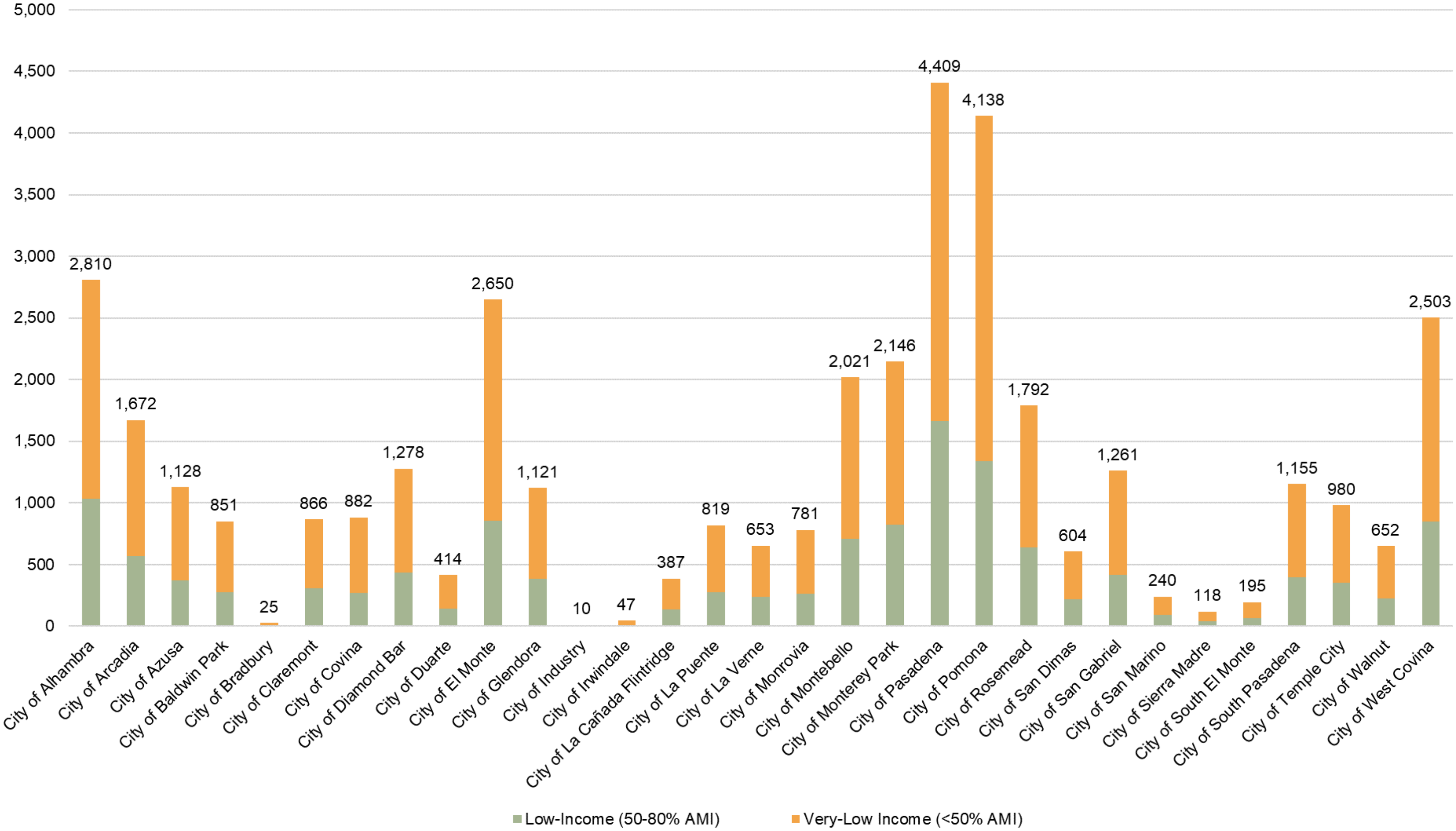


Sources: Urban Displacement Project; BAE, 2021.

Future Need Approach

As part of the RHNA allocation process, HCD and SCAG assessed the future affordable housing need in all San Gabriel Valley Cities. Although this incorporates information on existing need, presented above, it also factors in the growth of San Gabriel Valley Cities and their requirement to accommodate housing development. As provided in Appendix A, and summarized graphically below in Figure 17, the two cities with the largest future low-income housing need include the City of Pasadena (4,409 housing units), the City of Pomona (4,138 housing units). Cities with a required low-income housing unit growth of between 2,000 and 3,000 new units include the Cities of Alhambra, El Monte, Montebello, Monterey Park, and West Covina. The remaining San Gabriel Valley cities have a requirement to plan for and assist in the provision of less than 2,000 new affordable housing units through 2029. Although these represent cities with lower RHNA allocations, many of the smaller cities with a low inventory of existing affordable housing will still need assistance in the delivery of affordable housing.

Figure 17: Total Low-Income Housing Need by City, 2021-029

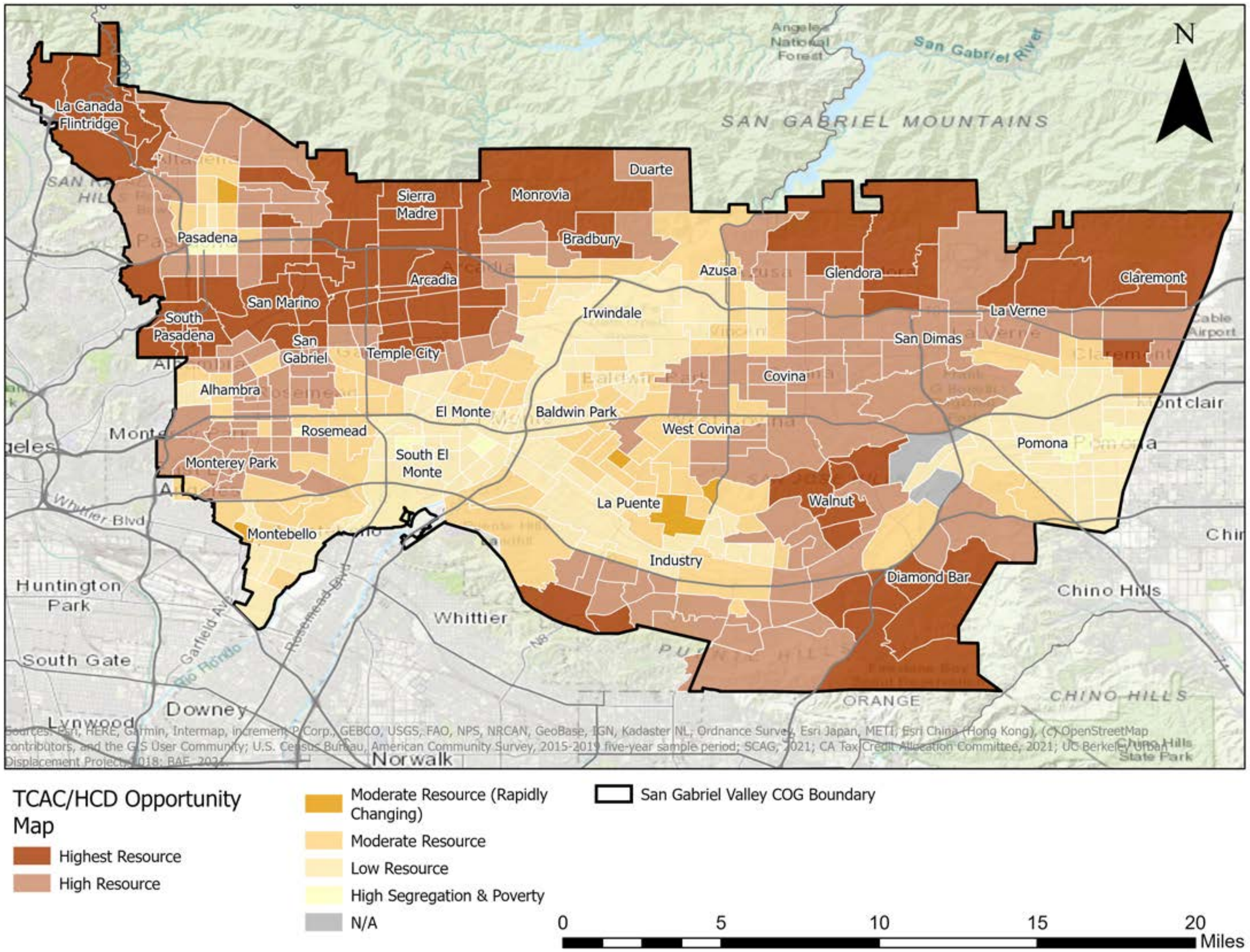


Sources: SCAG, RHNA Allocation; BAE, 2021.

High Resources Approach

With the California HCD's intention of incentivizing more affordable housing development siting in high resource areas throughout California, the SGVRHT may also wish to prioritize projects that meet these statewide goals. In general, the ranking criteria for each neighborhood include poverty rate, unemployment rate, access to employment areas, educational attainment levels, and K-12 school performance. Based on the opportunity typology data provided by HCD and TCAC, shown below in Figure 18, a large portion of the San Gabriel Valley is designated as "High Resource" or "Highest Resource" areas. A significant portion of cities along the I-210 freeway corridor are designated as high or highest resource, including the cities of Claremont, Glendora, Bradbury, Monrovia, Arcadia, Sierra Madre, San Marino, South Pasadena, and La Cañada Flintridge. In addition, the southeastern portion of the San Gabriel Valley are designated as high resource areas, including portions of Diamond Bar and a large amount of land within the unincorporated Los Angeles County area. Given the statewide goals of siting affordable housing in these locations by increasing the competitiveness of projects in these areas for public funding, the SGVRHT may wish to encourage or prioritize projects in these areas for future funding allocations. Additionally, the SGVRHT may want to join collaborations that work to improve resources in communities not designated.

Figure 18: Census Tracks by TCAC/HCD Opportunity Typology



Sources: California HCD; California TCAC; BAE, 2021.

MEMBER SURVEY

Staff from the twenty-one member cities of the San Gabriel Valley Regional Housing Trust (SGVRHT) as of February 2021 were invited to participate in an online survey as part of the strategic planning process.

The purpose of the survey was to gather detailed information about the capacity, programs, priorities, and interests of member cities. Nineteen members (90%) completed the survey. This report provides a regional view of responses, providing members' perspectives, wishes, and variations across the region. Input from members informs the strategic approach and alternative models to be considered by the Board.

The Board retains the authority and responsibility for deciding the direction of the SGVRHT. Staff received a detailed report with complete individual survey responses, in support of ongoing responsive partnership with members.

Member Respondents

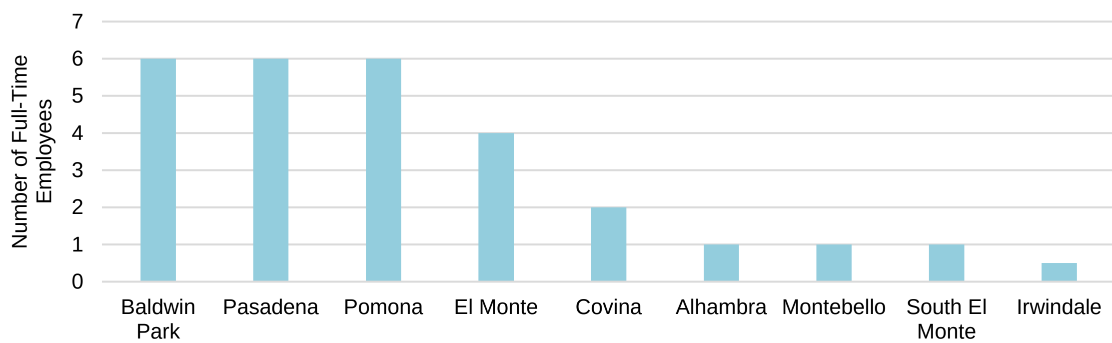
The following nineteen member cities completed the survey:

Alhambra
Arcadia
Baldwin Park
Claremont
Covina
Diamond Bar
Duarte
El Monte
Glendora
Irwindale
La Canada Flintridge
La Verne
Monrovia
Montebello
Pasadena
Pomona
San Gabriel
South El Monte
South Pasadena

Member Affordable Housing Capacity

Of the 21 member cities, nine have their own affordable housing departments, with between one half and six full-time equivalent (FTE) staff. Three cities have their own housing authorities, with Baldwin Park also serving four other cities in the region. Five cities own affordable housing.

Figure 19: Number of Affordable Housing Full Time Employees



Source: Sadlon & Associates, 2021

Figure 20: Member Cities with Housing Authorities, Vouchers, and Own Units

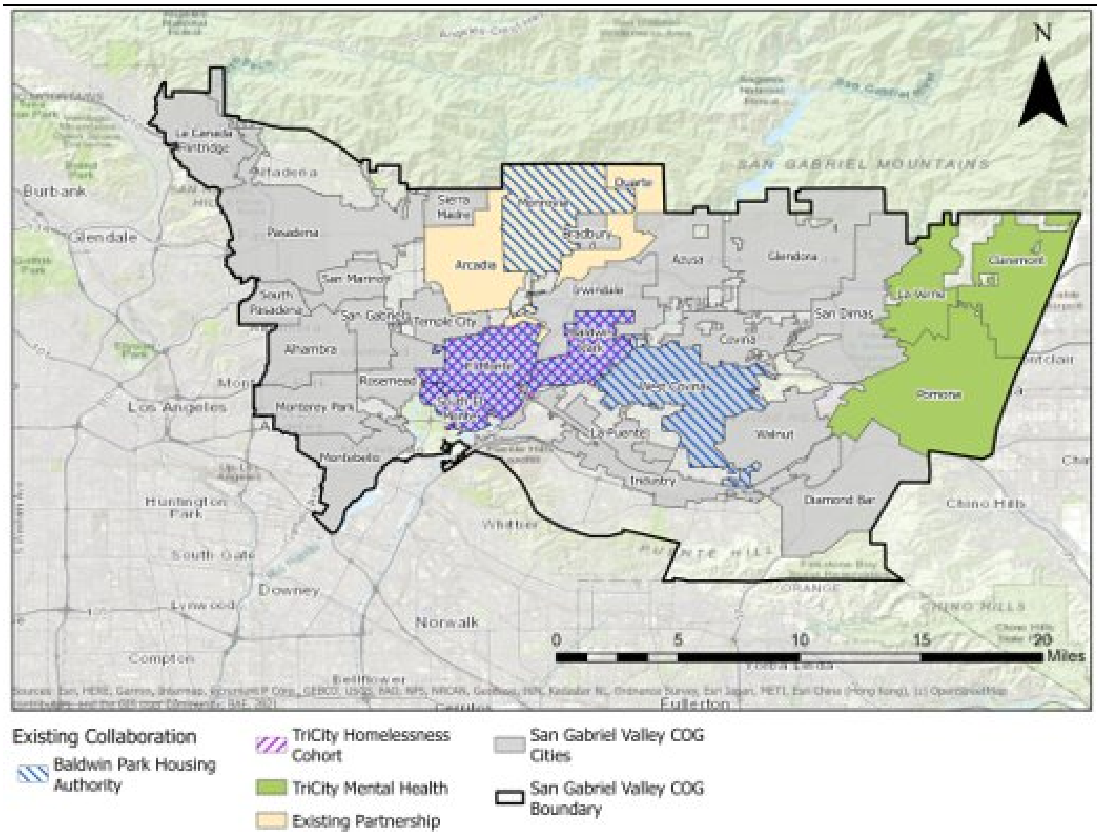
	Housing Authority	Vouchers	Owned Units of Affordable Housing
Baldwin Park	✓ also serving El Monte, South El Monte, Monrovia, West Covina	Vouchers = 465 Waiting = 1,534	12
Pasadena	✓	Vouchers = 1,400 Waiting = 20,000	--
Pomona	✓	Vouchers = 1,133 Waiting = 560	36 (as successor agency)
Others	LACDA serves the cities (and unincorporated areas) that do not have their own public housing agency		• Covina = 1 • Irwindale = 26 • South Pasadena = 1

Source: Sadlon & Associates, 2021

Collaboration

Cities reported existing sub-regional collaborations including those cities served by the Baldwin Park Housing Authority, and two tri-city clusters: Tri-City Homelessness Cohort of Baldwin Park, El Monte, and South El Monte; and the Tri-City Mental Health cities of Claremont, La Verne, and Pomona. A map of the existing collaborations is provided below in Figure 21.

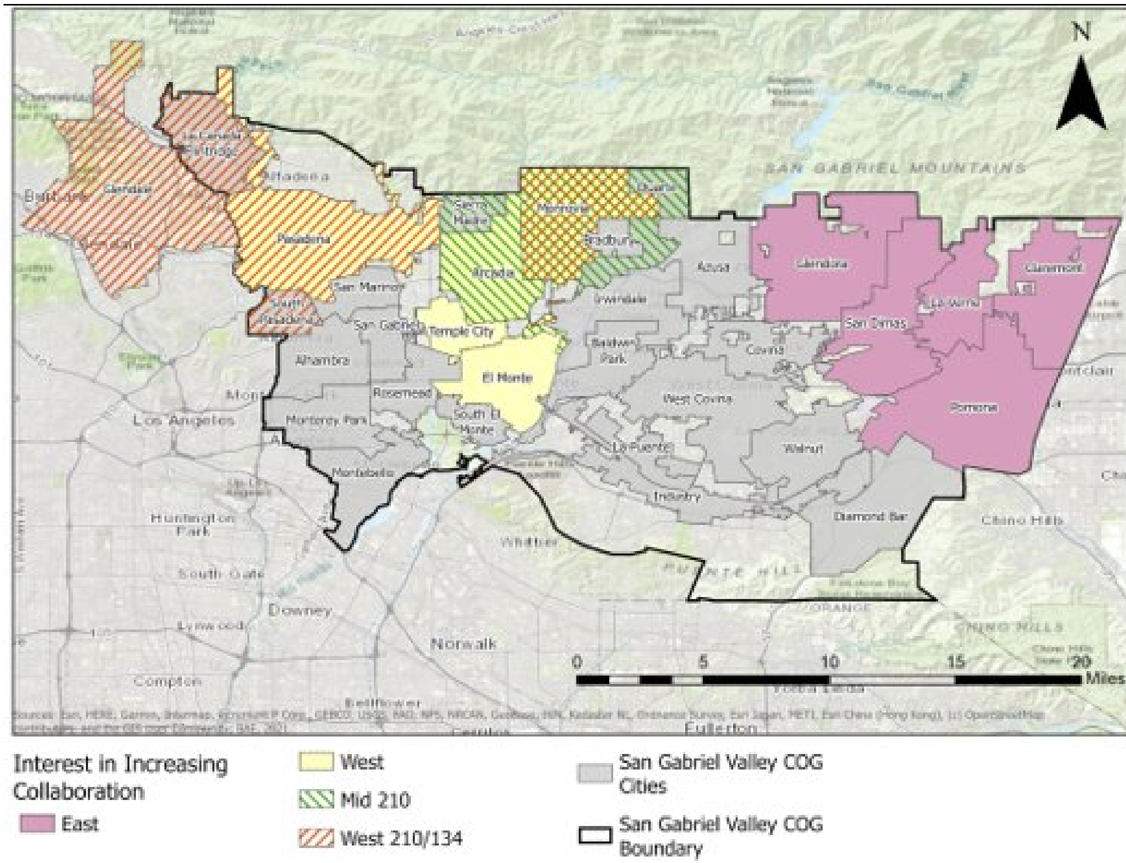
Figure 21: Member Cities with Existing Collaborations



Sources: BAE, 2021; Sadlon & Associates, 2021

Cities also identified their interest in increasing sub-regional collaboration. Collaboration clusters are provided below in Figure 22.

Figure 22: Member Cities Interested in Collaboration



Sources: BAE, 2021; Sadlon & Associates, 2021

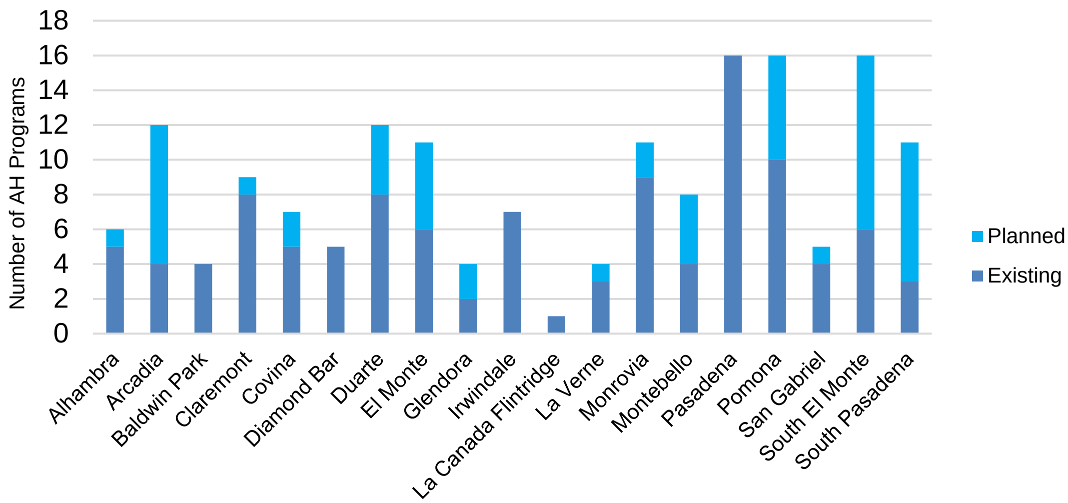
Affordable Housing Programs

Respondents indicated which affordable housing programs they have in place, and which they have plan to launch in the next 12 months. Possible programs included:

- ADU financing program
- ADU universal design
- Commercial linkage fees
- Condominium conversion controls
- Deed-restricted ADU financing program
- Density bonus ordinance
- Developer impact fees
- Distribute non-Section 8 Housing Vouchers (DMH, VASH, other)
- Funding to preserve deed restricted housing
- Funding to purchase/preserve naturally occurring affordable housing
- Home improvement loan/ grant program(s)
- Home ownership loan program(s)
- Inclusionary housing ordinance
- Loans to developers to preserve and/or build affordable and homeless housing
- Local general obligation bond dedicated to affordable and homeless housing preservation/ development
- Local live/work preference for affordable and homeless housing
- Local permanent source for affordable and homeless housing preservation/ development
- Local real estate transfer tax dedicated to affordable and homeless housing preservation/ development
- Local source of income discrimination ordinance
- One-for-one rental replacement requirements
- Operating subsidies for affordable and homeless housing properties
- Parking reductions
- Permit expediting of affordable and homeless housing
- Permit fee waivers for affordable and homeless housing
- Permit streamlining of affordable and homeless housing
- Short-term rental regulations
- Tenant protection ordinance(s)

As provided in Figure 22 below, member cities responded that their total housing programs ranged in number from one to 16 programs out of 27 programs listed in the survey.

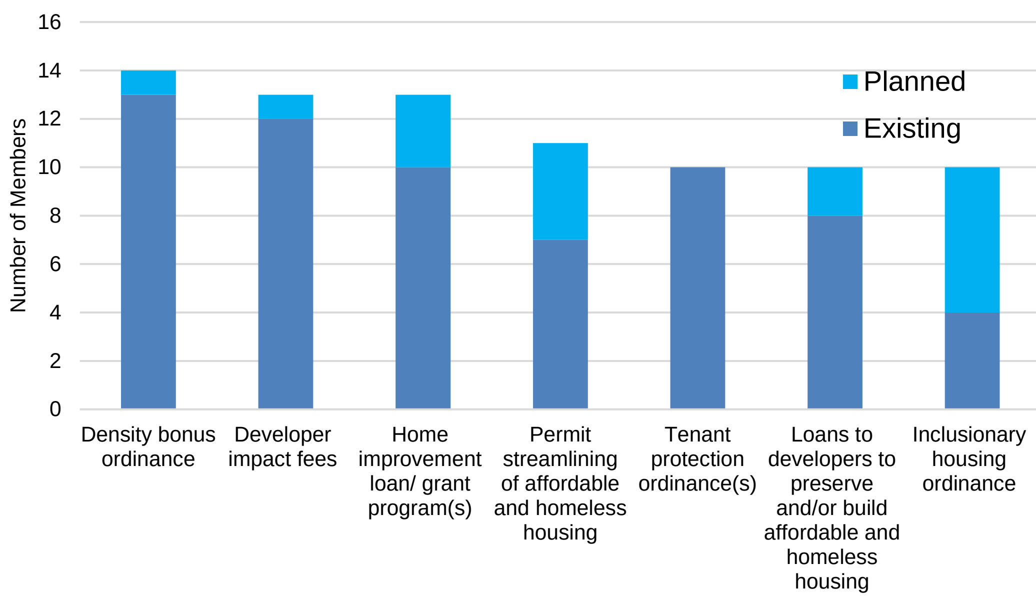
Figure 23: Number of Affordable Housing Programs



Source: Sadlon & Associates, 2021

The most common affordable housing programs of member cities are density bonus ordinances and developer impact fees. Inclusionary housing ordinances are planned in six additional cities in the coming year.

Figure 24: Most Common Affordable Housing Programs



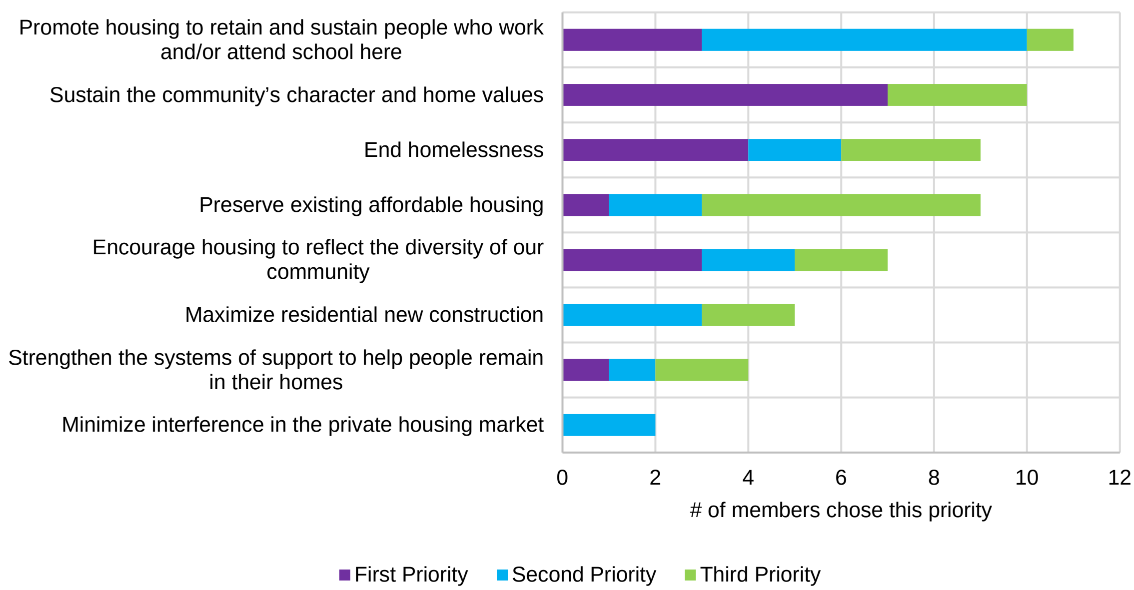
Source: Sadlon & Associates, 2021

Housing Priorities

Members were asked to rank their top three housing priorities from among a list of eight priorities developed based on initial stakeholder interviews. Responses, as provided in Figure 24, further reflect the variation among cities and exemplify the challenge for the SGVRHT in balancing the interests of members. The top three responses based on weighted average:

- Promote housing to retain and sustain people who work and/or attend school here
- Sustain the community's character and home values (chosen most frequently as First Priority)
- End homelessness

Figure 25: Members' Housing Priorities



Source: Sadlon & Associates, 2021

SGVRHT Desired Accomplishments

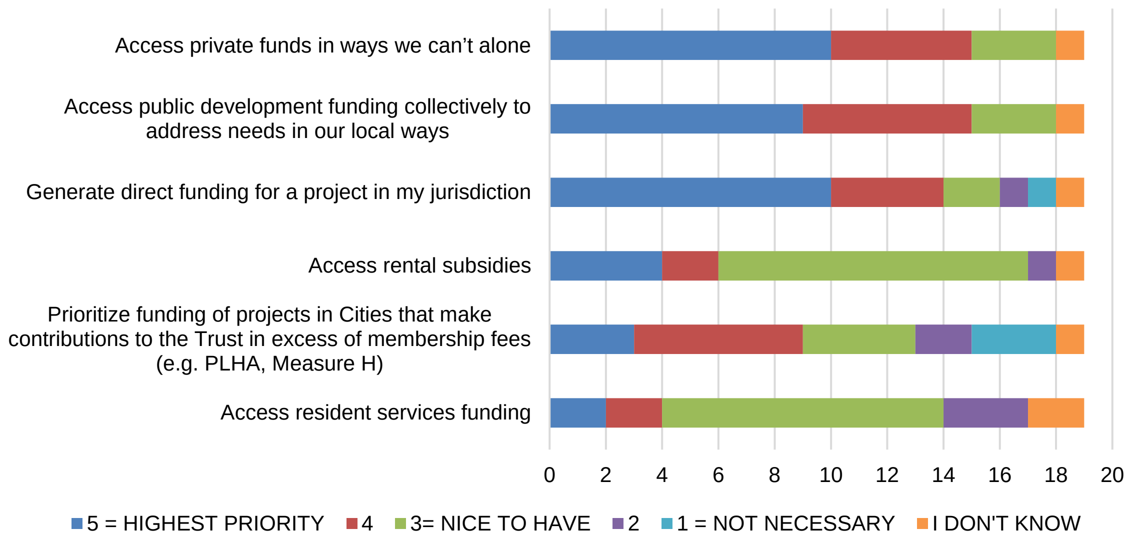
Members shared their hopes for SGVRHT key accomplishments in the next three to five years. Goals include units built, units preserved, decrease in regional homelessness, funds raised and invested, and people housed. Program areas in addition to the core multi-family lending included policy advocacy, various forms of technical assistance, and support for innovative housing solutions.

- Assist in the funding of as many subsidized housing developments as possible with the majority focus being on permanent housing for low and very low-income residents.
- Developing more technical assistance in housing development, affordable housing concepts, and funding support and advocacy for cities.
- Development of affordable housing across all cities in the region; reduction of homelessness across region, coordination of support services that support affordable housing.
- Equal assistance among member cities.
- Fund a NOAH project.
- Fund affordable/homeless housing development projects.
- Fund the development of several housing projects and housing/homelessness related pilot programs.
- Funded XX number of units. Prevented XX people from being displaced from their homes. Leveraged $XX dollars to receive $XX in grants and new funding.
- Funding new affordable housing quickly.
- Identify funding for projects.
- Provide funding for Housing for homeless.
- Reliable funding sources, robust pipeline of projects, regional cooperation.
- Self-sustained entity that turnovers hundreds of affordable and homeless units in the region every year.
- Support affordable housing developments in small cities who do not have the resources, including engagement of developers, financing, programming, operations, and maintenance.
- To be recognized as an agency capable of implementing a variety of housing strategies and facilitating development of affordable housing options in the SGV.

Possible SGVRHT Activities

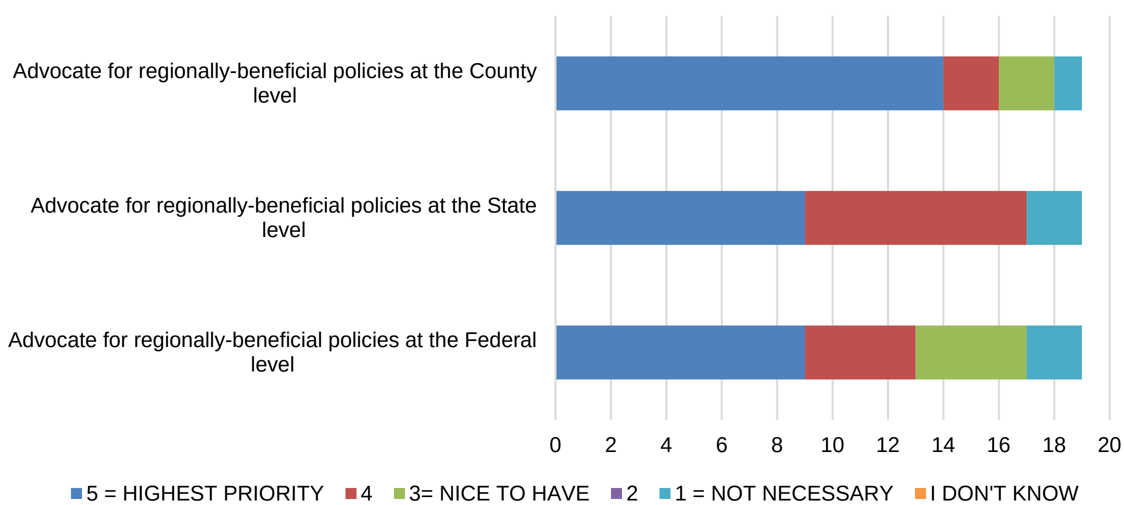
Survey respondents assessed the importance of a wide range of possible SGVRHT activities, as shown below in Figure 25. Funding and advocacy are consistently important across the membership. Accessing both private and public funding are key among funding. Among advocacy, providing a unified regional voice at the County rose to the top.

Figure 26: Funding – Importance of Possible Trust Activities



Source: Sadlon & Associates, 2021

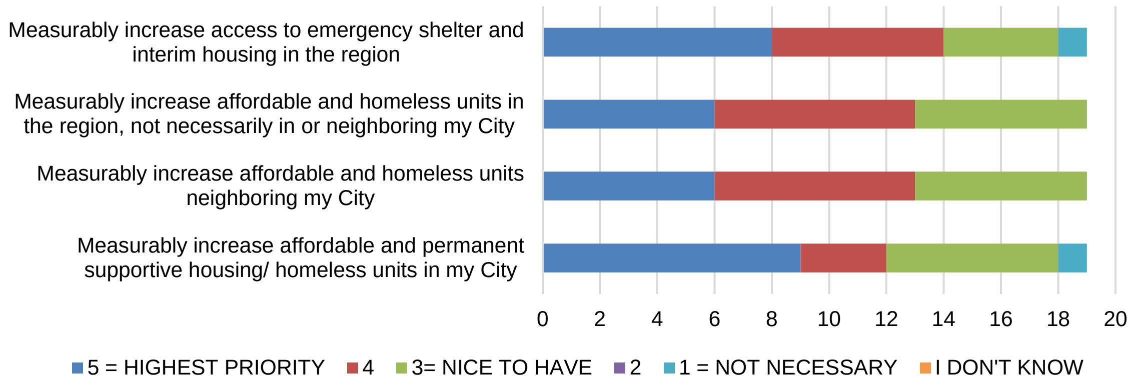
Figure 27: Advocacy – Importance of Possible Trust Activities



Source: Sadlon & Associates, 2021

Figure 27, below, shows how member cities rank the importance of possible SGVRHT activities. Increasing access to emergency shelter and interim housing in the region emerged as most important overall when considering the types of units to be developed. While units in the respondent's city was rated lowest, several noted it as highest priority, together with the funding priority of generating direct funding for a project in their jurisdiction.

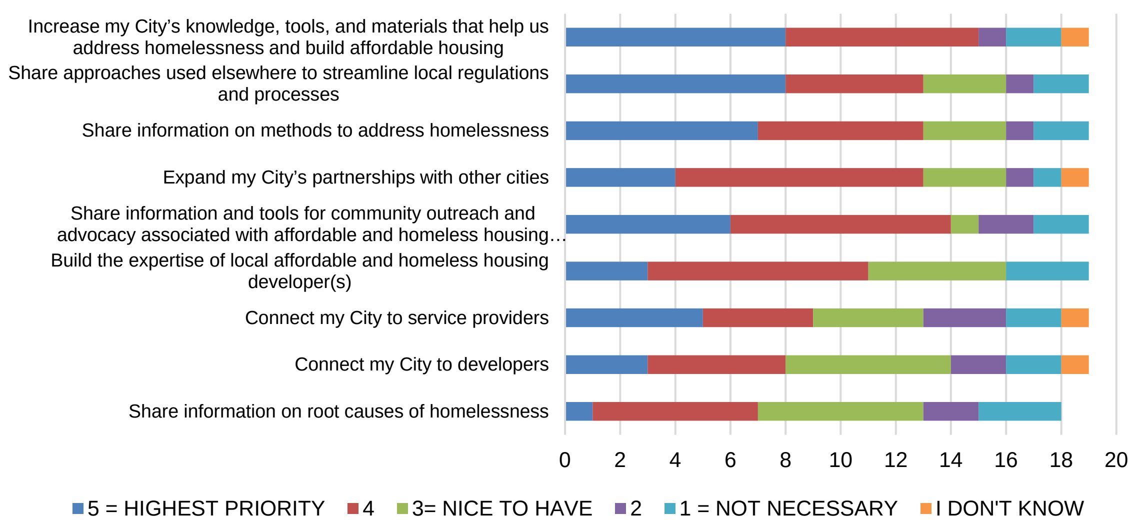
Figure 28: Units – Importance of Possible Trust Activities



Source: Sadlon & Associates, 2021

Interest in technical assistance reflects the varying capacity within member cities, with greatest interest in increasing knowledge of ways to address homelessness, build affordable housing, and streamline local regulations and processes. Figure 28, below, demonstrates respondents' priorities for technical assistance.

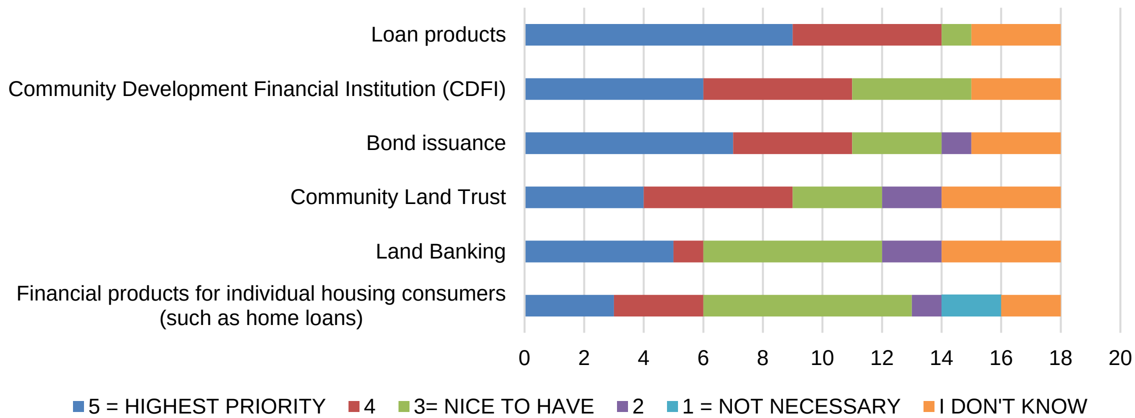
Figure 29: Technical Assistance – Importance of Possible Trust Activities



Source: Sadlon & Associates

Figure 29 indicates how members rank the importance of various financial products and mechanisms that the SGVRHT could provide. Among possible financial products and mechanisms, lending again rises to the top along with interest in CDFI.

Figure 30: Importance of Financial Products and Mechanisms

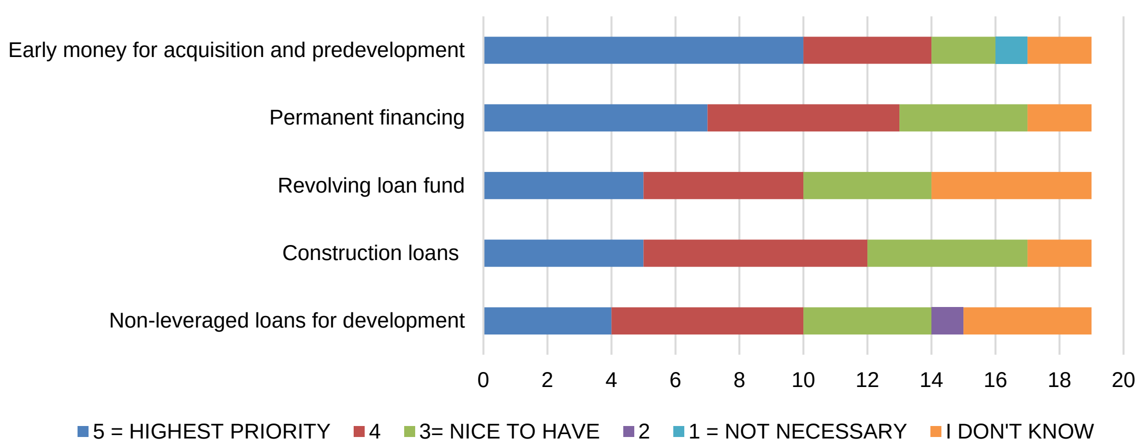


Note:
(1) In declining order of overall rating.

Source: Sadlon & Associates, 2021

Figure 30 demonstrates that member city respondents are not discerning among the types of loan products, with slightly more interest in early money for acquisition and predevelopment, along with permanent financing and construction loans. The tool of a revolving loan fund, a common tool among housing trusts, is also of interest.

Figure 31: Importance of Loan Products

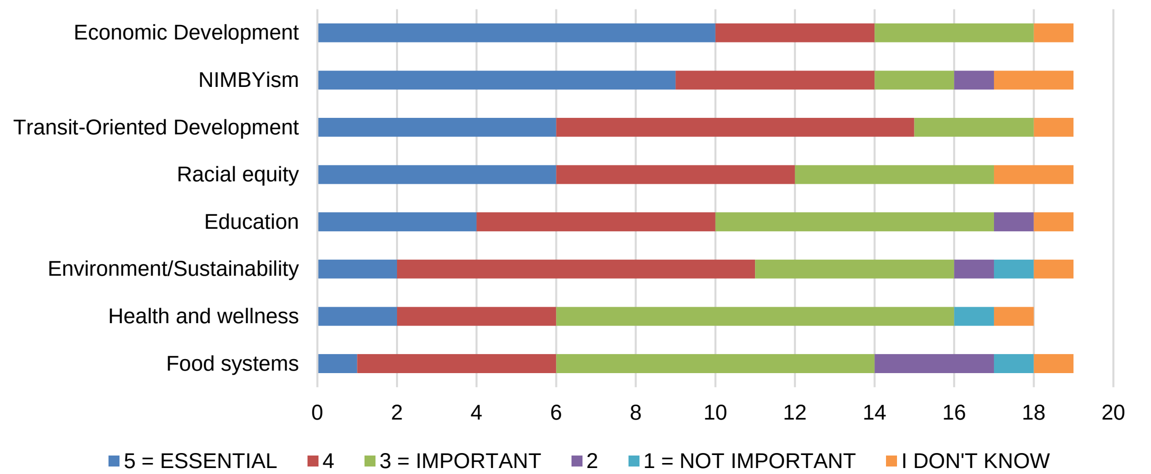


Note:
(1) In declining order of overall rating.

Source: Sadlon & Associates, 2021

Respondents do see addressing the gap of affordable housing as highly related to other social issues. Among these, as shown in Figure 31, respondents indicated that connecting the SGVRHT's work with economic development, NIMBYism, transit, and racial equity are most important.

Figure 32: Importance of Connecting to Other Issues



Note:
(1) In declining order of overall rating.

Source: Sadlon & Associates, 2021

Desired Partnership

Cities described the partnership they would like to develop with SGVRHT.

- A consistent presence for resources and to be part of a long-term regional plan to provide units and housing types.
- After the Trust demonstrates the capacity to perform their core function, then the City would be interested in a collaboration with the Trust for specific future projects. We are waiting to see the Trust fund and execute projects before moving forward.
- Assist the SGV produce more affordable housing.
- Continue building our relationship, possibly more interactive, not only in homelessness but in other areas that impact our communities.
- Help navigate the legislative and financial obligations to support the development of affordable housing.
- I believe our City currently has a great relationship with the Trust.
- Mutual interest.
- Our City is providing our funds to the trust to use for a worthy project to address homelessness.
- Strong, collaborative.
- Transparent, Trustworthy, reliable, honest most of all, communicative. We are a small City, we don't get tons of funding like our other neighboring cities, just as we need the

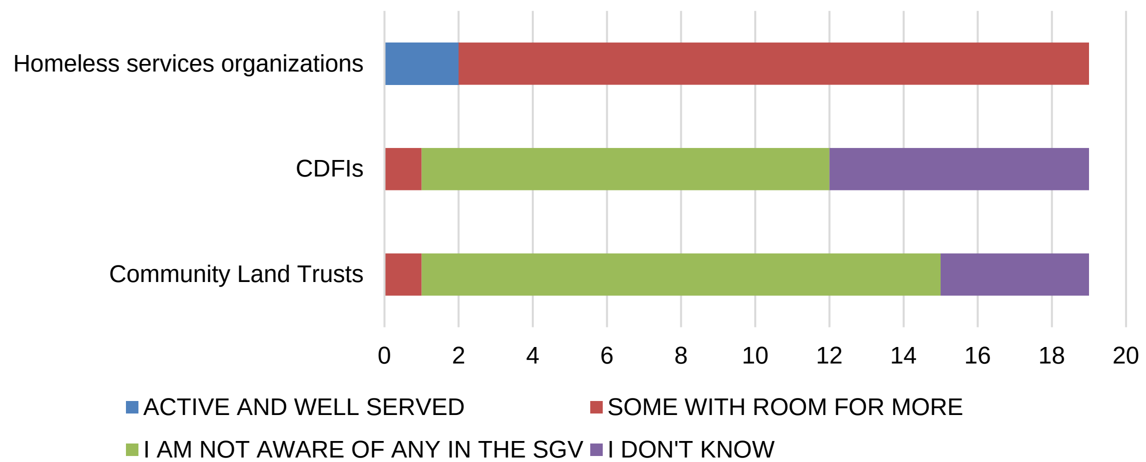
help and are willing to help. The trust is an additional source for us to attract and leverage the help we need in our small town.

- We want to fully cooperate and support the Trust. We look forward to having a regional advocate and hopefully funding source to promote affordable housing in our community and the entire San Gabriel Valley. Our hope is that the Trust remain focused on unit production and assisting agencies that have that same goal.

Resources and Partners

Respondents indicated, as shown in Figure 32 below, that there are existing homeless service organizations in the region, with room for more, and general lack of awareness of existing CDFIs and community land trusts.

Figure 33: Resource Availability



Note:
(1) In declining order of overall rating.

Source: Sadlon & Associates, 2021

Member respondents also identified specific organizations that could be partners in the work of the SGVRHT.

- Aging in Place
- CDFIs such as LISC, Enterprise, etc. to leverage the Trust's funds.
- Corporation for Supportive Housing
- County
- Habitat for Humanity
- San Gabriel Valley Council of Governments
- SGV CANN
- SGV Consortium on Homelessness
- State
- Support Solutions Inc.

- Union Station Homeless Services (three mentions)
- Volunteers of America (three mentions)

With two more expansive responses:

- The County receives Measure H funding and is addressing homelessness thru the special tax collected in member jurisdictions. I believe our Trust should focus more on building housing for those here and allow the County/LAHSA to address homeless housing thru Measure H.
- In an effort to combat homelessness, and the ongoing crisis needs, mainly start looking at behavioral health gaps and needs.

BEST PRACTICES RESEARCH

This chapter identifies established and emerging best practices in the governance, administration, and programming of regional housing trusts. It seeks to synthesize insights from academic literature, policy papers, and the on-the-ground experiences of SGVRHT's peers in the regional housing trust space. To gather this information, the consultant team prepared a comprehensive literature review and conducted case study research of five regional housing trusts. The lessons learned from each approach—and especially the common themes identified across them—represent the best practices for regional housing trusts.

Literature Review

Purpose and Scope of Literature Available

BAE Urban Economics conducted a literature review regarding local Housing Trust Funds (HTFs) in the United States to identify accepted best practices for the San Gabriel Valley Regional Housing Trust (SGVRHT). Despite totaling nearly 800 nationwide, Housing Trust Funds are not well studied in academic, professional, or governmental research. Most of the useful and detailed research is provided by housing advocates and policy analysts offering up HTFs as a powerful tool for addressing affordable housing. In so doing, the research is general, describing what *can* be done as opposed to what *should* be done.

The audience for most of the published research is either housing advocates in a community without a Housing Trust Fund, or elected officials evaluating options to address affordable housing. The body of literature lacks research specific to the unique goals, structures, and strategies of regional housing trust funds. Even the most recent survey of Housing Trust Funds conducted by the Housing Trust Fund Project from 2016 does not profile characteristics of regional housing trust funds. This literature review, as a result, provides an overview of HTFs, and derives best practices from common themes in the literature research or findings that are directly relevant to the regional, joint powers authority that constitutes the SGVRHT, as well as findings that relate to the specific concerns of the region as described in the housing needs section of this report. The Best Practices section of this report homes in on regional housing trust funds and profiles five case studies to cull the most relevant examples of regional HTF goals, structures, and strategies.

History and Purpose of HTFs

In the late 1970s and early 1980s, state and local governments were facing increased homelessness, major cuts to federal support for low income housing, and declining homeownership rates for the first time since the 1930s, as described by Connerly (1993) in one of the first scholarly articles to survey the nascent trend of housing trust funds across the country. During this period, HTFs emerged as one strategy to subsidize low-income housing as state and local governments sought dedicated, ongoing, and most importantly, alternative (i.e. non-general) sources of revenue for their efforts (Connerly, 1993).

There was little research on HTFs during the 1990s, with most work placing HTFs in the context of potential strategies for state and local governments to address affordable housing needs. From the 1990's through 2016, most research on the topic of HTFs from references publications by Mary E. Brooks, who created and led the Housing Trust Fund Project at the Center for Community Change from 1986 to 2016. Brooks' work includes guides for establishing HTFs, although the focus is primarily on advocacy and describing, in general, the range of forms and functions HTFs may take. Brooks most comprehensive guide is "A Workbook for Creating a Housing Trust Fund" (1999), which provides housing advocates guidance on developing a housing trust fund proposal and campaigning to enact it. This workbook is cited in almost all literature reviewed for this report.

The Housing Trust Fund Project publishes survey reports of HTFs across the country, most recently in 2016. According to the most recent report, despite increasing to 770 nationwide, HTFs have not coalesced towards a uniform governance structure, funding platform, or set of programming activities, although almost all HTFs focus on serving households earning 80 percent of the Area Median Income (AMI) or less. Notably, in the 35 states that have local (i.e., city, county, or regional) housing trust funds, most have enabling legislation or funding to promote or permit local governments to establish an HTF. Aside from funding new construction, the main programs that local HTFs support are the preservation and rehabilitation of existing multi-family housing, emergency repairs, and housing for special populations (i.e., special needs, homeless, and the elderly).

Structure and Governance

The literature indicates that there are three general forms that the organizational structure of an HTF can take: government agency model, the independent commission model, and the nongovernmental model. Additionally, the literature does not highlight particular benefits or restrictions of the Joint Powers Authority organizational model.

The government agency model is when the HTF is housed within an existing agency or department of the government, or placed in an existing quasi-public entity, such as a housing or redevelopment authority. This model can include an oversight board, though the HTF would have government staff and the final authority over decision making would lie with elected officials (Brooks, 1999). This model is a useful and important for HTFs with dedicated public funds and, as of 2016, it remains the most common organizational structure among local HTFs (Housing Trust Fund Project, 2016). The independent commission model establishes a new commission with specific authority over the HTF and its funds. The commission hires its own staff, but is itself appointed by elected officials, providing public oversight. This model is typically used when there is no appropriate or capable agency or department to take on an HTF (ibid.)

By comparison, there is less direct public authority over the fund under the nongovernmental, or nonprofit, model. However, the board of a nongovernmental HTF can include a wider range of expertise and include housing advocates, realtors, bankers, and local residents in a way that may be inappropriate for a public agency. In fact, this range of local stakeholder representation and importantly, expertise, on the board may improve an HTF's ability to connect with and be accountable to the public, while shielding the HTF's activities from political interference (Brooks, 1999). Despite insisting on the importance of a dedicated revenue source, the literature acknowledges there are benefits to organizing as a nonprofit, including, fundamentally, the ability to raise private funds (Brooks, 1999; Housing Resource Center, 2007). The main drawbacks of a nonprofit whose main source of revenue is private contributions, aside from concerns of accountability, are the dedicated staff and resources required for fundraising efforts, and the risk of inconsistent or infrequent contributions.

As most non-State HTFs operate under a single government entity with a dedicated source of public revenue from the government's jurisdiction, it is unsurprising that governmental models are common. In fact, only one of the HTFs surveyed in Connerly (1993), in Duluth, Minnesota, relied on private contributions and did so primarily because it lacked growth and significant real estate demand. However, although research does not distinguish between local and regional HTFs, the most relevant examples of regional HTFs for the San Gabriel Valley, particularly in California, are organized as nonprofits and take advantage of the flexibility that structure provides in governance and fundraising.

The organizational structure of an HTF will depend in part on the extent to which the member governments under the SGVHRT JPA wish to vest the decision-making authority in a relatively independent board of appointed commissioners or retain such decisions for the existing legislative body of the jurisdictions (Alexander, 2002). While the available research does identify nonprofit HTF best practices, it does note that nonprofit HTFs must have administrative capability, relationships with the housing community, and should offer some form of accountability (Brooks, 1999). Finally, regardless of structure, the cost of administrative activities are typically cited at five to 15 percent of the organizational budget (Housing Resource Center, 2007; Housing Trust Fund Project, 2016)

Programs and Activities

The main considerations in designing HTF programming are the estimated revenue, the targeted beneficiaries of the fund, and the specific local challenges to overcome. While the main activity HTFs engage in is funding new construction of affordable housing, many HTFs also provide funding for rental assistance, property rehabilitation, foreclosure prevention, emergency repairs and other smaller scale, individual projects. They also provide funding for promoting community goals more broadly, such as assisting with downtown revitalization and remediating brownfield sites. (Brooks, 1999; Housing Resource Center, 2007; Housing Trust Fund Project, 2016).

The nature of HTF assistance is primarily financial, with HTFs providing direct financing or leveraging other funds to support affordable housing projects and initiatives to reduce homelessness. Providing loans or grants, or choosing some alternative function such as acquiring property or undertaking predevelopment activities, is an important strategic decision (Goldson, 2013). Although neither is preferable as a best practice, loans may increase the lifespan and reach of the HTF as a revolving fund, while grants provide direct support that has more immediate impact on addressing the regional housing shortage.

Whether in the form of a loan or grant, HTFs have the flexibility to provide funding at any stage of a project, from reducing the cost of borrowing to gap financing. HTFs can also provide guarantees to other funders or provide local matches for state or federal funding sources. The Institute for Local Government, in a 2007 guide for California officials on establishing local HTFs, also identified "building capacity", or technical assistance, as a good example of the kind of function an HTF can perform in addition to financing projects. HTFs can be used to increase the ability of local nonprofit (or even for-profit) developers to overcome the difficulties of providing housing to the lowest income households. Developers often find it challenging to put projects together that require them to navigate a complex maze of financial assistance or incorporate services for people with special needs. Many HTF agencies provide advice and assistance to developers engaged in these kinds of projects (Housing Resource Center, 2007).

Funding

Although not specific to regional HTFs, all research indicates that a key feature of an HTF is a dedicated revenue source. HTFs with nondedicated sources of revenue tend to be exceptions to the rule (i.e., small, low growth jurisdictions) or use nondedicated revenues to supplement their dedicated revenue. Most of the available literature also notes that potential public revenue sources are either real estate-based, or not. The 2016 Housing Trust Fund Survey report notes that most city and county HTFs use real estate-based sources of revenue, despite the observation in Connerly (1993) that this strategy not only requires an active real estate market in that jurisdiction, but also the ability to withstand the political influence of the real estate industry in opposing increased costs to their business.

Nonetheless, some of the most common sources of revenues for HTFs include developer impact fees, recordation fees, transfer taxes, dedicated portions of the property tax, and recently, taxes on short-term rentals (Citizens Research Council of Michigan, 2009; Housing Trust Fund Project, 2016). In 2016, the State of California passed 'The Enhanced Infrastructure Financing District (EIFD)' law which allows California communities to use redevelopment tax increment revenues for affordable housing (Housing Trust Fund Project, 2016). In 2009, the nonprofit Citizens Research Council of Michigan published a detailed report on Housing Trust Funds and their applicability to Michigan communities. It draws on foundational research from Brooks and Connerly, while providing guidance on legal issues specific to Michigan. It also includes detailed summaries of a wide range of potential revenues, including real estate and non-real estate based sources. Donations are included as one potential revenue source, although it is stated clearly that “donations may not…constitute a dependable source of long-term financing” (Citizens Research Council of Michigan, 2009).

There is a preponderance of real estate-based dedicated revenue sources among local HTFs because of the clear nexus between real estate and affordable housing. However, there are no legal restrictions on utilizing non-real estate based revenues. In fact, ‘Establishing a Local Housing Trust Fund - A Guide for California Officials’ (2007) does not mention nexus in its suggested evaluation criteria for revenue sources. Instead, the main evaluation criteria listed are:

- Ability of the revenue source to meet funding targets
- Reliability and consistency of the revenue stream
- Legal restrictions
- Administrative requirements to collect and manage revenue
- Fairness (i.e., is the revenue source a progressive or regressive tax?)
- Ease of the adoption process

Summary of Best Practices Literature Review

The literature review revealed a lack of specific research on best practices for HTFs in general, let alone for regional trust funds. However, foundational literature on the topic, primarily from the 1990s and early 2000s, does lay out the wide range of forms and functions an HTF may take, highlighting key strategic decisions the SGVHRT will have to make. The first decision regards governance structure, which the SGVRHT has already established as a JPA. The second key decisions to make is the range of programming the HTF will undertake, specifically regarding lending, grantmaking, and the extent of technical assistance.

Finally, the third and most consequential decision that HTFs need to make, as identified in the literature, regards revenue sources. Most HTFs have some dedicated source of revenue, while some supplement dedicated sources of revenue with private contributions if they are organized as a nonprofit. Revenue sources do not need to have a nexus with housing or real estate, although the majority of HTFs utilize real estate-based sources of revenues such as impact fees, recordation fees, transfer taxes, dedicated portions of the property tax, and recently, taxes on short-term rentals.

Regional Housing Trust Fund Case Studies

To augment the high-level findings from the literature review, the consultant team conducted case study research of five regional housing trusts to highlight the range of innovative projects and programs emerging from regional housing trusts, as well as identify best practices in governance, programming, and funding that SGVRHT might consider replicating.

The consultant team, in collaboration with SGVRHT staff, selected the following five trusts for case study analysis:

- A Regional Coalition for Housing (ARCH);
- Housing Endowment and Regional Trust of San Mateo County;
- Housing Trust Fund San Luis Obispo County;
- Housing Trust Silicon Valley; and
- Housing Trust Ventura County.

Apart from ARCH, which operates in King County, Washington, the case study trusts are based in California. The Orange County Housing Finance Trust, a joint powers authority consisting of 24 local governments in Orange County, California, was not selected as a case study trust because SGVRHT staff had previously completed extensive research about that organization. However, for comparative purposes, this chapter includes some high-level information about the organization.

Methodology

For each case study trust, the consultant team reviewed organization documents and online resources, including annual reports, budgets, IRS documents (e.g., IRS Forms 990), founding documents and board bylaws, and loan program term sheets. The team also conducted virtual interviews with senior trust leadership, including executive directors, chief executive officers, and chief financial officers. These leaders provided useful insights and advice on a range of topics, including governance, program development, fund development, stakeholder relations, fundraising, and numerous other subjects. Case study interviews were conducted with

When selecting housing trusts for case study, the consultant team defined several key criteria and preferences. Foremost, the team narrowed its search to trusts that are regional in scope, meaning they do not limit their activities, products, or services to just one or two jurisdictions. As noted in the literature review, the vast majority of housing trusts in the United States do not have a regional footprint; they were formed by and operate solely within single jurisdictions. Additional preference was given to trusts that engage representatives of multiple jurisdictions on their governing boards. Across case study trusts, the team sought a diversity of organizational structures (e.g., governmental, non-profit, and hybrid), program and service offerings (e.g., development lending, homeownership assistance, policy leadership and innovation, etc.), and years of experience. The team conducted a national scan of regional housing trusts but maintained a strong preference for California-based trusts with experience navigating State funding sources.

Regional Housing Trust Profiles

A Regional Coalition for Housing (ARCH)

ARCH was established in 1992 through an agreement between several cities on the eastside of King County, Washington in suburban Seattle. Its formation was prompted by a Citizens' Affordable Housing Task Force that recommended greater local government involvement and coordination in the development of affordable housing in eastside King County. ARCH is recognized as one of the earliest examples of regional collaboration on affordable housing issues, and, at nearly 30 years old, is the oldest organization studied for this chapter. Currently, ARCH has 16 member governments (15 cities and the county), and its major areas of work include affordable housing investment, housing policy and planning, housing program implementation, and education and outreach.

Housing Endowment and Regional Trust of San Mateo County (HEART of SMC)

Like ARCH, HEART of SMC was formed through collaboration between local governments. It was founded in 2005 by multiple cities and the county government in San Mateo County as a joint powers authority, an independent government entity created through the agreement and participation of other government entities. A reaction to the housing problems created by the dot-com boom and bust in the Bay Area, HEART of SMC was designed to coordinate funding for affordable housing development throughout the County. Currently, the county government and all 20 cities in San Mateo County participate in HEART, and its major program areas include affordable housing development lending, homeownership assistance, and housing innovation. HEART also has a 501(c)3 charitable non-profit status.

Housing Trust Fund San Luis Obispo County (Housing Trust Fund SLOC)

Housing Trust Fund SLOC was established in 2003 through the research and advocacy of local volunteers, business leaders, and local government officials in San Luis Obispo County. Unlike ARCH and HEART, Housing Trust Fund SLOC was formed as an independent non-profit organization rather than a government entity. However, it does engage city staff in its governance and has received financial contributions from all seven cities in San Luis Obispo County. Its main areas of work include lending to affordable housing developments and providing technical assistance to developers and cities. Housing Trust Fund SLOC is certified by the U.S. Department of the Treasury as a Community Development Financial Institution (CDFI).

Housing Trust Silicon Valley (Housing Trust SV)

Housing Trust Silicon Valley, originally known as the Santa Clara County Housing Trust Fund, was established in 2000. Like HEART of SMC, its formation was prompted by the housing affordability crisis in the Bay Area during the dot-com boom. Unlike HEART, though, Housing Trust SV formed as an independent non-profit organization rather than a government entity. The organization's founding financial backers included the Silicon Valley Leadership Group, Santa Clara County, and several cities in that county. Capitalizing on its strong connection to Silicon Valley corporations and philanthropic entities, Housing Trust SV has become one of the most well-resourced and sophisticated housing trusts in the country. It has also expanded its activities beyond Santa Clara County to the 13-county greater Bay Area. Housing Trust SV's major areas of work include development lending, homeownership assistance, homelessness prevention, and housing innovation. It is a federally certified CDFI.

Housing Trust Ventura County (Housing Trust VC)

Inspired by the Housing Trust SV model, the Ventura County Economic Development Corporation piloted the Ventura County Housing Trust Fund, now known as Housing Trust Ventura County.

The effort to create the trust began in 2008, and the organization incorporated as a 501(c)3 non-profit organization in 2011. Though an independent non-profit, Housing Trust VC actively engages Ventura County cities in governance and as financial partners, recruiting city staff for its Board of Directors and securing contributions from all 10 cities and the county government. Currently, its primary areas of work include lending to affordable housing developments, providing technical assistance to developers, and establishing a community land trust through an affiliated non-profit organization. Like Housing Trust Fund SLOC and Housing Trust SV, Housing Trust VC is a federally certified CDFI.

Orange County Housing Finance Trust (OCHFT)
OCHFT is a joint powers authority consisting of the Orange County government and 23 cities within the County. The idea for OCHFT emerged from the County's 2018 Housing Funding Strategy, which identified a need for regional collaboration to close the gap between available local, state, and federal sources and the cost of meeting the County's housing need for low-income households and people experiencing homelessness. The County and member cities executed a joint powers agreement in 2019. OCHFT has a specific focus on financing affordable housing development; it does not, nor does its Five-Year Strategic Plan signal an intent to, engage in other activities, such lending to homeowners or renters or administering housing programs on behalf of member jurisdictions. OCHFT's Strategic Plan identifies an interest in working with lobbyists to seek State and Federal funds beyond the State's Local Housing Trust Fund (LHTF) matching program, as well as partnering with an established 501(c)3 fiscal sponsor to collect philanthropic contributions on behalf of OCHFT. In its first two years, the Trust has obtained $20 million in Mental Health Services Funds and $5.0 million in General Funds from the Orange County government, as well as nearly $5.0 million from the State's LHTF program.

High-Level Comparison of Case Study Trusts
Table 19 presents basic information about the case study trusts, including their years of establishment, board and staff sizes, and most recent available operating budget and total asset values. As noted previously, ARCH is the oldest case study trust by nearly a decade, while the youngest, Housing Trust VC, is approaching ten years of operations. The five trusts vary in staff sizes, though most have fewer than five full-time equivalent staff (FTEs). The largest trust by staff size, Housing Trust SV, has 31 FTEs, which is more than four times more than the second largest, ARCH, which reports seven FTEs.

Annual operating budgets, which typically include staffing, administrative, and program-related expenditures but do not include lending capital, range from approximately $400,000 for Housing Trust VC to $9.6 million for Housing Trust SV. The median operating budget, associated with Housing Trust SLOC, is approximately $600,000. There is an even more dramatic range in total assets, a measure of an organization's resources that for housing trusts largely consists of cash and loans receivable. At the end of its 2020 fiscal year, Housing Trust SV recorded total assets of $224.0 million, which is nearly 15 times more than the $14.5 million in total assets recorded by the second most asset-rich trust, HEART of SMC. Taken together, the figures in

Table 19 demonstrate that Housing Trust SV is significantly larger and more capitalized than any other case study trust.

Table 19: Case Study Trust Overview

				Operating Budget and Assets		
Case Study Trusts	**Year Est.**	**# of Board Seats**	**# of Staff**	**Budget Year Ending**	**Annual Operating Expenses**	**Total Assets**
ARCH	1992	13	7	Dec. 2020	$1,110,097	(a)
HEART of SMC	2005	21	4	Jun. 2020	$537,301	$14,468,681
Housing Trust Fund SLOC	2003	7	3	Dec. 2019	$595,002	$13,672,578
Housing Trust SV	2000	17	31	Jun. 2020	$9,627,334	$223,956,871
Housing Trust VC	2011	18	2	Dec. 2020	$390,006	$6,268,369
Other Trusts						
OCHFT	2019	9	(b)	Jun. 2020	$476,225	$5,950,000 (c)

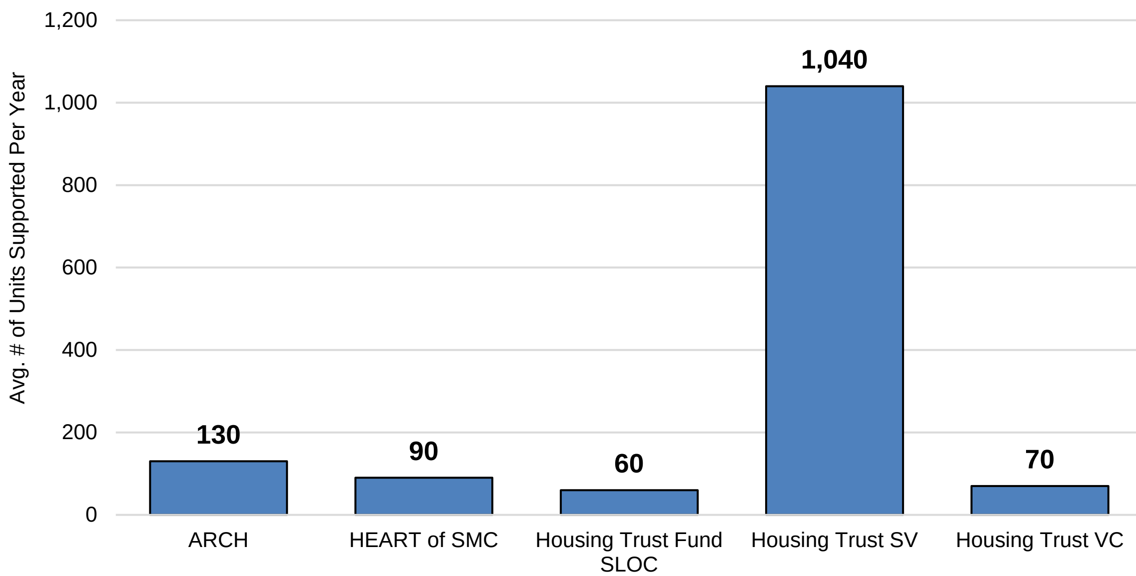
Notes:
(a) Data were not available at the time of publication.
(b) According to OCHFT's Strategic Plan, adopted in July 2020, the organization has six contract staff and six staff donated by the County government pursuant to a memorandum of understanding. Most of these staff work part-time on OCHFT activities.
(c) This is the amount of project lending capital identified in OCHFT's FY 2019-20 budget. Since that time, OCHTF has obtained an additional allocation of $25.5 million in capital from the County government and $4.2 million in matching funds from the State LHTF program.

Sources: GuideStar, 2021; Case study trust websites and interviews with staff, 2021; BAE, 2021.

Comparison of Case Study Trusts' Lending Activities

Though funding affordable housing development is one of several activities in which housing trusts engage, it is a marquee activity for all case study trusts. The number of units supported by a trust's lending and granting activities can provide an indication of the trust's impact. Figure 37 reports the average number of housing units supported annually by each trust's lending and grant programs. These are approximate values based on each trust's estimate of the number of units it has supported over its history and the number of years since it was founded (e.g., 3,600 units over 30 years of operations equals 130 units per year on average). Among case study trusts, the annual average number of supported units ranges from 60 (Housing Trust SLOC) to 1,040 (Housing Trust SV). HEART of SMC records the median value, with 90 units supported per year on average.

Figure 34: Annual Average Number of Units Supported by Lending and Grant Programs



Note:
This figure shows the approximate annual average number of units each trust has supported through lending and grant programs since its founding. Each trust reports the estimated number of units it has supported through loans or grants over its history. BAE divided that unit count by the number of years since the trust's founding to calculate an annual average. Trust estimates of their unit counts may not be up to date.

Sources: Case study trust websites and annual reports, 2021; BAE, 2021.

Key Findings and Recommendations

Programs and Activities

SGVRHT's joint powers agreement defines the organization's purpose as "providing funding for the planning and construction of housing…for the homeless population and persons of extremely low, very low, and low income." Distributing funds through lending and grant activities is, thus, SGVRHT's core work. However, as demonstrated by case study trusts, there are numerous other complimentary and supporting activities in which a regional housing trust may engage.

Key Findings for Programs and Activities

1. **Case studies regional housing trust funds either focus on a one or two core activities, or introduce new products and programs based on community demand.** All interviewees reported experiencing some pressure from local governments or community stakeholders to expand the scope of their trusts' programming. Some case study trusts, such as Housing Trust Fund SLOC and Housing Trust VC, have committed to focusing their resources on one or two core activities in the development lending space. Others have introduced other products and programs, such as homeownership assistance or

security deposit grants for people experiencing homelessness, in response to community demand or an availability of funds for a special purpose. Having a portfolio of several programs, particularly those that interface with the public (e.g., homeownership and rental assistance to families), can raise the trust's profile and be a core element of the Trust's value pitch to donors. However, non-lending programs produce very little revenue compared to lending activities, according to several housing trust leaders. The key takeaway is that, in an environment of limited funds and staff capacity, SGVRHT must decide whether it wants to concentrate its limited resources into its core work or spread them across a larger portfolio of activities.

Core Activities:

2. **Most case study trusts seek to offer financial products that supplement, rather than compete with, products offered by other local, state, and federal funders, established national CDFIs (e.g., LISC and Enterprise), and private banks.** Case study regional housing trusts are deliberate about differentiating themselves within a large and increasingly complex housing finance environment. Several case study trust leaders noted that it took several years for their organizations to find their niche in their region's housing finance environment. For example, the two Bay Area case study trusts, HEART and Housing Trust SV, started by focusing on grants and long-term, extremely low-cost loans—similar to those typically offered by city and county trust funds in the area—but later shifted to short-term lending at near-market rates to fill a common gap in project financing and raise more revenue to expand their lending capacities. ARCH, in contrast, sees its position as a long-term project partner, focused on providing low-cost capital (i.e., grants and low-interest loans) and monitoring occupancy over long periods. Several case study trust leaders recommended SGVRHT communicate continually with developers and other funders to re-evaluate its role.

3. **Most case study trusts focus their lending efforts on short-term products (e.g., acquisition, pre-development, and construction loans) at near-market interest rates through revolving loan programs.** While housing trust leaders noted the risks associated with lending at the early stages of a project, they emphasized the benefits of being able to revolve funds between projects quickly and generate fee revenue for the trust. Short-term loan capital is tied up in a development project for about two years and repaid to the trust when the project obtains permanent financing. The trust can then re-deploy that capital to other projects. By effectively revolving the same capital to new projects every few years, the trust maximizes the number of projects supported—and the amount of loan origination fees generated—from a given amount of funds. Another noted benefit of short-term loans is that they are not typically re-sold by the borrower. The trust can be confident that the borrower who pays them out of the project will be the same borrower it underwrote when it issued the loan. This consistency and familiarity can lower risk, especially once the trust has established relationships with repeat borrowers.

4. **Regional housing trusts can distinguish themselves from other lenders by offering flexible capital, especially at the early stages of development. However, they must remain conscious of risk.** Many case study trusts maintain considerable flexibility in their loan terms and underwriting guidelines to accommodate unusual requests or unique transaction structures. Several case study trust leaders noted that their ability and willingness to work with borrows to structure loans that satisfy the restrictions imposed by senior lenders, investors, and public subsidy requirements is a trust's key value-add in the development process. For example, a trust might offer to subordinate their loan to another lender (i.e., let other lenders get paid back first), permit the project to maintain an interest reserve, or offer a discounted interest rate. However, as a steward of mainly public funds, SGVRHT must maintain reasonable limits on risk.

   SGVRHT must decide how conservative to be when determining core underwriting requirements (e.g., maximum loan-to-value ratio, minimum debt-service coverage ratio, lien position, etc.) and whether those requirements represent recommended targets or strict standards. Several case study trust leaders noted their published underwriting guidelines are recommendations, not rules. SGVRHT may want to provide the underwriting committee with some flexibility to advance loans that do not meet underwriting requirements but have other benefits, provided the committee can provide the Board with a clear rationale backed by strong technical and project knowledge. It may also want to consider establishing firm limits on loan amounts issued to any one project or developer to maintain a diversified loan fund that can withstand a project foreclosure or developer failure. In any event, it is critical that SGVRHT assemble an experienced and technically sophisticated underwriting committee capable of critically reviewing projects and loan products. Several models for this activity are available: A staff-only loan committee, a community experts loan committee, and loan committee with both staff and community experts.

5. **When evaluating projects, case study trusts generally give greater consideration to a project's readiness, cost effectiveness, risk vs. return dynamics, and target population than the city in which it is located. However, some award tie-breaker points to projects in cities that have received less, or less recent, investment from the trust in the past.** Housing trusts, like most housing funders, are often required to manage competition between worthy projects for a limited availability of funds. Regional housing trusts have the additional challenge of directing funds across a large and diverse geographic area, which sometimes involves choosing between projects in different member/service area cities. The prioritization of readiness, cost effectiveness, and risk may be related to the revolving, short-term lending in which most case study trusts are engaged. Because the trust benefits from keeping funds moving in and out of projects to generate interest and fee revenues, project readiness and revenue-generation potential are important for maximizing the fund's growth and creating more funds availability in the future. Moreover, because funds are only tied up in projects for two-to-three years, projects in

other cities will have another opportunity to compete for the same funds in the near future.

6. **Though establishing an affiliated CDFI subsidiary could connect SGVRHT to public and private funds that could increase its lending capital, SGVRHT does not need to form one of these entities to operate a lending program; it can operate its lending program through the JPA.** However, if SGVRHT were to establish a CDFI subsidiary, it would likely have to shift at least some of its lending operations—the lending financed by CDFI-exclusive sources—to the CDFI subsidiary. Optionally, rather than creating a CDFI, the SGVRHT can partner with one or many CDFIs to provide equivalent services and products to members.

Table 20: Comparison of Development Lending Programs

Housing Trust	A Regional Coalition for Housing (ARCH)	Housing Endowment and Regional Trust of San Mateo County (HEART of SMC)		Housing Trust Fund San Luis Obispo County
Loan Fund	**Trust Fund**	**Quick-Start**	**Semi-Perm**	**Revolving Loan Fund**
Eligible Uses				
Acquisition	x	x	x	x
Pre-Development	x	x	x	x
Construction	x	x	x	x
Rehabilitation	x		x	x
Bridge				x
Permanent			x	
Eligible Affordability Levels (HH Income as % of Area Median Income)	Up to 80% AMI	Up to 120% AMI	Up to 60% AMI (a)	Up to 120% AMI
Priority Populations	Up to 50% AMI; seniors; people with special needs	Preference for projects with more and deeper affordability	n.a.	n.a.
Max. Loan Amount	(c)	Varies	None	$3.0 million per project; $7.8 million per borrower
Maximum Term	(c)	60 months	180 months	60 months
Interest Rate	(c)	3.0% - 4.0%	3.0% - 3.5%	5.0% - 7.0%
Loan Fee (% of Loan Amount)	(c)	1.5%	1.0%	0.5% - 2.0%
Application Fee	(c)	n.a.	n.a.	n.a.
Max Loan-to-Value (including other loans)	(c)	100%	80% - 110%	80% to 100%
Debt Service Coverage Ratio	(c)	n.a.	1.0	1.0 or higher
Collateral	(c)	First lien position or negotiable	First lien position or negotiable	First lien position or negotiable
Required Payments	(c)	Monthly or quarterly interest-only payments with principal due at maturity	Monthly or quarterly interest-only payments with principal due at maturity, or deferred payment, or balloon	At minimum, interest-only payments monthly with interest reserve considered.

Continued on the following page.

Table 20: Comparison of Development Lending Programs (continued)

Housing Trust	Housing Trust Silicon Valley				Housing Trust Ventura County
Loan Fund	Short-Term	Mezzanine	Supportive Housing Fund	Apple Affordable Housing Fund	Revolving Loan Fund
Eligible Uses					
Acquisition	x		x		x
Pre-Development	x		x		x
Construction	x			x	x
Rehabilitation	x				x
Bridge	x			x	x
Permanent		x		x	(d)
Eligible Affordability Levels (HH Income as % of Area Median Income)	Flexible; Generally up to 120% AMI	Flexible; Generally up to 120% AMI	Avg. 45% AMI across project (b)	Up to 120% AMI	Up to 120% AMI
Priority Populations	n.a.	n.a.	People experiencing homeless-ness	Preference for projects with more and deeper affordability	<=30% AMI; Veterans; Transitional-age foster youth; Farmworkers
Max. Loan Amount	Secured: $15,000,000 Unsecured: $1,000,000	$5,000,000	Secured by Real Estate: $8,000,000 Secured by Corp. Guarantee: $800,000	$10,000,000	$2,000,000
Maximum Term	60 months	120 months	36 months	240 months	36 - 60 months (d)
Interest Rate	3.0% - 4.0%	Varies	2.0% max.	2.0%	3.0% - 4.0% (e)
Loan Fee (% of Loan Amount)	1.5% - 2.0%	1.5% - 2.0%	1.5% - 2.0%	1.0%	1.0%
Application Fee	$5,000 - $10,000	$5,000 - $10,000	$5,000 - $10,000	$15,000	$500
Max Loan-to-Value (including other loans)	100%	100%	100%	95%	100% - 120%
Debt Service Coverage Ratio	n.a.	1.05 combined	n.a.	n.a.	n.a.
Collateral	First lien position or negotiable	2nd position or higher, or corp. guarantee	First lien position or negotiable	First lien position	First lien position or negotiable
Required Payments	Monthly, interest-only payments with principal due at maturity or construction loan closing; may use interest reserve	30-year principal and interest amortization or interest-only up to five years	Monthly, interest-only payments with principal due at maturity or construction loan closing; may use interest reserve	Interest-only during construction; fully amortizing or residual receipts during permanent phase	Monthly, interest-only payments with principal due at maturity

Notes and sources on the following page.

Notes:
(a) Between 20% and 49% of units must be targeted to households with annual incomes of 60% AMI or less. For projects with State Prop 1C funds and with five or more units, at least 10% of project units must be affordable to households with incomes up to 30% AMI.
(b) Project should have an average affordability of 45% AMI with a minimum of 1/3 of affordable units as permanent supportive housing (PSH) or rapid rehousing (RRH) and 1/3 of affordable units for households with incomes up to 80% AMI; OR commit at least 50% of units as a combination of permanent supportive housing and/or rapid rehousing
(c) Data unavailable at time of DRAFT publication.
(d) On a limited basis, Housing Trust Ventura County offers a permanent residual receipts loan with 15-to-17-year terms and typical interest rates of X%
(e) Loans matched by State Prop 1 funds must have an interest rate of 3.0%. Housing Trust Ventura County typically lends at 4.0% interest when funds are not Prop 1-matched.

Sources: Case study trust websites and interviews with staff, 2021; BAE, 2021.

Complimentary and Supporting Activities:

7. **All case study trusts provide technical assistance to developers and local governments in their service areas, primarily informally, even if it is not considered a major work activity.** Case study trust leaders noted their technical assistance activities mainly consist of providing informal advice to developers about a project application or city staff about a policy's potential impact on affordable housing development. In addition to building positive relationships between the trust and the broader affordable housing community, technical assistance activities can help strengthen the pipeline of affordable housing projects the trust could fund in the future. More formal technical assistance activities might include helping cities identify and market opportunity sites to developers, issuing grants to conduct exploratory activities and prepare feasibility analyses in under-invested cities, or presenting to planning commissions and city councils about local land use and entitlement issues that may be constraining affordable housing development potential.

8. **Though regional trusts commonly provide ad hoc technical assistance, very few directly administer local housing programs or provide fee-for-service staff support to member/service area jurisdictions.** A frequently cited benefit of regional organizations is that, by concentrating expertise and operating at larger scales, they can provide services shared by multiple jurisdictions more efficiently than if each jurisdiction acted individually. On this basis, SGVRHT and its members might consider whether there are local housing programs common to multiple members that might be more efficiently administered by SGVRHT. Alternatively, or additionally, there may be programs members would prefer to administer at the local level with staff support from SGVRHT. However, only two case study trusts, ARCH and Housing Trust SV, engage in these types of activities. ARCH administers local inclusionary programs, impact fee and property tax waivers, covenant recording, and density bonus programs on behalf of some, but not all, members. Housing Trust SV has, on a limited basis, provided fee-for-service underwriting support to city- and county-administered lending programs. Housing Trust SV does have significant staff capacity to undertake this kind of work.

9. **Three of the five case study trusts offer some form of homeownership assistance or affordable homeownership program. While these programs generate relatively little program income (i.e., interest and fee revenues), they have historically been popular with the public, local governments, and small donors.** HEART and Housing Trust SV offer down-payment assistance loans for first-time homebuyers. These loans are designed to enable low- and moderate-income homebuyers with modest savings to achieve a 20 percent down-payment for a market-rate home. Borrowers do not pay monthly payments but repay the loan in full with interest (HEART) or a percentage of their home value appreciation (Housing Trust SV) when the home is sold or refinanced. Because these loans can have lengthy terms and unpredictable payment schedules, homeownership

loans are not a reliable revenue generator for the trusts. Moreover, given the high price of for-sale housing in the San Gabriel Valley—where a median-priced condominium would require a 20-percent down-payment of over $100,000—the trust's loan investment per homebuyer would likely be considerably greater than its investment per unit in its development lending activities.

ARCH's program is focused on placing low- and moderate-income homebuyers in below-market-rate units created by its member cities' inclusionary policies. Buyers purchase the unit at an affordable price and, if they decide to sell, are required by covenant to re-sell at an affordable price to an income-qualified buyer, with oversight by ARCH. The benefit of this model is that it does not require ARCH to subsidize the creation of the below-market-rate units; they are subsidized by a market-rate developer pursuant to the city's inclusionary policy. However, since SGVRHT cannot compel member cities to adopt inclusionary programs, this model may only be achievable in select cities.

While case study trust leaders acknowledged homeownership assistance programs' drawbacks from a cost and revenue perspective, they noted the programs' effectiveness in attracting contributions from local governments and donors. Homeownership assistance, unlike development lending, provides direct support to people rather than projects or developers—the nexus between the trust and its positive impact on people's lives is clear. Additionally, homeownership assistance programs can serve moderate-income members of the workforce, such as teachers, nurses, and firefighters, that many communities are interested in retaining.

10. **Most housing trusts make dedicated investments in housing policy and program innovation. In addition to the potential benefits of the innovations themselves, the innovations can garner public attention for the trust, attract grant money, and create interesting opportunities for staff and board engagement.** Examples from case study trusts include developing template designs for accessory dwelling units (HEART of SMC), creating a novel financing product for accessory dwelling units (HEART and Housing Trust SV), piloting a community land trust (Housing Trust VC), and formulating housing policies for adoption by localities (ARCH). At this early stage in its development, incorporating innovation activities would be beneficial to SGVRHT to address housing challenges in the Valley and to build its reputation.

11. **Case study housing trust leaders work to influence state legislation and regulations that affect their organizations.** With the field of Housing Trusts evolving, and the current emphasis on affordable housing policy and finance at the state level in California, Housing Trust leaders recommend tracking, commenting on, and advocating for favorable policies at the State level. SGVRHT is already conducting this level of advocacy through its partnership with the SGVRHT COG and should continue to actively advocate for policies that support its work and affordable housing in the region.

Funding

Regional Housing Trust Funds rely on funding from a variety of external sources to provide programs and make loans. This section describes those sources, and insights from the best practices organizations.

Key Findings for Funding

12. **Local government contributions to loan funds are generally voluntary and can vary considerably across cities and over time. It can be challenging for regional housing trusts to convince cities to contribute funds that will be deployed to other cities.** Annual contributions from local governments (e.g., membership dues in membership-based trusts) typically support housing trust operations and are not substantial enough to bolster lending activities. Housing trust leaders recommended that SGVRHT develop a strong regional pitch, articulating how the housing affordability crisis transcends city boundaries, and how affordable housing construction in one city can relieve pressures in others. If SGVRHT pursues a revolving loan fund structure built on short-term lending, it can also emphasize how a city's contribution will cycle through many projects and grow from interest over time, providing a high likelihood that the contribution will return to the city in the future. In the meantime, the contribution will support other projects in the region and help grow the fund for the future benefit of all cities in the region.

13. **Echoing the literature on housing trust funds, case study trust leaders noted the value—and difficulty—of identifying a dedicated, sustained public revenue stream for trust operations and program activities. At present, none of the five case study trusts have a continuous, long-term public source.** City- and county-level housing trusts generally draw revenues from real estate-related local fees, such as development impact fees. They have also pursued voter-approved sources, such as parcel taxes, sales taxes, and general obligation bonds. As a JPA, though, SGVRHT does not have the authority to impose local fees, nor can it place ballot measures before voters.[2] SGVRHT could encourage, but cannot compel, member city councils to adopt a fee or place a tax or general obligation bond measure before voters to raise revenues for the Trust. Each measure would be required to obtain two-thirds majority approval from the local electorate.

    Countywide tax and bond measures are also frequently considered sources for regional housing trusts. However, given that regional housing trusts are often among many

[2] There is recent precedent for the State Legislature granting a JPA the authority to place a measure on the ballot under very strict conditions. In 2017, the Legislature passed SB 797, which empowered the Peninsula Corridor Joint Powers Authority, the owner-operator of Caltrain, to place a single sales tax measure on the ballots of all voters in its member jurisdictions if it obtained the permission of all member jurisdictions' governing bodies. Voters in the JPA's member jurisdictions were presented with the same ballot measure, and the measure was permitted to pass with a two-thirds majority of all votes cast on the measure, regardless of its margins in the individual jurisdictions.

housing funders interested in accessing funds from such measures—including, critically, the county government itself—they may struggle to compete for a sustained allocation of funds. HEART of SMC and Housing Trust SV have benefitted from their counties' recent housing tax and bond measures, positioning themselves as key leveraging partners and receiving one-time funds allocations, but neither enjoy a dedicated, sustained revenue stream from those measures. SGVRHT is unique in that its region is a portion of a county versus an entire county.

Los Angeles County's Measure H sales tax to address homelessness remains in effect until 2028, making it unlikely that county voters will approve another countywide housing measure in the near term. However, when a new such measure becomes politically viable, SGVRHT may want to lobby for the inclusion of a multi-year funding stream for the trust. In the meantime, SGVRHT can continue to access Measure H funds from its member jurisdictions. In fiscal year 2020-2021 alone, SGVRHT obtained over $1.1 million in Measure H funds for various projects,

14. **JPAs are unique among governmental entities in that they are permitted to issue tax-exempt revenue bonds without voter approval. Though SGVRHT may want to consider taking advantage of this special authority, doing so may be prohibitively complex and expensive.** Tax-exempt revenue bonds are effectively loans from individual and corporate investors to public entities to finance the acquisition or construction of certain qualified projects with a defined public benefit. Investors are repaid, with interest, from the revenues of the project funded by the bond proceeds. Because bond interest income is exempt from federal and state income tax, investors are willing to lend at below-market interest rates.

    There are two types of revenue bonds a JPA may issue: public enterprise revenue bonds and qualified private activity revenue bonds. Public enterprise revenue bonds raise funds for public projects, including government-owned low-income housing projects. Though the project must be government owned, the government owner may engage a private entity to operate the project. This structure has recently been employed by at least two statewide JPAs, the California Community Housing Agency and California Statewide Communities Development Authority, to acquire existing multifamily projects and preserve their affordability for low- and moderate-income households. Qualified private activity bonds raise capital for privately-owned projects, including low-income multifamily housing projects from non-profit and for-profit developers. The government entity acts as a "conduit issuer," issuing bonds on behalf of the private project for a fee. Such bonds are often paired with four-percent Low Income Housing Tax Credits. Private projects seeking tax-exempt bond financing must meet income restrictions and obtain approval through a competitive process from the California Debt Limit Allocation Committee (CDLAC).

Bond issuances are subject to federal securities law, making them complex to administer. Issuances require, at minimum, the participation of a municipal finance advisor, bond counsel, disclosure counsel, a trustee, and a verification agent. Additionally, issuing bonds does not generate interest income for the issuer—interest income accrues to bondholders—though it may generate fees to cover costs. Given that there are many experienced issuers active in the region, including the Los Angeles County Development Authority and the California Municipal Finance Authority, SGVRHT may want to consider whether it is worthwhile to become an issuer itself. The other JPA case study trust, HEART of SMC, has not utilized its bonding authority, though its leadership expressed an interest in exploring the potential for innovative financing structures utilizing bonds.

15. **Leaders of both government and non-profit trusts recommended SGVRHT work to minimize donor- or investor-imposed limitations on funds in trust programs.** A consistent theme echoed throughout the interviews was that keeping funding sources unrestricted is ideal and allows for a trust to be responsive to emerging needs and nimble enough to take advantage of opportunities in the community.

16. **Several case study trust leaders emphasized the importance of program service revenue (i.e., loan interest and fees) in building the financial sustainability of the organization.** Though regional housing trusts often lend at slightly below-market rates, interest and fees represent a significant source of revenue for trusts. They are also a rare source of unrestricted revenue to the trust. While nearly all public and most private sources of revenue have some limitations on use (e.g., limited to particular programs, required to support units for a particular population, must be lent at specific terms, etc.), interest and fee revenues are effectively unincumbered. Case study trusts generally utilize loan fee revenues, which are typically assessed at one to two percent of the loan amount, to support the trust's operating expenses. However, when a trust has adequate operating revenues from other sources (e.g., membership dues, grants, etc.), it may deposit fee revenue into lending. Case study trusts typically re-invest interest revenues back into lending, enabling those funds to earn further interest and keep the lending pool growing. Nearly every case study trust fund has made program service revenue generation a key element of its business model, citing the operating and lending flexibility these funds provide, as well the potential to reduce reliance on external public and private funders.

17. **To raise capital for their loan funds, several housing trusts have issued Community Impact Notes, an investment product that allows buyers to earn a modest return on loan fund investments.** The buyer purchases the note—effectively making a loan to the trust—with a term of two to ten years. The longer the term of the note, the higher the interest rate the buyer is entitled to receive from the trust. The trust places the proceeds into a revolving loan fund and uses them to make short-term development loans at slightly higher interest rates. The difference between the interest collected from development

loans and the interest paid out to note buyers is retained by the trust to grow the loan fund. The trust issues interest payments to note buyers on a semi-annual or quarterly basis and repays the principal when the note reaches maturity.

The attractiveness of the Community Impact Note to potential buyers is heavily influenced by the trust's financial reputation, as the borrower assumes the risk of losing his or her investment if a trust-issued loan fails. Trusts with strong, positive financial indicators, such as a strong credit rating and/or a CDFI-certified subsidiary—are best positioned to attract capital from a Community Impact Note issuance.

Organizational Structure and Governance

Issues of organizational structure and governance warrant serious consideration in an evaluation of housing trust best practices. As noted in the literature review, a housing trust's structure—whether it is organized as part of an existing government department, a separate government entity, or an independent corporation—has significant implications for its operating flexibility and the resources available to it. Additionally, every housing trust leader interviewed for this study emphasized the importance of engaged, strategic, and technically proficient board governance to their organizations.

As a young organization, SGVRHT is in an interesting and potentially challenging position to tackle structure and governance issues. It already has a structure and governance framework in place, parts of which were established by statute or multi-jurisdictional agreement, but they are relatively untested. SGVRHT will have to determine whether it would be worth the potentially considerable effort to amend or augment their current arrangements to align with certain best practices.

Key Findings for Organizational Structure and Governance

1. **Regional housing trusts are typically organized as one of the following structures: 1) a government entity formed by and composed of local governments, 2) an independent non-profit organization, or 3) a hybrid structure consisting of a government entity and an affiliated non-profit organization.** As a JPA, SGVRHT falls into the first category, as does ARCH. Housing Trust Fund SLOC, Housing Trust SV, and Housing Trust VC are independent non-profit organizations. HEART is a JPA/non-profit hybrid. Though the government and non-profit regional housing trusts have some key differences—government trusts feature significantly more public-sector representation on their boards, for example—they operate fairly similarly and offer comparable programs and services. They may become increasingly aligned as government trusts adopt best practices from non-profit trusts and vice versa. For example, a case study government trust is re-orienting its business model toward greater reliance on program revenues generated from short-term lending, a model adapted from non-profit trusts. For their part, some non-profit trusts are seeking to establish multi-year annual contribution

agreements with local governments in their service areas, similar to the funding relationship government trusts enjoy with their member jurisdictions.

2. **Though SGVRHT is a government entity, it will need to establish a 501(c)3 charitable non-profit fundraising arm to pursue contributions from donors and investors who do not contribute to government entities.** The 501(c)3 non-profit organization could be legally separate from the JPA but share the same board of directors and staff. This government/non-profit hybrid model would not confer any additional tax benefits to SGVRHT or donors—government entities are already tax exempt and charitable donations to them are tax deductible—but it could appeal to potential donors or investors who do not, as a matter of practice or policy, contribute to government entities. HEART is a hybrid JPA/501(c)3 structure, and its Executive Director reports that the 501(c)3 status has been effective in attracting donations from private entities that may not have otherwise considered donating to a government entity.

3. **Certifying as a Community Development Financial Institution (CDFI) through the U.S. Department of the Treasury would provide SGVRHT with access to numerous federal funding sources.** The certification could also signal to donors and investors that the organization is financially sound and capable. However, SGVRHT could not pursue CDFI certification as a government entity; it would need to form a legally separate corporation with a "non-government-controlled" board. Government entities and government-controlled entities are not eligible for CDFI certification. As a JPA, SGVRHT is a government entity. SGVRHT could establish a legally separate non-profit corporation to pursue CDFI status provided that no more than 25 percent of the corporation's voting Board members are government representatives. SGVRHT will have to consider whether it is willing to establish and collaborate with a non-profit corporation over which it can have little formal control. It should also explore whether partnering with an established CDFI (e.g., LISC or Enterprise) can deliver similar benefits at lower cost and with less time to ramp up operations.

4. **City staff, real estate professionals, and community members can bring valuable technical knowledge and industry connections to trust governance.** Several trust leaders noted that city staff (e.g., city managers, community development directors, and housing directors) and private-sector professionals with real estate expertise (e.g., non-profit and for-profit developers, asset managers, brokers, bankers, attorneys, and integrated service providers) contribute important, practical insights in Board discussions of technical matters.

   Among case study trusts, private-sector representation on governing boards ranges from zero percent (ARCH) to 100 percent (Housing Trust SLOC and Housing Trust SV). HEART of SMC and Housing Trust VC have near-even public-private representation, though in the former the public sector is represented exclusively by elected officials and in the latter, it is represented mainly by staff. Under SGVRHT's present board structure, two board seats are reserved for housing and homelessness experts and the remaining seven are reserved for elected officials; there are no Board seats for City staff. Any amended board structure for SGVRHT to create seats (voting or non-voting) for city staff and real estate experts would require legislative amendment. Alternatively, or additionally, SGVRHT could find alternative means of engaging these constituencies through subcommittees, such as an underwriting and programs, and through ad hoc advisory groups for particular projects or initiatives.

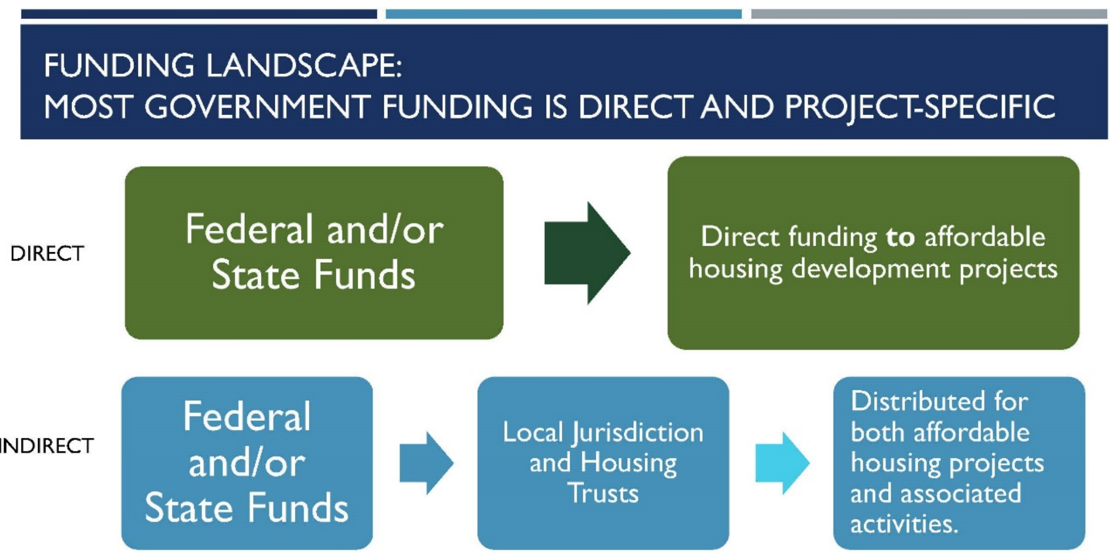
5. **Nearly all case study trusts create opportunities for members of the general public to influence governance and operations.** ARCH, for example, has a standing Community Advisory Board (CAB) consisting of real estate professionals, non-profit and business leaders, and residents of member communities. Membership is open to the public, and seats are not reserved for any particular constituency. The CAB provides recommendations to the organization's Executive Board on funding and programming priorities for the organization, including selecting the projects that should be awarded annual loan and grant allocations. Though the ARCH Executive Board and member city councils have the ultimate authority on funding decisions, staff report these bodies take the recommendations of the CAB very seriously and rarely diverge from them. Other trusts, such as Housing Trust VC and HEART, do not have a single standing community committee but invite general public membership on its various Board subcommittees, including its fundraising and event, marketing, and underwriting committees.

PUBLIC FUNDING SOURCES AND MECHANISMS

Overview of Affordable Housing Finance

This analysis summarizes the various local, state, and federal funding sources that are available to support the delivery of affordable housing in the San Gabriel Valley and identifies which public funding sources could be specifically directed to SGVRHT efforts. Government funding for affordable housing is either provided directly to a project or indirectly through a local jurisdiction, as shown below in Figure 1.

Figure 35: Public Funding Landscape for Affordable Housing



Source: BAE, 2021

The first section of the analysis summarizes funding sources and tools that would be available to support the SGVRHT. Based on the research conducted for this study, shown in Figure 2 below, the primary sources that are available to support SGVRHT activities are the State of California Low-Income Housing Trust Fund, Los Angeles County Measure H funds, LA Metro, public source passthrough funds from local jurisdictions, member fees, and local taxes and fees dedicated housing activities.

The second section of this analysis summarizes funding sources and tools that would be available to sponsors of specific affordable housing developments. Most of these sources are from the State of California, with some federal sources and local jurisdiction taxes and fees. As such, these funds are not available to the SGVRHT to support its work, but the Trust may still be involved in helping projects secure and leverage these funds.

Key Findings

- State and Federal Government Sources
  - For those sources currently available to directly fund SGVRHT activities, the Trust is already applying for and receiving most of these funds. The next step would be for SGVRHT to seek to maximize its allocations.
  - Many State and federal affordable housing sources are reserved for project sponsors of specific affordable housing developments. Although the SGVRHT is not directly eligible to receive these funds, the Trust can support projects with loans that provide leveraging for competitive applications, and by identifying and helping to secure sites (land) for affordable housing projects.
- Local Government Sources
  - SGVRHT currently receives **member dues** and **Measure H** passthroughs
  - **LA Metro's Affordable Housing Transit Connection** program could present a partnership opportunity for SGVRHT and funding for individual projects. SGVRHT could approach LA Metro to consider jointly funding projects in the San Gabriel Valley.
  - **Local taxes or tax increases** dedicated to affordable housing could include parcel taxes, increases in sales tax, TOT taxes, and real estate transfer taxes. Taxes typically require local voter approval. Passing a tax of this kind would require significant coordination and costs and could end up being concurrent with similar County or State ballot initiatives.
  - **Development impact fees** could be passed through to the SGVRHT, but the Trust and local community partners would need to further explore the legality of using fees generated in one community to develop housing in another.
  - **Fee waivers, reductions, and deferrals by local jurisdictions** can be considered a source of funding for projects.
- Publicly Owned Land
  - Identifying and leveraging publicly owned land is a critical strategy for SGVRHT because projects benefit, and the value of the land is considered matching funds for the Low-Income Housing Trust Fund. Providing publicly owned land is critical because of the difficulties affordable housing developers face in competing to purchase land on the open market, especially when their ability to purchase may be contingent on their ability to secure predevelopment funding in an environment where market-rate developers have more ready access to cash.

- Revenue Bonds
  - As a Joint Powers Authority, the SGVRHT can issue revenue bonds. Its current early-stage financial status precludes this activity at this time, but the Trust is exploring a partnership with LACDA that could be beneficial.

Figure 36: SGVRHT Public Funding Strategies

FUNDING STRATEGIES: SGVRHT NOW AND LOOKING AHEAD

Funds SGVRHT is Accessing Now	Additional Government Sources Available
State of California • Low Income Housing Trust Fund • Permanent Local Housing Allocation • Regional Early Action Planning (REAP) Grants County of Los Angeles • Measure H • Measure H - Housing Innovation SGVCOG • Passthrough funds San Gabriel Valley • Member Dues • Passthrough funds	State of California • Surplus land County of Los Angeles • County-owned land • LA Metro Affordable Transit Connect Housing (MATCH) program San Gabriel Valley • Jurisdiction-owned land • Explore feasibility of local fees, taxes, funding mechanisms, and co-lending • Bonds – mortgage revenue, general obligation

Source: BAE, 2021

Public Funding Sources and Tools for SGVRHT Activities

The following section describes the local, State, and federal financial resources and other tools that are available to support the SGVRHT efforts. These include sources that could be generated by member jurisdictions as well as sources currently available from the State and federal governments.

For those sources requiring voter approval, due to the number of SGVRHT member cities these approaches would require significant political will, collaboration, and financial support. The timing of this approach would matter, particularly if there are similar County or State ballot measures to fund affordable housing.

Local and Regional Funding Sources

Parcel Tax

A parcel tax is a non-value-based tax on real property, which is generally designed as a flat per-parcel assessment, but which can also be tied to other characteristics of a property, such as number of units, number of fixtures, differences in use, etc. The parcel tax emerged as a common funding source after passage of Proposition 13, which prohibits local governments from imposing or raising ad valorem property taxes beyond that allowed under the established formula. One potential benefit of a parcel tax for affordable and workforce housing is that it would spread the responsibility for raising funds across a broad base of property owners, including both residential and non-residential uses. A parcel tax could be established in a local jurisdiction so long as the use of the funds is considered a public benefit. Under California law, parcel taxes that are earmarked for specific types of expenditures are considered special purpose taxes, and, like special purpose sales taxes and transient occupancy taxes, such parcel taxes would require two-thirds voter approval. Accordingly, the process to establish a parcel tax earmarked for affordable housing would begin with approval of the parcel tax area, and the rate and application (e.g., type of use, if defined) by local jurisdictions. The legislative body would then submit the parcel tax to the electorate. To be established, the special purpose parcel tax must be approved by two-thirds of the electorate voting on the tax. While State law does provide for approval of a general-purpose parcel tax with a simple majority, such a tax cannot be designated for a specific use, such as affordable housing exclusively.

- **Eligible Applicants:** Local jurisdictions
- **Funding Amount:** Dependent on the amount of the parcel levy, as authorized by voters
- **Implementation Time Period:** Short-term
- **Funding Cycle:** Ongoing
- **Key Considerations for SGVRHT:** Parcel taxes can provide a stable, predictable revenue source as parcel tax revenues will not fluctuate substantially due to changes in economic conditions. Because parcel taxes are paid by property owners, who tend to have higher incomes than those who do not own real property, parcel taxes are often considered a progressive means of raising funds. Due to the number of member cities, and the two-thirds approval threshold, this approach would require significant political will, collaboration, and financial support. The timing of this approach would matter, particularly if there are similar County or State ballot measures to fund affordable housing.

Property/Real Estate Transfer Tax

Real estate transfer taxes are imposed on the transfer of title of real property, where the tax is paid by the buyer, seller, or split between the two when property is sold or ownership transfers, with the exception of inheritance. Much like the parcel tax, the potential benefit of a transfer tax for affordable and workforce housing is that it would spread the responsibility for raising funds across a range of property owners and buyers, for residential and non-residential uses. Under State law, the real estate transfer tax only requires a simple majority to pass and would be placed in a jurisdiction's general fund where officials cannot legally restrict the use of the money to be designated for a specific use, such as affordable housing. However, like the parcel tax, the legislative body can recharacterize the transfer tax into a special purpose tax earmarked for affordable housing with a two-thirds voter approval.

- **Eligible Applicants:** Local jurisdictions
- **Funding Amount:** Dependent on transfer tax rate authorized by voters
- **Implementation Time Period:** Short-term
- **Funding Cycle:** Ongoing
- **Key Considerations for SGVRHT:** Because real estate transfer taxes are paid by property buyers/sellers, who tend to have higher incomes than those who do not own real property, transfer taxes are often considered a progressive means of raising funds.

Sales and Use Tax

A sales and use tax add-on that is earmarked for affordable housing could help to spread the financial burden more broadly throughout the community. However, one common criticism of sales taxes is that they typically impact lower-income households more heavily than higher-income households since such households spend a greater portion of their total income on taxable goods and are less able to absorb cost increases. Nonetheless, a sales tax to support affordable housing development can also be more easily tied to the needs of lower-wage retail workers; thus, the increase in the cost of goods via a sales tax increase is directly tied to assistance provided to lower-income retail and service workers.

- **Eligible Applicants:** Local jurisdictions
- **Funding Amount:** Dependent on the level of sales tax increase authorized by the voters
- **Implementation Time Period:** Short-term
- **Funding Cycle:** Ongoing
- **Key Considerations for SGVRHT:** This mechanism may be considered regressive, due to its disproportionate impact on lower-income households. Sales tax revenues can be less stable than parcel taxes and property transfer taxes due to sensitivity of consumer spending to economic cycles.

Transient Occupancy Tax

Transient Occupancy Tax (TOT) is levied by local governments on users of temporary (i.e., 30 days or less) lodgings and accommodations, such as hotel stays. TOT revenues are often considered a stable source of revenue for local governments, which typically accrue to the General Fund of the authorizing jurisdiction. The League of California Cities estimates that TOT revenue accounts for around seven percent of total General Fund revenue among cities and counties that impose a TOT levy within their jurisdiction.[3] To implement or increase the TOT rate(s) in a jurisdiction, its governing body must place the measure on the ballot and voters must approve it by a majority. If TOT funds generated from a TOT rate increase are to be used for a

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[3] Coleman, M. (2016). *A Primer on California City Revenues.* League of California Cities. Available at: http://www.cacities.org/Resources-Documents/Member-Engagement/Professional-Departments/Mayors-and-Council-Members/New-MCM-Packets/Primer-on-CA-City-Revenues-FINAL

special purpose, such as affordable housing, this would need to be approved by a two-thirds majority vote of the electorate.

- **Eligible Applicants:** Local jurisdictions
- **Funding Amount:** Dependent on authorizing jurisdiction's tax rate
- **Implementation Time Period:** Short-term
- **Funding Cycle:** Ongoing
- **Key Considerations for SGVRHT:** Since TOT is paid by hotel patrons, this funding mechanism primarily places the financial burden on visitors, rather than local residents, businesses, or property owners.

Development Impact Fees

Affordable Housing Impact Fee

Affordable housing impact fees are assessed on a per unit or per square foot basis of new market rate residential development and are used to fund local affordable housing developments. A new influx of residents or jobs from new development can increase the demand for housing and services. Revenue from affordable housing impact fees can help to mitigate the increased demand for affordable housing created when new workers, some of whom will not be able to afford market rate housing, are attracted to the area by jobs supported by the household expenditures of households in new market rate housing developments. As a mechanism to preserve and create affordable housing near the jobs that are being created, affordable housing impact fees can be held by a local jurisdiction or could be transferred to the SGVRHT for affordable housing activities.

- **Eligible Applicants:** Local jurisdictions
- **Funding Amount:** Dependent on authorizing jurisdiction's fee schedule
- **Implementation Time Period:** Short-term
- **Funding Cycle:** Ongoing
- **Key Considerations for SGVRHT:** The SGVRHT could support SGV jurisdictions that do not currently have affordable housing impact fees in conducting analysis and adopting impact fees. Cities with existing impact fees may elect to retain the funds and distribute them through their own affordable housing gap financing programs. SGVRHT would need to build a case as to why members would benefit by transferring funds to the Trust, especially given that the units may not be built in the community generating the fees. One key argument is that pooled impact fees can more effectively create affordable housing units. Additionally, SGVRHT would want to explore any legal issues associated with regionally pooling local jurisdictions' impact fees.

Commercial Linkage Fee

Commercial linkage fees are impact fees calculated on a per square foot basis for new non-residential development and are used to fund affordable housing development. Like the affordable housing impact fee, commercial linkage fees can be waived if a developer contributes an equivalent amount of affordable housing on or off the project site. These linkage fees are intended to support affordable housing development that can help to mitigate the increased demand for affordable housing associated with new workforce households that are attracted to the area near the new jobs associated with the new non-residential developments. Commercial linkage fees can also support a local or regional housing trust fund for affordable housing activities.

- **Eligible Applicants:** Local jurisdictions
- **Funding Amount:** Dependent on authorizing jurisdiction's fee schedule as justified by nexus analysis
- **Implementation Time Period:** Short-term
- **Funding Cycle:** Ongoing
- **Key Considerations for SGVRHT:** SGV jurisdictions without commercial linkage fees could be supported to institute them by the SGVRHT. Cities with commercial linkage fees may elect to retain the funds and distribute through their own affordable housing gap financing programs. SGVRHT would need to build a case as to why members would benefit by transferring funds to the Trust, especially given that the units may not be built in the community generating the linkage fees. One key argument is that pooled fees can more effectively create affordable housing units. Additionally, SGVRHT would want to explore any legal issues associated with regionally pooling local jurisdictions' linkage fees.

Affordable Housing Bonds

Affordable housing bond measures provide public bonds to use for hard and soft costs associated with new construction or acquisition or to reimburse acquisition and predevelopment costs previously paid by applicants for affordable housing projects.

As a JPA, the SGVRHT is permitted to issue tax-exempt revenue bonds without voter approval. As suggested by their name, revenue bonds are issued when the project that they will finance has a revenue-generating component (such as apartment rental income) that can be used to repay the bonds over time. Tax-exempt revenue bonds are loans from individuals and corporate investors to public entities to finance the acquisition or construction of qualified projects with defined public benefits. The two types of revenue bonds a JPA can issue are public enterprise revenue bonds and qualified private activity revenue bonds. Public enterprise revenue bonds raise funds for public projects which must be government-owned or government-acquired, while qualified private activity bonds raise capital for privately-owned projects, including low-income multifamily housing projects owned by non-profit and for-profit developers.

While SGVRHT holds the special authority as a JPA to issue bonds, bond issuance processes are complex and expensive. Subject to federal securities laws, bond issuances require the participation of a municipal finance advisor, a bond and disclosure counsel, a trustee, and a verification agent. Issuing bonds also does not generate interest income for the issuer and may generate additional fees to cover the cost of issuance and ongoing administration.

- **Eligible Applicants:** SGVRHT
- **Funding Amount:** Dependent on investments
- **Implementation Time Period:** Long-term
- **Funding Cycle:** Ongoing
- **Key Considerations for SGVRHT:** The SGVRHT can issue revenue bonds to support the development of affordable housing in the San Gabriel Valley. This approach would put the SGVRHT in competition with other bond-issuing agencies who can already serve projects in the SGV area, but the possible benefit is that by being the bond issuer, the RHT has more oversight over the projects that it finances and it may be somewhat of a revenue generating activity. Bond issuance would significantly expand the RHTs scope and staffing needs.

Publicly Owned Sites

Publicly owned sites that are vacant and underutilized can be used as a project-specific housing funding source for local jurisdictions. To stimulate affordable housing in a region, public entities can make publicly owned sites available to developers at reduced or no cost if development projects meet the affordability or public benefit threshold required by the jurisdiction. Depending on the location, land and development costs can make it difficult to create new affordable housing for lower-income households. With the contribution of public property with the intent of affordable residential use, both jurisdictions and developers can maximize the use of underutilized sites while addressing the local affordable housing need.

- **Eligible Applicants:** Local jurisdictions; housing developers
- **Funding Amount:** Market value of the land
- **Implementation Time Period:** Short-term
- **Funding Cycle:** Ongoing
- **Key Considerations for SGVRHT:** Partnering with SGV jurisdictions to identify, assess, and secure publicly owned sites is an important role for the SGVRHT to facilitate affordable housing unit production. SGVRHT can play a role in evaluating site feasibility and in identifying qualified developers. Importantly, land is considered financial leveraging and is also counted as a match toward Low Income Housing Trust allocations.

Community Development Block Grant (CDBG)

The Los Angeles County Development Authority (LACDA) administers HUD's CDBG funding to qualifying jurisdictions throughout the County. CDBG funding targets low and moderate-income residents in Los Angeles County, and eligible applicants can receive funding for community projects including housing, social services, job creation programs, and business retention programs.

- **Eligible Applicants:** Qualifying jurisdictions
- **Funding Amount:** Dependent on applicant and project
- **Implementation Time Period:** Short-term
- **Funding Cycle:** Annual
- **Key Considerations for SGVRHT:** CDBG funds could be challenging to pass through to the SGVRHT due to their geographic restrictions and complicated federal requirements. While not a top-tier source to pursue, SGVRHT will want to fully understand the parameters of these federal funds before accepting passthroughs from member cities.

HOME Investment Partnership (HOME)
The LACDA administers HUD's HOME funding to qualifying jurisdictions throughout the County. In Los Angeles County, HOME funds continue to support the Home Ownership program for first-time homebuyers and proposed new affordable housing developments.

- **Eligible Applicants:** Local Jurisdictions
- **Funding Amount:** Dependent on applicant and project
- **Implementation Time Period:** Short-term
- **Funding Cycle:** Annual
- **Key Considerations for SGVRHT:** HOME funds could be challenging to pass through to the SGVRHT due to their geographic restrictions and complicated federal requirements. While not a top-tier source to pursue, SGVRHT will want to fully understand the parameters of these federal funds before accepting passthroughs from member cities.

Measure H (Los Angeles County's Homeless Initiative)
In 2017, voters approved a countywide sales tax increase of a quarter-cent to fund services, subsidies, and housing over a ten-year period. Approximately $355 million of funding is allocated per year and funds are administered by the Los Angeles Homeless Services Authority (LAHSA) and the Department of Health Services. The goal of Measure H is to provide services for populations experiencing homelessness and the use of funds includes efforts for addressing homelessness and subsidies for supportive and affordable housing initiatives throughout Los Angeles County. Measure H investments also fund rental assistance initiatives and community outreach programs that connect residents experiencing homelessness to social services programs.

- **Eligible Applicants:** SGVRHT, housing authorities, local jurisdictions, 501(c)3
- **Funding Amount:** Dependent on activities
- **Implementation Time Period:** Short-term
- **Funding Cycle:** Ongoing
- **Key Considerations for SGVRHT:** SGVRHT currently receives Measure H funding and should continue to apply for funds to support qualifying SGV pipeline projects.

State Funding Sources

Local Housing Trust Fund Program

The Local Housing Trust Fund (LHTF) is an active state program through California Department of Housing and Community Development that provides matching grants to local housing trust funds that are funded on an ongoing basis from private and public contributions or public sources. Local housing trust funds use LHTF allocations to provide construction loans and permanent financing loans for construction or rehabilitation of affordable rental housing projects, emergency shelters, permanent supportive or transitional housing, and affordable homeownership projects. Applicants are public entities, local jurisdictions, and nonprofits. LHTF applications require identifying specific projects that will receive the financing, and meeting threshold requirements for affordability and readiness. LHTF also requires a one-to-one match of funds and specifies that the matching funds cannot already be dedicated to affordable housing. Land can count as match. In addition to project financing, applicants receive a five percent administrative fee. The LHTF program is slated to sunset in 2024.

- **Eligible Applicants:** Public entities, local jurisdiction, 501(c)3
- **Funding Amount:** Up to $5 million per project
- **Implementation Time Period:** Long-term
- **Funding Cycle:** Annual
- **Key Considerations for SGVRHT:** SGVRHT received approximately $1 million in the most recent funding round. SGVRHT will want to maximize its allocation by identifying matching funds and land, and by identifying ready projects in the pipeline.

Permanent Local Housing Allocation (PHLA)

Senate Bill (SB) 2, the Building Homes and Jobs Act, established funding of the Permanent Local Housing Allocation (PLHA) program and authorizes HCD to allocate 70 percent of funding collected to the Local Funds pool, while the remaining 30 percent is to be allocated to mixed-income multifamily rental housing projects, production incentive programs, and farmworker housing.

PLHA funds are distinguished by formula allocations and competitive allocations. Formula allocations are to entitlement and non-entitlement jurisdictions based on the prescribed formula for CDBG, whereas competitive allocations are to non-entitlement jurisdictions. PLHA formula allocations can be used for predevelopment, development, acquisition, rehabilitation, and preservation of multifamily and rental housing for lower and moderate-income households and growing workforce households. Funds can also be used as matching portions in local and regional housing trust funds, low and moderate-income housing asset funds, and capitalized reserves for services connected to new permanent supportive housing for special needs and homeless populations. PLHA competitive allocations can be used for development of new multifamily rental housing affordable to households at or below 60percent of AMI or assistance to persons experiencing homelessness through rapid rehousing, rental assistance, and supportive case management services.

- **Eligible Applicants:** SGVRHT (passthrough from local jurisdiction), local jurisdictions
- **Funding Amount:** Up to $3 million per project
- **Implementation Time Period:** Long-term
- **Funding Cycle:** Annual
- **Key Considerations for SGVRHT:** SGVRHT receives both direct and indirect (from local jurisdictions) PLHA dollars. SGVRHT will want to continue to work with members to consider allocating these funds toward its efforts.

Senate Bill (SB) 2 Planning Grants Program

In addition to the PLHA, the SB 2 Building Homes and Jobs Act also supports the Planning Grants Program (PGP). Funds are used to support local jurisdictions and eligible public entities in providing financial and technical assistance to accelerate housing production, streamline affordable housing development, and facilitate housing affordability. Allocated funds may be used to update general, community, specific plans, and other local planning strategies; update zoning ordinances; expedite local planning; create workforce opportunity zones; maintain regional housing trust fund plans; etc.

- **Eligible Applicants:** SGVRHT (passthrough from county); local jurisdictions (entitlement and non-entitlement)
- **Funding Amount:** Up to $625,000
- **Implementation Time Period:** Short-term
- **Funding Cycle:** One-time allocation; not accepting applications
- **Key Considerations for SGVRHT:** SB2 funds are most likely allocated to a local jurisdiction or Council of Governments conducting planning and policy work. This source is not an exact match for SGVRHT activities.

Local and Regional Early Action Planning Grant (LEAP & REAP)

In the 2019-2020 Budget Act, Governor Gavin Newsom allocated $250 million for all regions, cities, and counties to prioritize planning efforts in order to accelerate the availability of affordable homes in California. From this act, HCD established the Local Early Action Planning (LEAP) program with $119 million and the Regional Early Action Planning Program (REAP) with $125 million to provide one-time grant funding to local governments to update their planning documents and implementation processes in order to accelerate housing production and facilitate compliance with the sixth-cycle Regional Housing Needs Allocations (RHNA).

- **Eligible Applicants:** Public entities, local jurisdictions
- **Funding Amount:** Up to $1.5 million per project for LEAP; dependent of population estimate of REAP applicant

- **Implementation Time Period:** Short-term
- **Funding Cycle:** One-time allocation; not accepting applications
- **Key Considerations for SGVRHT:** SGVRHT has applied for REAP funds from the Southern California Association of Governments (SCAG) to conduct the Housing Incubator, Surplus Land Study, and other projects. SGVRHT will want to continue to identify opportunities to apply for REAP grants through local public entities but will want to consider if the activities being funded align with the Trust's strategic goals and objectives versus veering off-course.

CalHOME

Administered by HCD, CalHOME program funds are sourced from the Affordable Housing Bond Act Trust Fund of 2018 and had approximately $57 million available for the last funding cycle. These funds are distributed to public agencies and non-profit corporations to assist individual first-time homebuyers. CalHOME funds can be used for a broad spectrum of homeowner assistance programs including down payment assistance, mortgage financing, homebuyer counseling, and technical assistance.

- **Eligible Applicants:** Public entities, housing authorities, local jurisdictions, non-profits
- **Funding Amount:** Up to $5 million per project
- **Implementation Time Period:** Short-term
- **Funding Cycle:** Every two years
- **Key Considerations for SGVRHT:** SGVRHT can apply for CalHOME dollars to support regional activities. SGVRHT can also support local jurisdictions to apply for CalHOME funds for specific projects or programs. CalHOME is a potential source of funds if SGVRHT pursues low-income home ownership lending.

Emergency Solutions Grants Program

The Emergency Solutions Grants (ESG) is funded by HUD and administered through HCD. HCD receives approximately $6 million in federal funds annually to support the ESG program. ESG funds are set aside for the eligible Continuum of Care (CoC) service areas and distributed in two separate funding pools: the CoC allocation and the Balance of State (BoS) allocation. These funds are primarily used to provide homeless services through engagement and social assistance, improvement and operation of emergency shelters, rapid rehousing programs, and support for families and individuals at risk of becoming homeless.

As part of the Coronavirus Aid, Relief, and Economic Stimulus (CARES) Act enacted in March 2020, HCD received additional federal funds for the ESG program and administered a special funding pool per the CARES Act, Homeless Assistance Grants section (ESG-CV). ESG-CV funds are eligible to CoC programs that address COVID-19 issues among individuals and families experiencing homelessness or receiving homeless assistance. ESG-CV funds may also be used to support additional homeless assistance and prevention activities to mitigate COVID-19 impacts.

Eligible activities for the CoC, BoS, and ESG-CV allocations are for rapid rehousing, emergency shelters, street outreach, homeless prevention, Homeless Management Information System (HMIS), and other grant administration efforts.

- **Eligible Applicants:**
  - **CoC:** Housing authorities, local jurisdictions with sponsorship of regional CoC
  - **ESG-CV:** Administrative entities, housing authorities, local jurisdictions with sponsorship of regional CoC
- **Funding Amount:** Dependent on CoC's set minimum and maximum grant amount for each jurisdiction
- **Implementation Time Period:** Short-term
- **Funding Cycle:** Annual for CoC; one-time allocation for ESG-CV
- **Key Considerations for SGVRHT:** While SGVRHT may be eligible for these funds, pursuing them would likely involve provision of homeless services and shelter programs, or grants management, that is beyond the capacity of the current staffing and may not result in the creation of new affordable units.

Sources for Project-Specific Funding and Leveraging

Although the above section highlighted several funding sources that the SGVRHT can seek to directly support operations and programs, most public affordable housing funds are earmarked specifically for project-level applications, and therefore are not eligible to support SGVRHT directly. Appendix D summarizes the project-specific funding and leveraging sources that the SGVRHT can use or direct developers to access for individual affordable housing developments throughout the San Gabriel Valley

Local and Regional Funding Sources and Mechanisms

Enhanced Infrastructure Financing District

Hampered by the loss of redevelopment agencies, California jurisdictions now have limited methods to leverage property tax increment to fund affordable housing. One of the tools authorized by State law is to establish an Enhanced Infrastructure Financing District (EIFD). Under an EIFD, the local jurisdiction apportions incremental increases in property tax revenue generated within an established area into a dedicated fund. EIFD funds can then use existing and future tax revenue as a guarantee for the issuance of large value public bonds. Typically, EIFDs are established in areas undergoing major planning and development projects, such as new specific plan areas.

- **Eligible Applicants:** SGVRHT

- **Funding Amount:** Dependent on the amount of property tax controlled by the local jurisdiction and negotiations with other local taxing entities that could be asked to contribute tax increment to the EIFD.
- **Implementation Time Period:** Long-term
- **Funding Cycle:** Ongoing
- **Key Considerations for SGVRHT:** When formed through a Joint Powers Authority (JPA), an EIFD can be established without voter approval. The JPA/governing board can prepare an Infrastructure Financing Plan which lays out the proposed future development in the EIFD area and the uses of the EIFD funds. Once the plan is approved, the EIFD fund will begin to accrue tax increment revenue pursuant to the approved guidelines. These EIFD areas tend to be precise, suggesting the SGVRHT should not seek to administer these funds but should instead assist local jurisdictions in creating EIFDs to support local affordable housing projects. The SGVRHT could help distribute EIFD funds for affordable housing developments, though funds raised within a specific geographic location must be used to fund housing and infrastructure in that same geographic area.

Impact Fee Waivers and Deferrals

As a mechanism to incentivize affordable housing development in a cost-effective way, impact fee waivers and deferrals for affordable housing projects that meet a certain threshold can encourage a wave of qualifying affordable housing projects. In jurisdictions with robust fee schedules, impact fees can accumulate into a large share of project costs. Waiving or deferring impact fees for affordable housing developments can alleviate the upfront burden of affordable housing developers while creating a viable source to move affordable developments forward.

- **Eligible Applicants:** Local jurisdictions
- **Funding Amount:** Offsets fees established by the local jurisdiction
- **Implementation Time Period:** Short-term
- **Funding Cycle:** Ongoing
- **Key Considerations for SGVRHT:** Fee waivers or deferrals are a useful tool in reducing the cost and time needed to build affordable housing. Although not a direct subsidy to a project, these reductions can help close the financing gap. In its policy work, the SGVRHT should support cities to incorporate fee waivers and deferrals into local pro-housing policies.

Metro Affordable Transit Connected Housing Program

The Metro Affordable Transit Connect Housing (MATCH) program is a public-private lending partnership that provides funding for preservation and expansion of affordable housing within Los Angeles County and within half-mile of a High Frequency Transit Node. The program issues two loan products: the Housing and Transportation (H+T) Loan and the Predevelopment Loan. The H + T Loan comprises 75 percent of MATCH funding and can be used to finance the costs associated with housing development for existing, occupied, unsubsidized, and non-deed restricted multifamily housing with rents restricted to households with incomes at or below 80 percent AMI. Eligible use of funds includes purchasing and closing costs, financing fees, carrying costs, and reserves. Projects eligible for the H + T Loan are required to have a minimum size of 20 units. The Predevelopment Loans comprises 25 percent of MATCH funding and are reserved for new affordable housing project through new construction of substantial rehabilitation. Eligible use of funds includes predevelopment costs, such as architecture, engineering, environmental studies, entitlements and permitting, etc. Projects eligible for the Predevelopment Loan must have a minimum size of 49 units and demonstrate site control.

- **Eligible Applicants:** Housing developers
- **Funding Amount:**
    - **H + T Loan:** Determined on a per loan basis and calculated based on 1) 75 to 85 percent of appraised property value and 2) either the difference between 120 percent of appraised property value and CDFI portion or $2 million
    - **Predevelopment Loan:** Up to $1.5 million per project
- **Implementation Time Period:** Short to Medium-Term
- **Funding Cycle:** Annual
- **Key Considerations for SGVRHT:** The SGVRHT should identify sites and projects that would be eligible for MATCH funds and work with local jurisdictions, developers, and LA Metro to leverage these sources to support Metro-adjacent affordable housing development.

HOME Investment Partnership (HOME)

The Los Angeles County Development Authority (LACDA) administers HUD's HOME funding to qualifying jurisdictions throughout the County. In Los Angeles County, HOME funds continue to support the Home Ownership program for first-time homebuyers and proposed new affordable housing developments. The fund is allocated through the Multifamily Housing Program.

- **Eligible Applicants:** Local jurisdictions under LACDA's participating cities
- **Funding Amount:** Dependent on applicant and project
- **Implementation Time Period:** Short-term
- **Funding Cycle:** Annual
- **Key Considerations for SGVRHT:** HOME funds could be challenging to pass through to the SGVRHT due to their geographic restrictions and complicated federal requirements. While not a top-tier source to pursue, SGVRHT will want to fully understand the parameters of these federal funds before accepting passthroughs from member cities.

LACDA Multifamily Bond Financing Program

Since 1984, LACDA has administered a multifamily bond financing program for projects throughout Los Angeles County. Eligible projects under this program may either receive tax-exempt or taxable bonds for their projects. Taxable bonds for this program do not require an allocation of bond authority from the California Debt Limit Allocation Committee (CDLAC). Eligible development projects are to be located within Los Angeles County and are chosen by priority of project, based on deepest affordability levels and levels of significant public benefit and preservation of existing affordable housing.

- **Eligible Applicants:** Local jurisdictions (LACDA requires a cooperative resolution adopted by the city in which project is located), housing developers
- **Funding Amount:** Dependent on project
- **Implementation Time Period:** Long-term
- **Funding Cycle:** Annual
- **Key Considerations for SGVRHT:** SGVRHT is currently exploring the possibility of revenue bond fee sharing with LACDA.

Multifamily Rental Housing Program

The Multifamily Rental Housing Program is administered by LACDA and funded by the Affordable Housing Trust Fund (AHTF) and the No Place Like Home (NPLH) program. The Multifamily Rental Housing Program provides capital funds and rental assistance to new construction, acquisition, preservation, and rehabilitation of permanent multifamily rental housing projects for populations with special needs, seniors, or targeted populations listed under the NPLH program. Eligible uses of capital funds are for reimbursement of acquisition of land and improvements, underwriting costs, and project predevelopment, construction, and permanent financing. Eligible applications for rental assistance receive either Section 8 Project-Based Vouches (PBV) or Project-Based Veterans Affairs Supportive Housing (PHVASH) Vouchers and must be for projects that serve populations with special needs and veterans at or below 30 percent AMI or special needs and seniors at or below 50 percent AMI.

- **Eligible Applicants:** Public agencies, housing authorities, local jurisdictions, housing developers, 501(c)3; minimum requirement for applicant team must include an architect, developer, lead service provider, and property manager
- **Funding Amount:** Up to $10 million per project based on type of fund received (AHTF or NPLH)
- **Implementation Time Period:** Long-term
- **Funding Cycle:** Annual
- **Key Considerations for SGVRHT:** The SGVRHT should collaborate with local jurisdictions and developers to leverage Multifamily Rental Housing funds from LACDA to support affordable housing developments

No Place like Home

The No Place Like Home (NPLH) program provides deferred payment loans to counties or counties with a development sponsor for permanent supportive housing for persons with mental illness who are chronically homeless, homeless, or at-risk of chronic homelessness. These funds may be used for acquisition, design, construction, rehabilitation, or preservation of permanent supportive housing, which may include a Capitalized Operating Subsidy Reserve (COSR). As part of NPLH, Los Angeles County qualifies as an HCD-defined Alternative Process County (APC) under the Alternative Process Allocations of NPLH. APCs receive automatic allocations from NPLH every funding cycle. Other jurisdictions, such as the tri-cities of Pomona, Claremont, and La Verne, and the City of Berkeley are considered separate counties under the NPLH program because they receive direct allocation of Mental Health Services Act (MHSA) funds and these jurisdictions are eligible to apply through the NPLH competitive allocation funding.

As an APC, NPLH funding in Los Angeles County is administered by LACDA. NPLH capital funding may be used for permanent multifamily rental supportive housing projects. These projects can apply for the NPLH capital financing or rental assistance.

- **Eligible Applicants:** Housing authorities, local jurisdictions, housing developers, 501(c)3
- **Funding Amount:** Up to $20 million per project
- **Implementation Time Period:** Long-term
- **Funding Cycle:** Annual
- **Key Considerations for SGVRHT:** The SGVRHT should collaborate with local jurisdictions and developers to leverage NPLH funds to support affordable housing developments

Publicly Owned Sites

Publicly owned sites that remain vacant and underutilized can be used as a project-specific housing funding source for local jurisdictions. To stimulate affordable housing in a region, public entities can make publicly owned sites available to developers at a reduced or no cost if development projects meet the affordability or public benefit threshold required by the jurisdiction. Depending on the location, land and development costs can make it difficult to create new affordable housing for lower-income households. With the contribution of public property with the intent of affordable residential use, both jurisdictions and developers can maximize the use of underutilized sites while addressing the local affordable housing need.

- **Eligible Applicants:** Local jurisdictions; housing developers
- **Funding Amount:** None
- **Implementation Time Period:** Short-term
- **Funding Cycle:** Ongoing
- **Key Considerations for SGVRHT:** SGVRHT should promote affordable housing development on publicly owned sites. SGVRHT staff can help local jurisdictions identify developers and other funding sources to support the development of affordable housing projects on publicly owned sites.

State Funding Sources

Affordable Housing and Sustainable Communities (AHSC)

Funded through the California Cap-and-Trade program, the Affordable Housing and Sustainable Communities (AHSC) program allocates annual funding for affordable housing projects throughout the State. The largest component of AHSC is the GHG emission reductions associated with the proposed projects. As such, HCD requires that the application for funding is a collaborative effort between the development team, local transit authority, and local jurisdiction to ensure the housing proposal fits into the larger transportation network and local environmental goals. Funding awards are specifically broken down into three project types, including Transit Oriented Development (TOD), Integrated Connectivity Projects (ICP), and Rural Innovation Project Areas (RIPA).

- **Eligible Applicants:** SGVRHT, housing authorities, local jurisdictions, housing developers through sponsorship
- **Funding Amount:** Up to $20 million per project
- **Implementation Time Period:** Medium-term
- **Funding Cycle:** Annual
- **Key Considerations for SGVRHT:** The SGVRHT is not eligible for this funding. It is allocated to project sponsors and local jurisdictions for associated infrastructure improvements.

Multifamily Housing Program

The Multifamily Housing Program (MHP) provides deferred payment loans for new construction, rehabilitation, or acquisition of permanent or transitional rental housing and conversion of non-residential structures to rental housing for lower-income households. MHP is sourced by the Veterans and Affordable Housing Bond Act of 2018. Eligible projects must meet the rental housing development standards as noted in the Uniform Multifamily Regulations and must not be receiving the nine percent federal low-income housing tax credits simultaneously. As an active HCD program, the stacking of multiple HCD funding sources on the same projects is prohibited.

- **Eligible Applicants:** SGVRHT, housing authorities, local jurisdictions, housing developers, 501(c)3 can be the primary applicant or an affiliate/general partner of an applicant; applicants must have successfully developed at least one affordable housing project
- **Funding Amount:** Up to $20 million per project
- **Implementation Time Period:** Long-term
- **Funding Cycle:** Annual
- **Key Considerations for SGVRHT:** The SGVRHT is not eligible for this funding. It is allocated to project sponsors.

California Debt Limit Allocation Committee

As federal law limits how much tax-exempt debt a state can issue for private projects that offer qualified public benefit, the California Debt Limit Allocation Committee (CDLAC) was created to allocate California's annual debt ceiling and administer the state's tax-exempt bond program to issue the debt. Currently, CDLAC administers tax-exempt private activity bonds for several programs. For the Qualified Residential Rental Project (QRRP) program, bond authority is award into the New Construction Pool, Other Rehabilitation Pool, for projects that are not eligible for treatment as a new construction or preservation project, and BIPOC (Black, Indigenous and Other People of Color) Pool, for projects for which the sponsor entity is a BIPOC.

- **Eligible Applicants:** Housing authorities, local jurisdictions, housing developers
- **Funding Amount:** Project-Based
- **Implementation Time Period:** Long-term
- **Funding Cycle:** Annual
- **Key Considerations for SGVRHT:** The SGVRHT is not eligible for this funding. It is allocated to project sponsors.

Golden State Acquisition Fund

Seeded from HCD's Affordable Housing Innovation Fund, the Golden State Acquisition Fund (GSAF) is a $93 million low-cost acquisition financing program leveraged with additional capital from a consortium of seven community development financial institutions. GSAF provides a flexible source of capital for the development and preservation of affordable housing properties and recipients can access acquisition financing for rental housing and homeownership opportunities statewide. Funding may be used for acquisition of vacant land or improved property and must meet several income-restricted and affordability level parameters.

- **Eligible Applicants:** Local jurisdiction, housing developers, public agencies
- **Funding Amount:** Up to $13.95 million per project
- **Implementation Time Period:** Medium-term
- **Funding Cycle:** Ongoing
- **Key Considerations for SGVRHT:** The SGVRHT could pursue these funds if it moves forward with a land acquisition strategy.

Homekey

Administered by HCD, $600 million was made available to public agencies to purchase and rehabilitate housing and convert them into interim or permanent housing for residents experiencing homelessness or those who are at risk of serious illness from COVID-19. Homekey funds derived from the State's direct allocation of federal Coronavirus Aid Relief Funds (CRF) the State's General Fund. Under this program, local public agencies partner with the State to acquire and rehabilitate various housing types including hotels, motels, vacant apartment buildings and residential care facilities.

- **Eligible Applicants:** Housing authorities, local jurisdictions, housing developers (with housing authority/local jurisdiction sponsorship), and non-profits (with housing authority/local jurisdiction sponsorship)
- **Funding Amount:** Dependent on project
- **Implementation Time Period:** Short-term
- **Funding Cycle:** One-time allocation; not accepting applications
- **Key Considerations for SGVRHT:** Although the Homekey program is no longer active, the program may return with new funds. If the program returns, the SGVRHT could identify existing housing properties for conversion into permanent housing for residents experiencing homelessness.

Housing for a Healthy California

Made into law in 2017, Assembly Bill 74 authorized HCD to develop the Housing for a Healthy California (HHC) program that supports the acquisition, construction, rehabilitation, administrative costs, Capitalized Operating Subsidy Reserves (COSRs), and rental subsidies/assistance for supportive housing opportunities for individuals who are recipients or eligible for health care provided through the Medi-Cal program. The program utilizes allocations from the 2018-2021 federal National Housing Trust Fund (NHTF). The eligible uses of funds are dependent on the type of applicants: NHTF applicants are only able to use HHC funds for acquisition and/or new construction, while SB2 applicants are able to use HHC funds for acquisition, new construction, administrative costs, capitalized operating subsidy reserves, and rental subsidies/assistance.

- **Eligible Applicants:**
    - **NHTF Applicants:** Housing authorities, housing developers, non-profits that are owner or developer of project
    - **SB2 Applicants:** Counties
- **Funding Amount:** Up to $20 million per project
- **Implementation Time Period:** Long-term
- **Funding Cycle:**
- **Key Considerations for SGVRHT:** The SGVRHT is not eligible for this funding. It is allocated to project sponsors.

Infill Infrastructure Grant Program

The Infill Infrastructure Grant program (IIG) is facilitated by HCD and provides gap funding assistance for infrastructure improvement, such as construction, rehabilitation, demolition, relocation, preservation, and acquisition, specifically for residential or mixed-use infill development projects. Eligible activities for funding include Capital Improvement Projects (CIPs), Qualifying Infill Projects, or housing projects designated with a Qualifying Infill Area.

- **Eligible Applicants:** Housing authorities or local jurisdictions that have jurisdiction over a Qualifying Infill Area, or housing developers of a Qualifying Infill Project
- **Funding Amount:** Up to $7.5 million for Qualifying Infill Project; Up to $30 million for housing designated in Qualifying Infill Area
- **Implementation Time Period:** Long-term
- **Funding Cycle:** Every two years
- **Key Considerations for SGVRHT:** The SGVRHT is not eligible for this funding. It is allocated to project sponsors.

Mobile Home Park Rehabilitation and Resident Ownership Program

HCD's Mobile Home Park Rehabilitation and Resident Ownership program supports the conversion, acquisition, rehabilitation of existing mobile home parks to preserve them as a source of affordable housing for park residents. Funding is allocated in the form of short-term conversion loans, which are granted to purchase a mobile home park, or long-term blanket/individual loan, which are used to purchase mobile home parks to help low-income residents finance the purchase of shares or spaces in the park or to help pay for the cost to repair low-income residents' mobile homes. The program also funds loans for construction and reconstruction of mobile home parks that have been destroyed by a natural disaster.

- **Eligible Applicants: H**ousing authorities, local jurisdictions, 501(c)3
- **Funding Amount:** Up to $5 million per project
- **Implementation Time Period:** Long-term
- **Funding Cycle:** Funds dependent
- **Key Considerations for SGVRHT:** SGVRHT would only pursue this funding as a potential park developer/owner or facilitator of community ownership.

National Housing Trust Fund

The National Housing Trust Fund (NHTF) is a federal program administered by HCD for new construction of permanent housing for extremely low-income households in the form of deferred payment or forgivable loans. The Federal allocation for 2021 totals approximately $690 million, with roughly $127 million allocated to the State of California. Appropriated funding must be used for new construction of 100 percent multifamily units and priority is given to projects with the deepest affordability levels, either serving special needs or homeless population, or in an area of opportunity. Assembly Bill 74 directed HCD to utilize the 2018-2021 NHTF allocation for the Healthy Housing California (HHC) program, which is described above.

- **Eligible Applicants:** SGVRHT, housing authorities, local jurisdictions, housing developers must be owner or developer of project
- **Funding Amount:** Up to $10 million per project
- **Implementation Time Period:** Long-term
- **Funding Cycle:** Fund dependent

- **Key Considerations for SGVRHT:** The SGVRHT is not eligible for this funding. It is allocated to project sponsors.

Section 811 Project Rental Assistance

As a collaborative partnership, the California Housing Finance Agency (CalHFA), Department of Health Care Services (DHCS), HCD, Department of Developmental Services (DDS), and California Tax Credit Allocation Committee (TCAC) have developed the Section 811 Project Rental Assistance Program to provide rental assistance funding to support Medicaid beneficiaries with disabilities who have resided in a long-term health care facility and desire to return to community living. The rental assistance funding provides a five-year renewable rental assistance to affordable housing projects serving persons with disability. Section 811 Project Rental Assistance funds can be used on existing project where construction or rehabilitation is completed or projects under development.

- **Eligible Applicants:** Housing developers
- **Funding Amount:** Up to 25 percent of all project units which are restricted as supportive housing for persons with disability
- **Implementation Time Period:** Long-term
- **Funding Cycle:** Funds dependent
- **Key Considerations for SGVRHT:** SGVRHT is not eligible for this funding.

Supportive Housing Multifamily Housing Program

The Supportive Housing Multifamily Housing Program (SHMHP) provides permanent financing for multifamily rental housing projects including new construction, rehabilitation, acquisition, or conversion of non-residential structures into permanent support housing units for special needs and homeless populations. Developments funded by SHMHP are also required to set aside a minimum of 40 percent of units to populations experiencing chronic homelessness, homeless youths, or exiting institutional settings. Use of funds may involve property acquisition, refinancing property to maintain affordable rents, on and off-site improvements, consulting fees and costs, capitalized reserves, and facilities for social services linked to restricted supportive housing units.

- **Eligible Applicants:** Housing authorities, local jurisdictions, housing developers, 501(c)3 must demonstrate relevant experience to owning and developing affordable rental housing through at least one affordable rental housing project prior; applicants much have at least 24 months experience in ownership or operation of a minimum of one rental housing development that include units reserved for special needs populations
- **Funding Amount:** Up to $20 million per project
- **Implementation Time Period:** Long-term
- **Funding Cycle:** Funds dependent
- **Key Considerations for SGVRHT:** The SGVRHT is not eligible for this funding. It is allocated to project sponsors.

Transit-Oriented Development Housing Program
Funded by the Veterans and Affordable Housing Bond Act of 2018, HCD announced an availability of approximately $141 million for the 2020 Transited-Oriented Development (TOD) Housing Program. TOD Housing Program funds provide financial assistance in the forms of low-interest loans available as gap financing for rental housing development and infrastructure projects that support affordable and mixed-income housing, as well as mixed-used infill development projects. Eligible projects must be new construction or rehabilitation of residential units of no fewer than 20 units and be located within one-quarter mile from a Qualifying Transit Station or one-half mile walking distance from Qualifying Transit Station. Eligible project must also meet affordability requirements and infrastructure requirements

- **Eligible Applicants:** Local jurisdictions, housing developers
- **Funding Amount:** Up to $15 million per project
- **Implementation Time Period:** Long-term
- **Funding Cycle:** Funds dependent
- **Key Considerations for SGVRHT:** The SGVRHT is not eligible for this funding. It is allocated to project sponsors.

Veterans Housing and Homelessness Prevention Program
In 2013, Assembly Bill (AB) 639 restructured the Veteran's Bond Act of 2008, authorizing $600 million in existing bond authority to fund multifamily housing for veterans. With voter approval in the subsequent year, HCD administered the Veteran Housing and Homelessness Prevention Program (VHHP), in collaboration with the California Department of Veteran Affairs (CalVet) and CalHFA, in efforts to address the veteran housing crisis. VHHP provides loans to support the development of affordable multifamily rental housing that provide permanent supportive housing and affordable housing units for veterans and their family. VHHP loans can be used for acquisition, construction, rehabilitation, and preservation of affordable multifamily housing for veterans.

- **Eligible Applicants:** Housing authorities, local jurisdictions, housing developers
- **Funding Amount:** Up to $10 million per project
- **Implementation Time Period:** Long-term
- **Funding Cycle:** Every 2 years
- **Key Considerations for SGVRHT:** The SGVRHT is not eligible for this funding. It is allocated to project sponsors.

Federal Funding Sources

Low Income Housing Tax Credits (LIHTC)
Low Income Housing Tax Credits (LIHTC) are federally sourced tax credits issued to state governments to be awarded to affordable housing developers and administered by the California

Tax Credit Allocation Committee (CTCAC). These credits are used to subsidize the acquisition, construction, and rehabilitation of affordable rental housing for low and moderate-income tenants. As the competition for funds has increased, especially for the more substantial nine percent tax credit program, projects that receive funds must meet several criteria. More specifically, California's criteria for awarding LIHTC revolves around climate-related goals. Therefore, most projects receiving funds include public transportation and alternative transportation components. Projects with even modest contributions from the local jurisdiction are significantly more competitive.

- **Eligible Applicants:** Housing developers
- **Funding Amount:** Project dependent
- **Implementation Time Period:** Short-term
- **Funding Cycle:** Annual, with multiple rounds each year
- **Key Considerations for SGVRHT:** The SGVRHT is not eligible for this funding. It is allocated to project sponsors. The amount of leveraged local funds is among the competitive criteria for LIHTCs. By increasing local funding for affordable housing, the SGVRHT attracts more tax credit "dollars" to local projects. The SGVRHT should continue to track LIHTC eligibility and competitiveness criteria for pipeline projects and advocate for regulations changes in favor of SGV projects.

New Market Tax Credit (NMTC)

Authorized by Congress in 2000, New Market Tax Credits (NMTC) encourages private investors to make equity investments in Community Development Entities (CDEs), which are financial intermediaries that provide low-cost capital to businesses and developments within specific qualifying economically distressed Census tracts. Investors receive a federal tax credit equal to 39 percent of their investment over seven years. The NMTC program is flexible in project type and purpose and can be used to finance a range of projects including operations and real estate financing.

- **Eligible Applicants:** Qualified Active Low-Income Community Businesses (QALICBs) and non-profits
- **Funding Amount:** Project Dependent
- **Implementation Time Period:** Long-Term
- **Funding Cycle:** Ongoing
- **Key Considerations for SGVRHT:** NMTCs have been used to develop for-sale affordable housing products, and mixed-product housing developments with commercial components. NMTCs are project-specific and therefore SGVRHT would not be eligible to utilize this source unless it was the developer.

Opportunity Zones

The Tax Cuts and Jobs Act of 2017 started the Opportunity Zones tax incentives to create investment in low-income and undercapitalized communities. The program, which expires in

2026, encourages investors to direct capital gains from previous investments into an Opportunity Fund, a specialized investment vehicle that makes investments in real property, infrastructure, and companies within Opportunity Zone-designated tracts. In return, the program offers federal tax incentive through deferral, partial tax reductions, and tax forgiveness on new capital gains. The San Gabriel Valley has several Opportunity Zone-designated tracts, including concentrations in the Cities of Pomona and El Monte. Affordable housing developers have found it difficult to make Opportunity Zone tax incentives work with Low Income Housing Tax Credits and very few projects have been built with this source nationally.[4] There are a total of ten Opportunity Zones in the San Gabriel Valley, one in South El Monte, two in El Monte, one on the border of El Monte and City of Industry, one in the South San Jose Hills CDP, four in Pomona, and one in Azusa.

- **Eligible Applicants:** Housing developer or investors
- **Funding Amount:** Project dependent
- **Implementation Time Period:** Long-term
- **Funding Cycle:** Ongoing
- **Key Considerations for SGVRHT:** The SGVRHT is not eligible for this funding. It is allocated to project sponsors.

[4] Anderson, Bendix, "Time is Running Out for Affordable Housing," May 28,2020, https://www.housingfinance.com/finance/time-is-running-out-for-affordable-housing-in-opportunity-zones_o, Website accessed April 15, 2020

LOCAL FUNDING GAP ANALYSIS

To inform the broader SGVRHT strategic planning process, the following memorandum analyzes the funding profile of the affordable housing project pipeline in the San Gabriel Valley. This analysis is based on applications to the California Tax Credit Allocation Committee (TCAC) for Low Income Housing Tax Credits (LIHTC) and focuses on the gap funding sources from local entities, including cities, Los Angeles County, and housing authorities. As the SGVRHT aims to increase the production of affordable housing in the San Gabriel Valley, the following analysis will help the Regional Housing Trust identify mechanisms to fill the funding gap for future affordable housing proposals.

Methodology

As noted above, the following analysis draws from San Gabriel Valley TCAC applications for LIHTC from 2019 through the first half of 2021. These applications include project information like number of units, housing type, and construction type. In terms of project finances, these applications detail total development costs and the anticipated permanent financing sources to support the project construction ("capital stack"). Although the San Gabriel Valley TCAC pipeline includes a few acquisition and rehabilitation projects, the following summary focuses on new construction projects, as these projects require the most local gap funding and can be easily compared. In addition, these new development projects are the primary method to meet the SGVRHT's goals of increasing the production of new affordable housing in the San Gabriel Valley.

Affordable Housing Pipeline

The San Gabriel Valley pipeline currently includes 858 residential units in 13 new construction projects. The following section summarizes the total development costs, capital stack funding sources, and local gap financing. Where possible, the analysis also distinguishes between housing type, including large family, senior, special needs, and non-targeted affordable housing projects.

Total Development Cost

As reported below in Table 1, the average multifamily rental development cost in the San Gabriel Valley affordable housing pipeline is $460,605 per unit. These costs range from a low of approximately $200,000 per unit to a high of $727,500 per unit. For reference, the project with the lowest development cost per unit is a non-targeted studio project, keeping the per-unit cost lower than others. Broken down by housing type, the majority of projects in the San Gabriel Valley are large-family projects where the average cost of $532,685 per unit is likely driven by the larger unit sizes. The two senior projects have lower average development costs, at $458,744 per unit, given the smaller unit sizes in projects targeted to seniors. The one special needs project has an above-average development cost of $626,380 per unit. This higher average per unit cost is primarily driven by larger unit sizes and additional on-site amenities needed to serve the special needs population.

Table 21: Development Cost by Project, San Gabriel Valley TCAC Pipeline

TCAC Number	Project Name	City	Housing Type	Affordable Units	Development Cost Total	Development Cost Per Unit
CA-21-030	Baldwin Park Affordable Housing	Baldwin Park	Large Family	52	$34,102,177	$655,811
CA-19-131	El Monte Metro	El Monte	Large Family	24	$17,460,564	$727,524
CA-20-006	Ramona Metro Point	El Monte	Large Family	50	$27,567,282	$551,346
CA-20-061	El Monte Metro II	El Monte	Large Family	52	$24,778,796	$476,515
CA-20-082	Tyler - Valley Metro Housing	El Monte	Large Family	52	$27,380,335	$526,545
CA-21-007	11730 Ramona Boulevard	El Monte	Seniors	38	$22,250,037	$585,527
CA-19-040	Arboleda Apartments	La Puente	Seniors	73	$28,670,593	$392,748
CA-19-113	Beverly & Hay	Montebello	Large Family	80	$44,133,973	$551,675
CA-21-026	6th Street Grand	Montebello	Special Needs	62	$38,835,549	$626,380
CA-20-727	Pasadena Studios	Pasadena	Non-Targeted	179	$35,904,235	$200,582
CA-19-028	Veterans Park Apartments	Pomona	Large Family	60	$32,677,012	$544,617
CA-20-029	West Mission Apartments	Pomona	Large Family	56	$26,112,073	$466,287
CA-19-111	Avocado Heights	Unincorporated	Large Family	80	$35,326,467	$441,581
Total, All New Construction Projects				**858**	**$395,199,093**	**$460,605**
Large Family Projects				*506*	*$269,538,679*	*$532,685*
Senior Projects				*111*	*$50,920,630*	*$458,744*
Special Needs				*62*	*$38,835,549*	*$626,380*
Non-Targeted				*179*	*$35,904,235*	*$200,582*

Sources: TCAC; BAE, 2021.

Funding Sources

Based on two years of San Gabriel Valley applications for TCAC allocations, the following subsection provides an overview of the funding source capital stack for new construction projects. Primary funding for affordable housing projects comes from several federal, state, and private sector sources; however, these sources typically do not cover all development costs. The remaining funding gap must be filled by local funding sources, including cities, counties, and housing authorities. These local sources are relatively limited in the San Gabriel Valley, and the SGVRHT's efforts are aimed at stimulating additional affordable housing construction by raising funds to the fill that gap.

Capital Stack

As summarized in Table 2, based on the capital stack of each project, the most significant funding source for affordable housing projects in the San Gabriel Valley is state and federal LIHTCs. These sources are distributed by the California Tax Credit Allocation Committee (TCAC) and provide nearly 70 percent of the required funds to develop the projects in the San Gabriel Valley TCAC pipeline. After LIHTC and permanent debt (e.g., loans from commercial banks that can be repaid from a project's net operating income), both traditional affordable housing funding sources, the remaining sources come from state resources, private sources, and local funding.

On a per project basis, the LIHTC portion of total development costs ranges from a low of 40 percent, likely for a project leveraging the less lucrative four-percent federal tax credit program, to a high of 92 percent, likely for a project seeking to use the more competitive nine-percent federal tax credit program combined with the California state tax credit.

The second most significant funding source is private permanent debt supported by rental income. On average, private permanent debt accounts for 20 percent of the capital stack, ranging from seven percent to 58 percent, depending on project rent income. Projects with lower affordability collect less rent, and therefore leverage lower loan amounts of private debt unless rental subsidies are secured to bring in additional cash flow.

State programs offer large project-based fund contributions although San Gabriel Valley projects are evidently less competitive for state funds, given only two projects have received funds from state programs, including one allocation of No Place Like Home funds and one allocation of Veterans Housing and Homelessness Prevention Program funds. On average, these state programs account for just three percent of all funds in the current San Gabriel Valley TCAC affordable housing pipeline, though they account for 13 percent and 20 percent of the funds in the two projects that received state funds.

An additional one percent of funds are provided by developers and investors, predominantly in the form of developer equity and development fee contributions.

The final, and least consistent, funding source is local funds and contributions, which account for the remaining eight percent of the total funding needs of projects in the San Gabriel Valley. Only five of the 13 new construction TCAC pipeline projects in the San Gabriel Valley did not require any local funds, while the majority of projects required between 11 and 16 percent of development funds from local sources.

Table 22: Funding Type by Project, San Gabriel Valley Affordable Housing Pipeline

TCAC Number	Project Name	Affordable Units	Funding Type by Percent LIHTC	Debt	State	Private	Local
CA-21-030	Baldwin Park Affordable Housing	52	64%	36%	0%	1%	0%
CA-19-131	El Monte Metro	24	78%	7%	0%	3%	12%
CA-20-006	Ramona Metro Point	50	54%	19%	13%	1%	13%
CA-20-061	El Monte Metro II	52	92%	8%	0%	0%	0%
CA-20-082	Tyler - Valley Metro Housing	52	75%	14%	0%	0%	11%
CA-21-007	11730 Ramona Boulevard	38	89%	9%	0%	0%	2%
CA-19-040	Arboleda Apartments	73	88%	11%	0%	1%	0%
CA-19-113	Beverly & Hay	80	66%	20%	0%	0%	14%
CA-21-026	6th Street Grand	62	64%	22%	0%	0%	14%
CA-20-727	Pasadena Studios	179	40%	58%	0%	1%	0%
CA-19-028	Veterans Park Apartments	60	54%	10%	20%	0%	16%
CA-20-029	West Mission Apartments	56	60%	15%	0%	1%	24%
CA-19-111	Avocado Heights	80	89%	11%	0%	0%	0%
Total, All New Construction Projects		**858**	**69%**	**20%**	**3%**	**1%**	**8%**
Large Family Projects		*506*	*70%*	*16%*	*4%*	*1%*	*10%*
Senior Projects		*111*	*89%*	*10%*	*0%*	*0%*	*1%*
Special Needs		*62*	*64%*	*22%*	*0%*	*0%*	*14%*
Non-Targeted		*179*	*40%*	*58%*	*0%*	*1%*	*0%*

Sources: TCAC; BAE, 2021.

Local Gap Funding Sources for the TCAC Pipeline

As previously indicated, local gap funding sources account for roughly eight percent of the required funds to support affordable housing construction in the current San Gabriel Valley TCAC project pipeline. Across the 858 units in the TCAC pipeline, these funds total $32.1 million, or an average of $37,000 per unit. On a per project basis, local gap funding ranges from a high of $6.2 million of local funds in the West Mission Apartments project in the City of Pomona, to a low of $500,000 in the 11730 Ramona Boulevard senior project in the City of El Monte. These local gap fund contributions include a range of funding sources, detailed below.

Land Donation – The most common local funding contribution comes in the form of land donation or land loans. Of the 13 projects in the San Gabriel Valley TCAC pipeline, five of these projects relied on free or subsidized land from the public agency. The provision of public land for affordable housing helps in two ways. The first is an ability to reduce the cost of land and therefore reduce the cost of the overall project. The second is that public lands allow the public entity to dictate and restrict the uses on the site. In recent contexts, cities are providing public land for affordable housing to assist affordable housing developers that are unable to compete with market rate developers for land. This is arguably the most critical method for contributing funds and supporting the delivery of affordable housing in the San Gabriel Valley.

HOME/CDBG Funds – One city contributed their federal HUD dollars to support the development of affordable housing with HOME Investment Partnerships Program (HOME) and Community Development Block Grants (CDBG) funds. Two of the 13 new construction projects received allocations of HOME/CDBG dollars, both in the City of El Monte, of roughly $600,000 per project.

Impact Fee Waivers – Two additional projects received waivers from paying local impact fees. The value of these waivers depends on the number of units, but ranged from $300,000 to $1.7 million, or $5,000 to $32,000 per unit.

Housing Trust Funds – Two other projects received direct loans from the local municipal housing trust funds. Both projects are located in the City of El Monte and received funds amounting to $500,000 per project.

LACDA Funds – Three project received funds from the Los Angeles County Development Authority (LACDA). These funds ranged from $2.0 million to $6.0 million per project, or $32,250 per unit to $86,700 per unit.

Other Grants – One development in the City of Pomona received a $2.8 million grant from Tri-City Mental Health, a joint powers authority established by the cities of Pomona, La Verne, and Claremont.

Findings on Per Unit Gap Funding Need

As the SGVRHT ramps up operations to support the delivery of affordable housing throughout the San Gabriel Valley, the Trust should work with San Gabriel Valley cities to identify opportunities to contribute a variety of funds from those discussed above as well as to develop new sources that complement SGVRHT funds. In areas where the local jurisdiction is unable to provide local supporting funds, the above analysis suggests the Trust should aim to provide an average (either on its own or leveraged with another source) of nearly $40,000 per unit in gap financing to support the delivery of units throughout the San Gabriel Valley. This figure is based on the average local gap financing provided for the existing pipeline of TCAC projects in the San Gabriel Valley.

FUND DEVELOPMENT STRATEGY

Overview

This fund development strategy chapter, prepared by The Future Organization, provides an overview of the various philanthropic, corporate, and charitable giving fund development opportunities available to the SGVRHT, offers recommendations for the implementation of a private fund development program, and suggests organizational priorities in regard to how the plan is implemented to support the SGVRHT's adopted Strategic Priorities. The SGVRHT 2021-2026 Strategic Plan, Impact Strategies, Strategic Priorities, and associated three-year Implementation Plan includes and prioritizes the recommended fund development activities as described in this memo, in consideration of the maturity model proposed as the SGVRHT seeks to establish its' 501(c)3 status.

Research conducted by The Future Organization validated the need for SGVRHT to develop a diverse private fund development strategy that supports the organization in leveraging the variety of sources that are available to support planned affordable housing activities in the San Gabriel Valley. Insights were discovered through a series of 15 executive interviews with comparable regional housing trust funds, philanthropic, and corporate leaders supportive of housing development, desk research into current trends across philanthropy, and an environmental scan of housing trust funds across the United States.

The strategic planning research confirms that SGVRHT and its member cities can access direct private funding opportunities to support the programmatic priorities identified through the strategic planning process, including 1) continued lending for the affordable housing pipeline; 2) support for advocacy priorities that expand creation of housing in the region; 3) investment in first time homebuyer programs for middle income families; and, 4) funding of innovations that could impact affordability and development across the San Gabriel Valley housing market.

Key Recommendations

The following are the research-based, recommended private funding strategies that SGVRHT should implement to support the strategic priorities adopted by its Board differentiated through short, medium, and long-term priorities:

Short Term Priorities: Organizational Capacity Building

1. SGVRHT should establish a 501(c)3 to support and diversify funding across public, private, philanthropic, corporate, and community development bank investments to create a robust pipeline of affordable housing, and stabilization/preservation of its' member cities' existing housing stock, enabling the SGVRHT to achieve broader funding success, and greater impact for programs and strategic initiatives;

2. SGVRHT should identify an existing nonprofit entity fiscal sponsor such as Community Partners in order to activate all 501(c)3 activities until the filings are finalized with the California Secretary of State and the Internal Revenue Service (IRS), selecting the 501(c)3 subclass that most closely fits the nonprofit's activity;
3. 3. SGVRHT should establish a program evaluation tool that enables the tracking impact from programs which receive private funding;
4. SGVRHT should deploy client relationship management software to build institutional memory for relationship management, and track revenue streams and outcomes across all funding channels;
5. SGVRHT should hire a fund development professional in line with its Strategic Plan, who will work closely with internal staff and leadership to steward fund development opportunities;
6. SGVRHT should establish a clear value proposition which is consistent across all marketing materials to highlight the mission, vision, and values of the organization;
7. SGVRHT should partner with one or more local foundations to establish and receive Program Related Investments (from 1% to 3% in foundation returns for loans between 3% and 5%) to advance objectives for revolving loan fund activities;
8. SGVRHT should partner with local foundations to activate giving from high-wealth, individual donors for their program-related objectives through establishment and management of Donor Advised Funds (DAFs);
9. Although it is not recommended that SGVRHT cultivate individual public donors through a mass market fundraising approach, it should ensure that a donation mechanism is set up on its website once it has finalized 501(c)3 status or affiliation;
10. SGVRHT should apply for grants to reduce the burden of operating costs funded by membership fees, enabling the retention of such funds for lending activity and programs;
11. SGVRHT should apply for grants that support core program activities in the areas of: advocacy, technical assistance, and innovation;
12. Mid Term Priorities: Fund and Relationship Development
13. SGVRHT should begin to cultivate relationships with private funders at the regional and state level as a priority before making an approach to national-level private funders;
14. SGVRHT should conduct a launch event to establish and grow relationships that can deliver funds for advocacy and technical assistance activities;
15. SGVRHT should identify opportunities to affordable housing lending client projects through provision of direct grants and resources for amenities that support health promotion, sustainability, public art, social cohesion, community amenity, and resiliency in affordable housing, which can be supported through fund development activity;
16. Long term Priorities:
17. 15. SGVRHT should consider building a diverse Board of Directors for its 501(c)3 entity, representing philanthropy, banking, business, affordable housing

professionals, and community members, which will aid in relationship cultivation activities for private fund development;

18. SGVRHT should establish banking relationships with multiple banks over time to optimize the return on financial products in a competitive market, and to maximize the potential for charitable contributions (donations, grants, and sponsorships) from its lending partners;
19. SGVRHT should engage relationships with major employers and industry-leading companies across the San Gabriel Valley through its existing interface and affiliation with local member organizations, such as the San Gabriel Valley Economic Partnership and member-city Chambers of Commerce, to seek direct private funding, sponsorships for events, and secure naming rights for facilities and amenities within affordable housing developments; and,
20. SGVRHT should continue to develop how it represents the social impacts from its program and service delivery offerings, which will enhance the success rate from its efforts to develop private funding opportunities into the future.

Private Fund Development

Specifically related to private funding, a key insight from the strategic planning process was that creating collaborative access to private funding was perceived by members as the most important funding activity for the organization. Strategic activities recommended in this memorandum include understanding and applying the market research, establishing a nonprofit organization, tailoring fundraising proposals to the foundation and corporate research, establishing a value proposition, cultivating relationships, and tracking program evaluation metrics.

Establishment of a 501(c)3 Nonprofit Organization

The consultant group explored the SGVRHT's interest and commitment to becoming a 501(c)3 to advance its primary goal of fully establishing itself as a lending organization. Research found the need for SGVRHT to establish itself as (or maintain affiliation with) a 501(c)3 nonprofit entity is fundamental in SGVRHT's ability to develop progressively impactful private funding opportunities in partnership with the philanthropic (voluntary) sector as it evolves and matures. To quickly and efficiently pursue private funding sources, the SGVRHT will need to identify a fiscal sponsor for its 501(c)3 activation. Once this relationship has been secured, the SGVRHT can begin to seek grants that support key areas of organizational expenditure, such as providing core operating budget support, underwriting convener and policy advocacy initiatives, funding provision for technical assistance, development of innovation within affordable housing types, and research and development of lending products. These opportunities to apply private funding directly align with the now-established business priorities of SGVRHT.

Private Fund Market Opportunity

Analysis of an IRS-sourced national database of more than 123,000 U.S.-based foundations confirmed that the vast majority U.S. foundations are unsuitable for private funding approach by an HTF, due to the specifications of their charitable purpose and service missions.

In examining current market conditions, the recent impacts of the COVID-19 pandemic do not appear to have substantively changed the willingness of foundations to donate money in general, with strong evidence of continuing engagement across all channels of giving and causes. However, the pandemic has continued to refine and narrow the scope of many potential private fund sources to achieve specific social outcomes from their grants, donations, and program-related investment activity. The relationship between strong social outcomes, and well-resourced nonprofits remain consistent, presenting an opportunity for SGVRHT to develop their nonprofit business activity to demonstrate delivery of thoughtful, well managed, and impactful programs.

Establishing a Value Proposition for Private Funders

Based on the research undertaken across the Strategic Planning Study, the Private Funding Environmental Scan, and from prior research conducted by policy advocates, the national market of approximately 770 HTFs is highly fragmented, and offers a wide range of varying services, activities, and initiatives, with many HTFs not engaged in housing development lending. In order to stand out in the market, the SGVRHT must clearly identify the specific value proposition that the organization will use to describe its activities, specifically to private and charitable funders, including financial institutions, corporations, foundations, and individual donors.

A high-quality value proposition communicates why partners, funders and the greater community should engage with, and support the SGVRHTF over other HTFs and/or nonprofits. A strong value proposition will enable the SGVRHTF to communicate its contribution to resolving the issues of its communities and to society-at-large. It also demonstrates impact in the SGVRHTF's region as a product of all its programs, initiatives, and activities. All HTFs interviewed identified strong value propositions that extended beyond messaging of affordable housing unit production, firmly communicating intent to address social equity, end homelessness, enhance sustainability, and/or promote inclusive and vibrant cities.

Private Funder Relationship Cultivation

Relationship cultivation is a central activity to growing diversified, private funding value to produce future growth for SGVRHT. In examining foundation and corporate donors that gave to HTFs, most foundation partners were engaged from the early development of HTFs, tailoring and expanding their support as the organizations matured. A diversity of community stakeholders is represented within the 501(c)3 boards of directors for high-achieving HTFs, inclusive of members also serving across foundations, regionally based corporations, and additional high-net worth individuals. SGVRHTF should consider this hybrid approach and find balance between the participation of governmental and civic stakeholders, leveraging the expertise and participation of local government member cities and the human capital represented across its service geography. By doing so, SGVRHT will expand its network of ambassadors and connections to potential donors.

All HTFs who gave input to The Future Organization's private fund development research possessed dedicated leadership with strong orientation to cultivating relationships that facilitate private giving across the philanthropic, public, corporate, and banking sectors. Strong business relationships were also evidenced to lead to major donor cultivation, corporate support, and new revenue streams needed to meet housing production goals; in turn, promoting economically resilient and diverse communities. In addition to establishing a diverse board of directors with leadership engagement across business sectors, the SGVRHT should hire a fund development professional to help steward these relationships, conduct formal solicitations, manage grantmaking activities, and build the internal systems within SGVRHT that help to enhance these relationships.

Private Funding Sources

There are distinctive channels of corporate, philanthropic, and individual funding sources that can fund elements of strategy and operations for SGVRHT. Highly successful HTFs with strategic priorities and business activities similar to those intended by SGVRHTF consistently take a diversified approach to fund development across private sector channels, with thoughtful consideration of the value proposition that aligns with private funders, such as the goals to invest in affordable housing production, end homelessness, enhance community stability, and creating and preserving workforce housing supply and affordability (a priority for corporate funders).

It is recommended that SGVRHT focus on relationship development and maintenance of a clear value proposition in connection with market segment interests and successful implementation of its' fund development strategy work. Also vital in establishing the importance of SGVRHT's activities to private funders from an early stage: establishing the capability to measure and communicate the performance of program activities funded by these channels of support.

HTFs consistently engage corporations within their direct service geographies for sponsorships, donations, and program-related investment. For HTFs with significant representation from technology giants in their regions, investment portfolios were cultivated, underwritten, and/or administered to advance lending activities. These investment initiatives represent the needs of the corporations to "give back," but are tailored to community need via local HTFs. Although many California HTFs had opportunity to engage with prominent partners in technology as corporate funders, there is no evidence that major corporations or organizations in other industries would not be willing to consider an HTF as a partner – if their core, philanthropic objectives are aligned.

The San Gabriel Valley is home to numerous key growth industries and major employers, including transportation, aerospace, healthcare, research, manufacturing, and technology companies. This represents an opportunity for the SGVRHT to explore opportunities to partner on shared goals. These major employers conduct charitable giving activities that can align with the SGVRHT to receive donations, sponsorships for events, sponsorship or naming rights for amenities within the affordable housing (technology, health clinic, fountains, orchards, or gardens, parklets, bike storage, public art, etc.). SGVRHT can pursue sponsorships to advance the goals of the organization, by identifying the interests and priorities across industry partners, as well as its lending partners who may have wish list items that add value to the community. This additional support can be offered competitively, or delivered as additional incentive awards or one-time grants, coupled with lending capital.

Focus on Banking Institutions

The San Gabriel Valley holds great promise for SGVRHT in its primary role as a lender to generate affordable housing projects, and as a prospective lender in support of first-time home buying activity. The San Gabriel Valley hosts a significant population of local community development banks, affiliates of major institutions, community development financial institutions, and minority depository institutions. Community Development bank lending divisions can recommend charitable giving support to foundations by invitation, based on projects and partners that they work with on the lending and credit side. Through Community Reinvestment Act (CRA) dollars, banks are incentivized to work with Community Development Financial Institutions (CDFIs) and their partners to demonstrate creative and impactful investments in their communities to Federal regulators. Lending for Program Related Investments (PRIs), traditional loans, and lines of credit must have clear goals, targeted impact, and address gaps in the market, with a focus on equity.

By working closely to cultivate relationships with both local and national banks for lending products, additional support will be secured by way of sponsorships, grants, and donations from these institutions. Banks that regularly work with partners on the lending side can recommend consideration for larger philanthropic giving opportunities in alignment with their grantmaking priorities (such as Chase Global Philanthropy, Bank of America Charitable Foundation, and others), especially as HTFs grow and prove their increasing levels of capability to deliver on their mission. HTFs interviewed presented a strong correlation between community development lending relationships and other forms of bank support, such as sponsorships, grants, and donations. A key theme across executive interviews undertaken with HTFs regarding private funding was the connection between developing strong banking relationships across multiple banks to optimize the return on financial products in a competitive market, and maximize the potential for charitable contributions from their lending partners.

Foundations

Across the United States, recent philanthropic trends show adoption of increased focus on advancing community equity and addressing disparities across healthcare, housing, education, and social justice. Place-making, access to public amenities, community development, and working across sectors to inform multiple social outcomes remain key attractors to successful funding of major grant requests. Most foundations identify strong expectations that organizations will make grant applications and funding requests that align well with their own social purpose and intended impacts, as they inform their annual investment. HTFs are no exception and are not regarded differently from other nonprofits seeking funding from a rationally constrained pool of philanthropic dollars.

In addition to programmatic support, many HTFs have received grants for core operating support prior to achieving sufficient capitalization for sustained lending activity, to support operations and retain the value of lending funds. As a social determinant of health, housing affordability has many upstream impacts, thus healthcare foundations are making targeted investments in housing when developed with access to other community amenities such as: healthcare, transit, fresh food access, schools, jobs, and recreation facilities. Alignment of SGVRHT priorities with those of foundations, geared towards the specific outcomes they seek, is central to successful, private fund development in this channel.

San Gabriel Valley-Based Foundations
As of data obtained from the IRS for 2019, there are 598 active foundations located across the San Gabriel Valley, with further analysis suggesting as many as 151 may be suitable for SGVRHT to perform outreach and gain early ground in establishing local private funding. Many of these foundations provide "general" funding for SGV-based endeavors.

As a principal private fund development strategy, the SGVRHT should commence activities to approach these local foundations to communicate its value proposition, strategic priorities, and goals to enlist their support and activate opportunities for grants, donor-advised fund development, and/or program-related investment activity. Establishing local relationships early to align grantmaking, donations, and investment with priorities will assure investment, and future success. Establishing early success with local and regional foundations will enable progressively better performance in seeking and receiving private funds from larger foundations and giving institutions.

California-Based Foundations
There are many California based foundations that directly support housing initiatives (including many supported directly from the healthcare sector), such as Kaiser, Anthem Blue Cross, Cigna Healthcare Foundation, and others such as Hilton, United Way, The California Endowment, California Community Foundation, and The California Wellness Foundation. They represent a significant share of philanthropic assets based in California, and boast an incredible degree of potential for private fund support of housing initiatives. The California Endowment recently committed $200 million in social impact equity bonds to drive additional outcomes across California through healthcare, housing, and food access investments. It is not recommended that SGVRHT make direct approach to this class of large, statewide foundation until an

established track record of local and/or regional support from San Gabriel Valley foundations is achieved and social impact can be demonstrated. In an interview with a large statewide foundation, the private fund executive shared the insight that they would want to see that the local partners of the SGVRHT have some "skin in the game" before an approach should be made to their institution

National Foundations

It is estimated that no more than 100 national-level (or "blue-chip") foundations directly support housing development in any capacity, with giving ranges from $10,000 to millions of dollars of investment to support activities in this charitable marketplace. Many national-level foundations prefer to fund other major and regional "clearinghouse" nonprofits across this category, rather than support smaller, localized institutions and organizations directly, due to issues with scalability of business activity against impacts. Philanthropic support is represented across national-level HTFs through a variety of funding mechanisms from direct grant making activities, event sponsorship, donor advised funds, program related investments, or social impact investing.

The SGVRHT should begin its private fund development strategy by gradually scaling its fund development activities, starting with local and regional foundations, escalating engagement in scope to eventually approach statewide and national-level foundations. It is essential that engagements align well with the expectations of both state- and national-level foundations to connect with their missions and deliver measurable social impact from programs and service delivery.

As noted previously, it is not recommended that SGVRHT expend its resources to cultivate relationships with stakeholders at national-level foundations at this time. While engaging successfully with a national-level foundation represents a tremendous opportunity for an organization that dedicates a significant amount of investment and resources as part of an evolved fund development strategy, building and scaling success with local foundations as partners is critical to successful engagement with this sector. This is where SGVRHT should begin to cultivate relationships for the maximum probability of private fund development success over the long term.

Program-Related Investments

Program-related investments (PRIs) are a channel for social impact investing from foundations into communities, defined by the IRS as investments by foundations made with the primary purpose of accomplishing mission, not the generation of income. PRIs in the United States can legally be counted toward a private foundation's annual distribution requirement (a 5% minimum). Directing such contributions to a revolving loan fund is one such mechanism for SGVRHT to meet this IRS requirement. One major foundation engaged in the research process indicated that HTFs need demonstrated credibility, local investment (government fees, permanent source), and to have documented commitment by a significant proportion of community stakeholders to attract the establishment of PRIs.

All of the HTFs interviewed regarding private fund development partnered with one or more local foundations to receive either direct support or partnered on program-related investments. Foundations receive 1 to 3% in return on their investments, enabling 3 to 5% in direct lending by the HTFs) to advance their charitable objectives for revolving loan fund activities. HTFs paid fees to the foundations for managing such funds. Alignment of goals allows for flexible terms and a pipeline of funds that translate directly into lending activities, which revolve to support more projects over a multi-year timeframe. Most foundations that establish PRI-based relationships have been partnered with HTFs from their inception. In some cases, the resources of multiple foundations are combined under a collaborative initiative that can support more ambitious streams of program-related investment for targeted impact in a region. As the SGVRHT builds its fund development capability, it can pursue development of funder collaboratives to support housing production and/or ending homelessness in the San Gabriel Valley.

Donor-Advised Funds

Donor-advised funds (DAFs) are another foundation-related, private fund channel which allows HTFs to partner with local foundations to strategically target giving from high-wealth individuals in support of their program objectives. Initially, individuals considering establishment of DAFs have already received tax benefit from charitable giving but often the money is unallocated or unspent. Donor-advised funds are managed within the giving portfolios of foundations, which manage donor investment levels across local nonprofits.

HTFs with well-defined value propositions that consistently produce social impact can attract the establishment of DAFs, as long as their priorities align with those of the donors. This strategy proves effective in engaging smaller donors, replacing an individual donor cultivation strategy that many traditional nonprofits utilize with significantly less efficiency and higher costs of engagement. These funds can be directed by foundations into charitable causes for donors who want to support “housing” but are not familiar with prospective nonprofit beneficiaries and their programs. For donors who want to invest $50 to $100k annually in an area of social impact, traditional affordable housing development is perceived as expensive, with a slow return on investment, whereas supporting tiny homes, operations at a homeless shelter, staff, housing amenities, food security, or job development programs represent a stronger and more immediate return. All HTFs interviewed engaged with foundations to enable ongoing revenue from donor advised funds, ranging from $25,000 per year up to $25 million in matching revolving loan program fund donations. In the short term, SGVRHT can establish DAF program support by identifying a local foundation partner to co-brand, cross-promote, market, and build a DAF program.

Corporate Sponsorships and Donations

HTFs consistently engage corporations within their direct service geographies for sponsorships, donations, and program-related investment. For HTFs with significant representation from technology giants in their regions, investment portfolios were cultivated, underwritten, and/or administered to advance lending activities. These investment initiatives represent the needs of the corporations to "give back", but are tailored to community need via local HTFs. Although many California HTFs had opportunity to engage with prominent partners in technology as corporate funders, there is no evidence that major corporations or organizations in other industries would not be willing to consider an HTF as a partner – if their core, philanthropic objectives are aligned.

The San Gabriel Valley is home to numerous key growth industries and major employers, including transportation, aerospace, healthcare, research, manufacturing, and technology companies, representing an opportunity for the SGVRHT to make an approach to explore opportunities to partner on shared goals. These major employers conduct charitable giving activities that can align with the SGVRHT to receive donations, sponsorships for events, sponsorship or naming rights for amenities within the affordable housing (computer lab, health clinic, fountains, orchards, or gardens, parklets, bike storage, public art, etc.). SGVRHT can pursuit sponsorships to advance the goals of the organization, by identifying the interests and priorities across industry partners, as well as its lending partners who may have wish list items that add value to the community. This additional support can be offered competitively, or delivered as additional incentive awards coupled with lending capital.

Individual Giving

The nonprofit sector commonly accepts donations from individual donors of all capabilities, conducting a wide range of donor cultivation activities. HTFs that successfully deliver lending activities similar to those of SGVRHT do not commonly seek small individual donations, but work with foundations to develop donor-advised funds, engage high-net worth individuals through board engagement, and corporate sponsors/donors through relationship cultivation in this sector. SGVRHT serves the affordable housing and real estate market, making a direct appeal to the public at-large - a less effective strategy. An individual donor cultivation approach can be labor-intensive and requires persistent business activity from organizational stakeholders to build and manage relationships across the donor community. An individual donor approach also requires outlay of additional cost and staff time for donor cultivation.

Many traditional and highly successful nonprofits, especially public charity and service organizations, conduct individual fundraising appeals on an annual basis, dedicating staff time and resources to fulfill annual fund goals. Based on the strategic priorities expressed by SGVRHT throughout the research and engagement process, appeal to individual donors across the San Gabriel Valley is not identified as a highly productive, high-value approach for the organization to generate private funding. The SGVRHT should include an individual donor feature on its website, but annual solicitation letters are not recommended. Additionally, the individual giving strategy should not be relied upon as a major revenue stream.

Events

Events are not commonly utilized by HTFs to raise funds through individual tickets and donations, but act instead as a channel for "friend raising", convening, and alliance-building, where sponsorships can cover event costs and other donations are generated organically. Many nonprofits activate their donor base through production of an annual event. The traditional gala/annual events require months of planning and coordination with little return on investment. A move towards casual "friend raising" events is a trend observed nationally, which would be the best approach for SGVRHT.

HTFs that host an annual event do so with the goal of thanking their business partners, building coalitions of support for affordable housing, and generating sponsorships to retain a cost neutral position on the event. It is recommended that SGVRHT use the casual mixer event to build relationships with philanthropy, corporate, and banking sectors, highlighting their policy agenda to advance affordable housing through the unit production goals, technical assistance, and first-time homebuyer goals in the region. Corporate sponsors can be sought to cover the cost of food, beverages, educational workshops, and guest speakers, thinking about creating opportunity, visibility, partnership, and regional alignment to meet strategic priorities. HTFs reported that donors will still bring their checkbooks to these events to support the 501(c)3 activities.

Crowdfunding

While many nonprofits engage in crowdfunding, this strategy would have less appeal to prospective donors, as SGVRHT was formed as a quasi-governmental entity. Additionally, event production, design costs, print costs, advertising, and annual solicitations require significant investment of capital without any guarantee of return on investment.

Measurement

Every grant application requires that nonprofits requesting funding clearly identify how they will address a community need, and evaluate their programs or measure the impact the initiative had on the community. Depending on the source of funding, the nonprofit will be required to report to their funder on a monthly, quarterly, or annual basis. Many nonprofits report their outcomes in "real time" on a dashboard built into their website. The nonprofit will have annual audits where expenses need to be identified to correspond with program spending. Having clearly delineated program evaluation framework will help create goals and metrics to identify how the SGVRHT 501c3 will make decisions about program funding it will seek, but also prepare to measure and report on its objectives. The SGVRHT may use this program evaluation tool to report on outcomes to its' board of directors and the general public to assure ongoing community support. The outcomes should go beyond simple counts (housing built, loans administered, people served), measuring perceptions, client and beneficiary satisfaction, and upstream impacts on community need. A strong evaluation model will enable the SGVRHT to tell their story and market the activity of the nonprofit to further engage support of large funders.

Activating Private Fund Strategy: Tool Development

Successful nonprofit fund development includes taking a diversified approach to the market, aided by deployment of a comprehensive toolkit to activate private funding opportunities. While SGVRHT is building capacity through the JPA and a parallel 501(c)3, it is critical that SGVRHT build the infrastructure to support long term success in managing funds in a transparent, accountable, and compliant manner. Although final approval of the elements of this toolkit will be confirmed with SGVRHT, the following tools are recommended for use to kickstart private fund development activities:

1. Production of the value proposition that specifically connects with the audience of prospective private funders.
2. Production of redesigned marketing materials for engagement with prospective private funders (to be defined with SGVRHT);
3. Production of a program evaluation framework to guide program development for grant proposals, with metrics to measure impact;
4. Updates to the SGVRHT website to include a donation portal, a donation dashboard with targets, inclusive of value proposition messaging;
5. Production of a private fund development timeline, across all potential channels;
6. Scoping and identification of CRM software providers for the tracking of private fund relationships and partners, sponsors, major donors, and foundation grants, inclusive of evaluation; and
7. Continued development by SGVRHT of to-be-supplied lists of prospective corporate and foundation funders for the cultivation and development of program-related investments.

APPENDIX A: CITY-LEVEL DEMOGRAPHIC AND ECONOMIC CONDITIONS

Appendix A-1: Population and Households by Jurisdiction, 2010 and 2015-2019 Five-Year Sample Period

	City of Alhambra			City of Arcadia			City of Azusa			City of Baldwin Park		
Demographics	2010	2019	% Change	2010	2019	% Change	2010	2019	% Change	2010	2019	% Change
Total Population	83,089	84,647	1.9%	56,364	58,152	3.2%	46,361	49,753	7.3%	75,390	75,892	0.7%
Total Households	29,217	29,771	1.9%	19,592	19,520	-0.4%	12,716	12,811	0.7%	17,189	17,988	4.6%
Avg. HH Size	2.82	2.82		2.83	2.95		3.43	3.45		4.36	4.19	

	City of Bradbury			City of Claremont			City of Covina			City of Diamond Bar		
Demographics	2010	2019	% Change	2010	2019	% Change	2010	2019	% Change	2010	2019	% Change
Total Population	1,048	833	-20.5%	34,926	36,090	3.3%	47,796	48,095	0.6%	55,544	56,211	1.2%
Total Households	354	270	-23.7%	11,608	11,729	1.0%	15,855	15,350	-3.2%	17,880	17,904	0.1%
Avg. HH Size	2.96	3.09		2.57	2.69		2.99	3.10		3.10	3.13	

	City of Duarte			City of El Monte			City of Glendora			City of Industry		
Demographics	2010	2019	% Change	2010	2019	% Change	2010	2019	% Change	2010	2019	% Change
Total Population	21,321	21,559	1.1%	113,475	115,517	1.8%	50,073	51,801	3.5%	219	373	70.3%
Total Households	7,013	7,132	1.7%	27,814	29,913	7.5%	17,141	16,887	-1.5%	69	85	23.2%
Avg. HH Size	2.98	2.98		4.04	3.82		2.88	3.01		3.10	4.20	

	City of Irwindale			City of La Cañada Flintridge			City of La Puente			City of La Verne		
Demographics	2010	2019	% Change	2010	2019	% Change	2010	2019	% Change	2010	2019	% Change
Total Population	1,422	1,394	-2.0%	20,246	20,261	0.1%	39,816	40,020	0.5%	31,063	32,211	3.7%
Total Households	374	392	4.8%	6,849	6,423	-6.2%	9,451	9,415	-0.4%	11,261	11,521	2.3%
Avg. HH Size	3.67	3.56		2.95	3.15		4.21	4.24		2.70	2.73	

	City of Monrovia			City of Montebello			City of Monterey Park			City of Pasadena		
Demographics	2010	2019	% Change	2010	2019	% Change	2010	2019	% Change	2010	2019	% Change
Total Population	36,590	36,816	0.6%	62,500	62,742	0.4%	60,269	60,439	0.3%	137,122	141,258	3.0%
Total Households	13,762	12,928	-6.1%	19,012	18,888	-0.7%	19,963	19,955	0.0%	55,270	55,224	-0.1%
Avg. HH Size	2.65	2.83		3.27	3.30		3.01	3.02		2.42	2.49	

	City of Pomona			City of Rosemead			City of San Dimas			City of San Gabriel		
Demographics	2010	2019	% Change	2010	2019	% Change	2010	2019	% Change	2010	2019	% Change
Total Population	149,058	152,209	2.1%	53,764	54,282	1.0%	33,371	34,048	2.0%	39,718	40,143	1.1%
Total Households	38,477	39,097	1.6%	14,247	14,455	1.5%	12,030	11,415	-5.1%	12,542	12,401	-1.1%
Avg. HH Size	3.77	3.77		3.74	3.72		2.73	2.91		3.13	3.19	

	City of San Marino			City of Sierra Madre			City of South El Monte			City of South Pasadena		
Demographics	2010	2019	% Change	2010	2019	% Change	2010	2019	% Change	2010	2019	% Change
Total Population	13,147	13,194	0.4%	10,917	10,932	0.1%	20,116	20,721	3.0%	25,619	25,661	0.2%
Total Households	4,330	4,487	3.6%	4,837	4,664	-3.6%	4,569	5,072	11.0%	10,467	9,827	-6.1%
Avg. HH Size	3.02	2.92		2.26	2.34		4.39	4.08		2.43	2.60	

	City of Temple			City of Walnut			City of West Covina			Unincorporated Los Angeles County		
Demographics	2010	2019	% Change	2010	2019	% Change	2010	2019	% Change	2010	2019	% Change
Total Population	35,558	36,042	1.4%	29,172	29,903	2.5%	106,098	106,589	0.5%	338,800	343,962	1.5%
Total Households	11,606	11,467	-1.2%	8,533	9,069	6.3%	31,596	30,430	-3.7%	96,016	95,980	0.0%
Avg. HH Size	3.03	3.10		3.41	3.29		3.34	3.47		3.49	3.55	

Sources: U.S. Census Bureau, 2010 Decennial Census, Table P12, P42, and H16; American Community Survey, 2015-2019 five-year sample data, Table B26001, S0101, and S1101; BAE, 2021.

Appendix A-2: Age Distribution by Jurisdiction, 2015-2019 Five-Year Sample Period (Page 1 of 2)

	City of Alhambra		City of Arcadia		City of Azusa		City of Baldwin Park	
Age Distribution	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Under 18	14,332	16.9%	12,900	22.2%	10,675	21.5%	17,952	23.7%
18-24	7,108	8.4%	3,255	5.6%	9,959	20.0%	8,054	10.6%
25-34	13,813	16.3%	6,571	11.3%	7,589	15.3%	11,953	15.8%
35-44	11,424	13.5%	7,286	12.5%	5,918	11.9%	9,901	13.0%
45-54	12,081	14.3%	8,824	15.2%	5,501	11.1%	10,485	13.8%
55-64	10,665	12.6%	8,221	14.1%	5,211	10.5%	8,338	11.0%
65 or older	15,224	18.0%	11,095	19.1%	4,900	9.8%	9,209	12.1%
Total Population	**84,647**	**100.0%**	**58,152**	**100.0%**	**49,753**	**100.0%**	**75,892**	**100.0%**
Median Age	**40.9**		**43.7**		**29.8**		**35.0**	

	City of Bradbury		City of Claremont		City of Covina		City of Diamond Bar	
Age Distribution	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Under 18	145	17.4%	6,624	18.4%	10,856	22.6%	11,267	20.0%
18-24	61	7.3%	5,844	16.2%	4,521	9.4%	4,134	7.4%
25-34	127	15.2%	3,599	10.0%	6,755	14.0%	7,384	13.1%
35-44	61	7.3%	3,971	11.0%	7,049	14.7%	6,921	12.3%
45-54	154	18.5%	4,684	13.0%	6,805	14.1%	8,290	14.7%
55-64	113	13.6%	4,393	12.2%	5,565	11.6%	8,826	15.7%
65 or older	172	20.6%	6,975	19.3%	6,544	13.6%	9,389	16.7%
Total Population	**833**	**100.0%**	**36,090**	**100.0%**	**48,095**	**100.0%**	**56,211**	**100.0%**
Median Age	**46.2**		**40.4**		**37.3**		**42.6**	

	City of Duarte		City of El Monte		City of Glendora		City of Industry	
Age Distribution	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Under 18	3,786	17.6%	26,549	23.0%	11,824	22.8%	130	34.9%
18-24	1,866	8.7%	12,080	10.5%	3,667	7.1%	43	11.5%
25-34	2,872	13.3%	17,971	15.6%	6,548	12.6%	58	15.5%
35-44	3,214	14.9%	15,002	13.0%	6,519	12.6%	49	13.1%
45-54	2,840	13.2%	15,215	13.2%	7,548	14.6%	59	15.8%
55-64	2,798	13.0%	13,142	11.4%	7,305	14.1%	7	1.9%
65 or older	4,183	19.4%	15,558	13.5%	8,390	16.2%	27	7.2%
Total Population	**21,559**	**100.0%**	**115,517**	**100.0%**	**51,801**	**100.0%**	**373**	**100.0%**
Median Age	**42.5**		**35.7**		**41.0**		**26.4**	

	City of Irwindale		City of La Cañada Flintridg		City of La Puente		City of La Verne	
Age Distribution	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Under 18	321	23.0%	5,282	26.1%	9,723	24.3%	6,585	20.4%
18-24	152	10.9%	1,310	6.5%	4,751	11.9%	2,902	9.0%
25-34	259	18.6%	1,523	7.5%	6,435	16.1%	3,167	9.8%
35-44	130	9.3%	1,978	9.8%	4,471	11.2%	3,419	10.6%
45-54	214	15.4%	3,086	15.2%	5,686	14.2%	4,286	13.3%
55-64	102	7.3%	3,314	16.4%	4,475	11.2%	5,409	16.8%
65 or older	216	15.5%	3,768	18.6%	4,479	11.2%	6,443	20.0%
Total Population	**1,394**	**100.0%**	**20,261**	**100.0%**	**40,020**	**100.0%**	**32,211**	**100.0%**
Median Age	**33.9**		**45.1**		**33.0**		**45.1**	

- Continued next page -

Sources: U.S. Census Bureau, 2015-2019 five-year sample data, Table B01002 and S0101; BAE, 2021.

Appendix A-2: Age Distribution by Jurisdiction, 2015-2019 Five-Year Sample Period (Page 2 of 2)

	City of Monrovia		City of Montebello		City of Monterey Park		City of Pasadena	
Age Distribution	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Under 18	7,559	20.5%	14,052	22.4%	10,453	17.3%	25,755	18.2%
18-24	3,024	8.2%	6,188	9.9%	4,028	6.7%	10,988	7.8%
25-34	4,753	12.9%	10,384	16.6%	8,428	13.9%	25,819	18.3%
35-44	5,893	16.0%	7,911	12.6%	7,916	13.1%	21,012	14.9%
45-54	5,727	15.6%	7,505	12.0%	7,498	12.4%	18,678	13.2%
55-64	4,759	12.9%	7,400	11.8%	9,215	15.2%	16,470	11.7%
65 or older	5,101	13.9%	9,302	14.8%	12,901	21.3%	22,536	16.0%
Total Population	**36,816**	**100.0%**	**62,742**	**100.0%**	**60,439**	**100.0%**	**141,258**	**100.0%**
Median Age	**40.4**		**36.1**		**44.1**		**38.6**	

	City of Pomona		City of Rosemead		City of San Dimas		City of San Gabriel	
Age Distribution	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Under 18	38,096	25.0%	10,612	19.5%	7,124	20.9%	6,976	17.4%
18-24	20,689	13.6%	4,881	9.0%	2,875	8.4%	3,280	8.2%
25-34	22,647	14.9%	7,459	13.7%	4,531	13.3%	6,179	15.4%
35-44	20,413	13.4%	6,400	11.8%	3,848	11.3%	4,984	12.4%
45-54	18,835	12.4%	7,974	14.7%	4,476	13.1%	6,237	15.5%
55-64	15,405	10.1%	7,807	14.4%	4,650	13.7%	5,683	14.2%
65 or older	16,124	10.6%	9,149	16.9%	6,544	19.2%	6,804	16.9%
Total Population	**152,209**	**100.0%**	**54,282**	**100.0%**	**34,048**	**100.0%**	**40,143**	**100.0%**
Median Age	**32.2**		**41.9**		**41.3**		**42.4**	

	City of San Marino		City of Sierra Madre		City of South El Monte		City of South Pasaden	
Age Distribution	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Under 18	3,010	22.8%	1,992	18.2%	5,324	25.7%	6,299	24.5%
18-24	504	3.8%	501	4.6%	2,014	9.7%	1,258	4.9%
25-34	1,102	8.4%	850	7.8%	3,262	15.7%	3,264	12.7%
35-44	1,523	11.5%	1,368	12.5%	2,467	11.9%	4,256	16.6%
45-54	2,076	15.7%	1,906	17.4%	2,768	13.4%	4,021	15.7%
55-64	2,251	17.1%	1,812	16.6%	2,414	11.7%	2,989	11.6%
65 or older	2,728	20.7%	2,503	22.9%	2,472	11.9%	3,574	13.9%
Total Population	**13,194**	**100.0%**	**10,932**	**100.0%**	**20,721**	**100.0%**	**25,661**	**100.0%**
Median Age	**46.9**		**49.0**		**34.4**		**40.1**	

	City of Temple		City of Walnut		City of West Covina		Unincorporated Los Angeles County	
Age Distribution	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Under 18	7,349	20.4%	5,370	18.0%	22,346	21.0%	71,381	20.8%
18-24	2,606	7.2%	2,315	7.7%	10,250	9.6%	31,647	9.2%
25-34	4,137	11.5%	3,663	12.2%	15,832	14.9%	46,738	13.6%
35-44	4,594	12.7%	3,348	11.2%	13,793	12.9%	44,203	12.9%
45-54	5,949	16.5%	3,887	13.0%	14,083	13.2%	47,265	13.7%
55-64	5,179	14.4%	5,216	17.4%	13,801	12.9%	47,095	13.7%
65 or older	6,228	17.3%	6,104	20.4%	16,484	15.5%	55,633	16.2%
Total Population	**36,042**	**100.0%**	**29,903**	**100.0%**	**106,589**	**100.0%**	**343,962**	**100.0%**
Median Age	**43.5**		**45.9**		**38.2**		**40.0**	

Sources: U.S. Census Bureau, 2015-2019 five-year sample data, Table B01002 and S0101; BAE, 2021.

Appendix A-3: Household Tenure by Jurisdiction, 2015-2019 Five-Year Sample Period

Tenure	City of Alhambra		City of Arcadia		City of Azusa		City of Baldwin Park	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Owner-Occupied	11,898	40.0%	11,609	59.5%	6,828	53.3%	10,195	56.7%
Renter-Occupied	17,873	60.0%	7,911	40.5%	5,983	46.7%	7,793	43.3%
Total Occupied Units	**29,771**	**100.0%**	**19,520**	**100.0%**	**12,811**	**100.0%**	**17,988**	**100.0%**

Tenure	City of Bradbury		City of Claremont		City of Covina		City of Diamond Bar	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Owner-Occupied	219	81.1%	7,580	64.6%	8,357	54.4%	13,606	76.0%
Renter-Occupied	51	18.9%	4,149	35.4%	6,993	45.6%	4,298	24.0%
Total Occupied Units	**270**	**100.0%**	**11,729**	**100.0%**	**15,350**	**100.0%**	**17,904**	**100.0%**

Tenure	City of Duarte		City of El Monte		City of Glendora		City of Industry	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Owner-Occupied	4,498	63.1%	11,966	40.0%	11,682	69.2%	14	16.5%
Renter-Occupied	2,634	36.9%	17,947	60.0%	5,205	30.8%	71	83.5%
Total Occupied Units	**7,132**	**100.0%**	**29,913**	**100.0%**	**16,887**	**100.0%**	**85**	**100.0%**

Tenure	City of Irwindale		City of La Cañada Flintridge		City of La Puente		City of La Verne	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Owner-Occupied	282	71.9%	5,835	90.8%	5,345	56.8%	8,539	74.1%
Renter-Occupied	110	28.1%	588	9.2%	4,070	43.2%	2,982	25.9%
Total Occupied Units	**392**	**100.0%**	**6,423**	**100.0%**	**9,415**	**100.0%**	**11,521**	**100.0%**

Tenure	City of Monrovia		City of Montebello		City of Monterey Park		City of Pasadena	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Owner-Occupied	6,044	46.8%	8,160	43.2%	10,401	52.1%	23,178	42.0%
Renter-Occupied	6,884	53.2%	10,728	56.8%	9,554	47.9%	32,046	58.0%
Total Occupied Units	**12,928**	**100.0%**	**18,888**	**100.0%**	**19,955**	**100.0%**	**55,224**	**100.0%**

Tenure	City of Pomona		City of Rosemead		City of San Dimas		City of San Gabriel	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Owner-Occupied	20,621	52.7%	6,982	48.3%	8,089	70.9%	5,475	44.1%
Renter-Occupied	18,476	47.3%	7,473	51.7%	3,326	29.1%	6,926	55.9%
Total Occupied Units	**39,097**	**100.0%**	**14,455**	**100.0%**	**11,415**	**100.0%**	**12,401**	**100.0%**

Tenure	City of San Marino		City of Sierra Madre		City of South El Monte		City of South Pasadena	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Owner-Occupied	3,865	86.1%	2,878	61.7%	2,578	50.8%	4,659	47.4%
Renter-Occupied	622	13.9%	1,786	38.3%	2,494	49.2%	5,168	52.6%
Total Occupied Units	**4,487**	**100.0%**	**4,664**	**100.0%**	**5,072**	**100.0%**	**9,827**	**100.0%**

Tenure	City of Temple		City of Walnut		City of West Covina		Unincorporated Los Angeles County	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Owner-Occupied	6,802	59.3%	7,696	84.9%	19,033	62.5%	67,782	70.6%
Renter-Occupied	4,665	40.7%	1,373	15.1%	11,397	37.5%	28,198	29.4%
Total Occupied Units	**11,467**	**100.0%**	**9,069**	**100.0%**	**30,430**	**100.0%**	**95,980**	**100.0%**

Sources: U.S. Census Bureau, American Community Survey, 2015-2019 five-year sample data, Table B25015; BAE, 2021.

Appendix A-4: Household Income by Jurisdiction, 2015-2019 Five-Year Sample Period (Page 1 of 2)

	City of Alhambra		City of Arcadia		City of Azusa		City of Baldwin Park	
Income Distribution	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Less than $15,000	3,196	10.7%	1,648	8.4%	940	7.3%	1,246	6.9%
$15,000-$24,999	3,044	10.2%	876	4.5%	892	7.0%	1,896	10.5%
$25,000-$34,999	2,310	7.8%	1,244	6.4%	1,003	7.8%	1,247	6.9%
$35,000-$49,999	3,570	12.0%	1,721	8.8%	1,629	12.7%	2,476	13.8%
$50,000-$74,999	5,026	16.9%	2,336	12.0%	2,628	20.5%	3,624	20.1%
$75,000-$99,999	3,340	11.2%	2,516	12.9%	1,756	13.7%	2,888	16.1%
$100,000-$149,999	5,134	17.2%	3,709	19.0%	2,522	19.7%	2,949	16.4%
$150,000-$199,999	2,016	6.8%	2,202	11.3%	844	6.6%	1,035	5.8%
$200,000 or more	2,135	7.2%	3,268	16.7%	597	4.7%	627	3.5%
Total Households	**29,771**	**100.0%**	**19,520**	**100.0%**	**12,811**	**100.0%**	**17,988**	**100.0%**
Median HH Income	**$61,384**		**$93,574**		**$68,216**		**$65,904**	

	City of Bradbury		City of Claremont		City of Covina		City of Diamond Bar	
Income Distribution	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Less than $15,000	16	5.9%	523	4.5%	1,016	6.6%	999	5.6%
$15,000-$24,999	17	6.3%	677	5.8%	1,072	7.0%	743	4.1%
$25,000-$34,999	10	3.7%	794	6.8%	1,186	7.7%	1,283	7.2%
$35,000-$49,999	22	8.1%	774	6.6%	1,794	11.7%	1,389	7.8%
$50,000-$74,999	24	8.9%	1,581	13.5%	2,999	19.5%	2,509	14.0%
$75,000-$99,999	21	7.8%	1,411	12.0%	2,286	14.9%	2,113	11.8%
$100,000-$149,999	27	10.0%	2,235	19.1%	2,533	16.5%	3,996	22.3%
$150,000-$199,999	35	13.0%	1,518	12.9%	1,419	9.2%	2,218	12.4%
$200,000 or more	98	36.3%	2,216	18.9%	1,045	6.8%	2,654	14.8%
Total Households	**270**	**100.0%**	**11,729**	**100.0%**	**15,350**	**100.0%**	**17,904**	**100.0%**
Median HH Income	**$146,250**		**$101,420**		**$70,780**		**$99,083**	

	City of Duarte		City of El Monte		City of Glendora		City of Industry	
Income Distribution	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Less than $15,000	806	11.3%	3,283	11.0%	1,043	6.2%	1	1.2%
$15,000-$24,999	371	5.2%	3,899	13.0%	840	5.0%	7	8.2%
$25,000-$34,999	413	5.8%	3,089	10.3%	913	5.4%	2	2.4%
$35,000-$49,999	743	10.4%	5,030	16.8%	1,657	9.8%	8	9.4%
$50,000-$74,999	1,229	17.2%	5,918	19.8%	2,217	13.1%	15	17.6%
$75,000-$99,999	1,003	14.1%	3,841	12.8%	2,048	12.1%	11	12.9%
$100,000-$149,999	1,311	18.4%	2,899	9.7%	3,909	23.1%	30	35.3%
$150,000-$199,999	842	11.8%	1,332	4.5%	1,867	11.1%	10	11.8%
$200,000 or more	414	5.8%	622	2.1%	2,393	14.2%	1	1.2%
Total Households	**7,132**	**100.0%**	**29,913**	**100.0%**	**16,887**	**100.0%**	**85**	**100.0%**
Median HH Income	**$75,083**		**$49,003**		**$96,132**		**$89,583**	

	City of Irwindale		City of La Cañada Flintridge		City of La Puente		City of La Verne	
Income Distribution	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Less than $15,000	34	8.7%	205	3.2%	799	8.5%	643	5.6%
$15,000-$24,999	34	8.7%	230	3.6%	704	7.5%	1,013	8.8%
$25,000-$34,999	31	7.9%	186	2.9%	824	8.8%	665	5.8%
$35,000-$49,999	51	13.0%	216	3.4%	1,328	14.1%	913	7.9%
$50,000-$74,999	54	13.8%	484	7.5%	1,772	18.8%	1,692	14.7%
$75,000-$99,999	58	14.8%	478	7.4%	1,353	14.4%	1,505	13.1%
$100,000-$149,999	74	18.9%	979	15.2%	1,642	17.4%	2,455	21.3%
$150,000-$199,999	31	7.9%	826	12.9%	689	7.3%	1,179	10.2%
$200,000 or more	25	6.4%	2,819	43.9%	304	3.2%	1,456	12.6%
Total Households	**392**	**100.0%**	**6,423**	**100.0%**	**9,415**	**100.0%**	**11,521**	**100.0%**
Median HH Income	**$72,500**		**$175,788**		**$64,592**		**$88,131**	

- Continued next page -

Sources: U.S. Census Bureau, 2015-2019 five-year sample data, Table B19001 and S1903; BAE, 2021.

Appendix A-4: Household Income by Jurisdiction, 2015-2019 Five-Year Sample Period (Page 2 of 2)

	City of Monrovia		City of Montebello		City of Monterey Park		City of Pasadena	
Income Distribution	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Less than $15,000	890	6.9%	1,788	9.5%	2,182	10.9%	6,714	12.2%
$15,000-$24,999	975	7.5%	2,178	11.5%	1,923	9.6%	3,479	6.3%
$25,000-$34,999	866	6.7%	1,891	10.0%	1,629	8.2%	3,225	5.8%
$35,000-$49,999	1,627	12.6%	2,601	13.8%	2,551	12.8%	3,811	6.9%
$50,000-$74,999	1,916	14.8%	3,365	17.8%	3,335	16.7%	7,779	14.1%
$75,000-$99,999	1,839	14.2%	2,317	12.3%	2,076	10.4%	7,008	12.7%
$100,000-$149,999	2,474	19.1%	2,830	15.0%	3,145	15.8%	9,293	16.8%
$150,000-$199,999	986	7.6%	1,150	6.1%	1,299	6.5%	5,745	10.4%
$200,000 or more	1,355	10.5%	768	4.1%	1,815	9.1%	8,170	14.8%
Total Households	**12,928**	**100.0%**	**18,888**	**100.0%**	**19,955**	**100.0%**	**55,224**	**100.0%**
Median HH Income	**$77,111**		**$56,150**		**$61,819**		**$83,068**	

	City of Pomona		City of Rosemead		City of San Dimas		City of San Gabriel	
Income Distribution	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Less than $15,000	3,521	9.0%	1,159	8.0%	961	8.4%	1,167	9.4%
$15,000-$24,999	3,561	9.1%	1,658	11.5%	948	8.3%	1,137	9.2%
$25,000-$34,999	3,897	10.0%	1,427	9.9%	473	4.1%	1,145	9.2%
$35,000-$49,999	5,168	13.2%	2,073	14.3%	881	7.7%	1,701	13.7%
$50,000-$74,999	7,098	18.2%	2,934	20.3%	1,711	15.0%	2,109	17.0%
$75,000-$99,999	5,883	15.0%	1,696	11.7%	1,422	12.5%	1,413	11.4%
$100,000-$149,999	5,963	15.3%	2,122	14.7%	2,517	22.0%	1,918	15.5%
$150,000-$199,999	2,347	6.0%	843	5.8%	1,239	10.9%	944	7.6%
$200,000 or more	1,659	4.2%	543	3.8%	1,263	11.1%	867	7.0%
Total Households	**39,097**	**100.0%**	**14,455**	**100.0%**	**11,415**	**100.0%**	**12,401**	**100.0%**
Median HH Income	**$60,598**		**$57,999**		**$86,410**		**$62,541**	

	City of San Marino		City of Sierra Madre		City of South El Monte		City of South Pasadena	
Income Distribution	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Less than $15,000	265	5.9%	321	6.9%	420	8.3%	602	6.1%
$15,000-$24,999	150	3.3%	174	3.7%	651	12.8%	405	4.1%
$25,000-$34,999	136	3.0%	183	3.9%	676	13.3%	471	4.8%
$35,000-$49,999	115	2.6%	371	8.0%	722	14.2%	621	6.3%
$50,000-$74,999	285	6.4%	691	14.8%	863	17.0%	1,202	12.2%
$75,000-$99,999	241	5.4%	541	11.6%	747	14.7%	1,382	14.1%
$100,000-$149,999	840	18.7%	848	18.2%	652	12.9%	1,773	18.0%
$150,000-$199,999	589	13.1%	564	12.1%	256	5.0%	1,036	10.5%
$200,000 or more	1,866	41.6%	971	20.8%	85	1.7%	2,335	23.8%
Total Households	**4,487**	**100.0%**	**4,664**	**100.0%**	**5,072**	**100.0%**	**9,827**	**100.0%**
Median HH Income	**$166,607**		**$100,988**		**$52,204**		**$104,308**	

	City of Temple		City of Walnut		City of West Covina		Unincorporated Los Angeles County	
Income Distribution	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Less than $15,000	807	7.0%	515	5.7%	1,857	6.1%	6,610	6.9%
$15,000-$24,999	905	7.9%	381	4.2%	2,146	7.1%	6,122	6.4%
$25,000-$34,999	996	8.7%	434	4.8%	2,281	7.5%	6,265	6.5%
$35,000-$49,999	1,103	9.6%	723	8.0%	2,877	9.5%	9,430	9.8%
$50,000-$74,999	1,717	15.0%	1,148	12.7%	4,450	14.6%	15,945	16.6%
$75,000-$99,999	1,561	13.6%	1,083	11.9%	4,601	15.1%	13,586	14.2%
$100,000-$149,999	2,168	18.9%	1,928	21.3%	6,607	21.7%	18,329	19.1%
$150,000-$199,999	1,123	9.8%	1,278	14.1%	3,044	10.0%	9,829	10.2%
$200,000 or more	1,087	9.5%	1,579	17.4%	2,567	8.4%	9,864	10.3%
Total Households	**11,467**	**100.0%**	**9,069**	**100.0%**	**30,430**	**100.0%**	**95,980**	**100.0%**
Median HH Income	**$78,516**		**$108,669**		**$82,938**		**$81,658**	

Sources: U.S. Census Bureau, 2015-2019 five-year sample data, Table B19001 and S1903; BAE, 2021.

Appendix A-5: Households by Income Level by Jurisdiction, 2015-2019 Five-Year Sample Period

Percent of HUD Area Median Family Income	City of Alhambra Number	City of Alhambra Percent	City of Arcadia Number	City of Arcadia Percent	City of Azusa Number	City of Azusa Percent	City of Baldwin Park Number	City of Baldwin Park Percent
Extremely Low Income (<=30% HAMFI)	6,135	21.0%	2,515	12.9%	2,025	16.2%	3,195	18.1%
Very Low Income (>30%, <=50% HAMFI)	4,540	15.6%	2,115	10.9%	2,305	18.5%	3,215	18.2%
Low Income (>50%, <=80% HAMFI)	5,430	18.6%	2,455	12.6%	2,575	20.6%	4,525	25.6%
Moderate Income (>80, <120% HAMFI)	4,755	16.3%	3,120	16.0%	2,430	19.5%	3,875	21.9%
Above Moderate Income (>=120% HAMFI)	8,310	28.5%	9,235	47.5%	3,155	25.3%	2,875	16.3%
Total Households	**29,170**	**100.0%**	**19,440**	**100.0%**	**12,490**	**100.0%**	**17,685**	**100.0%**

Percent of HUD Area Median Family Income	City of Bradbury Number	City of Bradbury Percent	City of Claremont Number	City of Claremont Percent	City of Covina Number	City of Covina Percent	City of Diamond Bar Number	City of Diamond Bar Percent
Extremely Low Income (<=30% HAMFI)	25	7.7%	1,095	9.4%	1,705	11.2%	1,440	8.1%
Very Low Income (>30%, <=50% HAMFI)	25	7.7%	1,200	10.3%	2,190	14.4%	2,220	12.5%
Low Income (>50%, <=80% HAMFI)	35	10.7%	1,450	12.5%	3,305	21.7%	2,385	13.4%
Moderate Income (>80, <120% HAMFI)	28	8.6%	1,830	15.7%	3,160	20.8%	3,219	18.1%
Above Moderate Income (>=120% HAMFI)	213	65.3%	6,050	52.0%	4,840	31.8%	8,535	48.0%
Total Households	**326**	**100.0%**	**11,625**	**100.0%**	**15,200**	**100.0%**	**17,799**	**100.0%**

Percent of HUD Area Median Family Income	City of Duarte Number	City of Duarte Percent	City of El Monte Number	City of El Monte Percent	City of Glendora Number	City of Glendora Percent	City of Industry Number	City of Industry Percent
Extremely Low Income (<=30% HAMFI)	1,095	15.7%	8,030	27.2%	1,740	10.2%	4	5.0%
Very Low Income (>30%, <=50% HAMFI)	755	10.8%	6,290	21.3%	1,900	11.1%	14	17.5%
Low Income (>50%, <=80% HAMFI)	1,365	19.6%	7,185	24.3%	2,570	15.1%	14	17.5%
Moderate Income (>80, <120% HAMFI)	1,275	18.3%	4,365	14.8%	3,360	19.7%	32	40.0%
Above Moderate Income (>=120% HAMFI)	2,490	35.7%	3,670	12.4%	7,505	44.0%	16	20.0%
Total Households	**6,980**	**100.0%**	**29,540**	**100.0%**	**17,075**	**100.0%**	**80**	**100.0%**

Percent of HUD Area Median Family Income	City of Irwindale Number	City of Irwindale Percent	City of La Cañada Flintridge Number	City of La Cañada Flintridge Percent	City of La Puente Number	City of La Puente Percent	City of La Verne Number	City of La Verne Percent
Extremely Low Income (<=30% HAMFI)	50	13.5%	310	24.0%	1,765	19.6%	1,365	12.1%
Very Low Income (>30%, <=50% HAMFI)	90	24.3%	450	34.9%	1,445	16.1%	1,280	11.4%
Low Income (>50%, <=80% HAMFI)	100	27.0%	530	41.1%	2,260	25.1%	1,595	14.2%
Moderate Income (>80, <120% HAMFI)	45	12.1%	0	0.0%	1,848	20.5%	2,115	18.8%
Above Moderate Income (>=120% HAMFI)	86	23.2%	0	0.0%	1,685	18.7%	4,890	43.5%
Total Households	**371**	**100.0%**	**1,290**	**100.0%**	**9,003**	**100.0%**	**11,245**	**100.0%**

Percent of HUD Area Median Family Income	City of Monrovia Number	City of Monrovia Percent	City of Montebello Number	City of Montebello Percent	City of Monterey Park Number	City of Monterey Park Percent	City of Pasadena Number	City of Pasadena Percent
Extremely Low Income (<=30% HAMFI)	1,545	11.9%	4,085	20.6%	4,550	23.1%	9,510	17.4%
Very Low Income (>30%, <=50% HAMFI)	1,815	14.0%	4,050	20.4%	3,015	15.3%	5,600	10.2%
Low Income (>50%, <=80% HAMFI)	2,365	18.2%	4,050	20.4%	3,535	17.9%	6,870	12.6%
Moderate Income (>80, <120% HAMFI)	2,490	19.2%	3,960	20.0%	2,890	14.6%	9,345	17.1%
Above Moderate Income (>=120% HAMFI)	4,785	36.8%	3,700	18.6%	5,745	29.1%	23,400	42.8%
Total Households	**13,000**	**100.0%**	**19,845**	**100.0%**	**19,735**	**100.0%**	**54,725**	**100.0%**

Percent of HUD Area Median Family Income	City of Pomona Number	City of Pomona Percent	City of Rosemead Number	City of Rosemead Percent	City of San Dimas Number	City of San Dimas Percent	City of San Gabriel Number	City of San Gabriel Percent
Extremely Low Income (<=30% HAMFI)	8,300	21.4%	3,595	24.5%	1,715	14.6%	2,175	17.8%
Very Low Income (>30%, <=50% HAMFI)	7,230	18.6%	2,635	18.0%	1,115	9.5%	2,180	17.8%
Low Income (>50%, <=80% HAMFI)	8,375	21.5%	3,215	21.9%	1,475	12.5%	2,535	20.7%
Moderate Income (>80, <120% HAMFI)	7,430	19.1%	2,570	17.5%	2,715	23.1%	2,095	17.1%
Above Moderate Income (>=120% HAMFI)	7,535	19.4%	2,655	18.1%	4,735	40.3%	3,255	26.6%
Total Households	**38,870**	**100.0%**	**14,670**	**100.0%**	**11,755**	**100.0%**	**12,240**	**100.0%**

Percent of HUD Area Median Family Income	City of San Marino Number	City of San Marino Percent	City of Sierra Madre Number	City of Sierra Madre Percent	City of South El Monte Number	City of South El Monte Percent	City of South Pasadena Number	City of South Pasadena Percent
Extremely Low Income (<=30% HAMFI)	440	9.7%	350	7.9%	1,295	24.4%	1,135	11.1%
Very Low Income (>30%, <=50% HAMFI)	280	6.2%	335	7.5%	1,260	23.7%	700	6.8%
Low Income (>50%, <=80% HAMFI)	250	5.5%	580	13.1%	1,305	24.6%	1,260	12.3%
Moderate Income (>80, <120% HAMFI)	490	10.8%	840	18.9%	819	15.4%	1,915	18.7%
Above Moderate Income (>=120% HAMFI)	3,060	67.7%	2,335	52.6%	630	11.9%	5,230	51.1%
Total Households	**4,520**	**100.0%**	**4,440**	**100.0%**	**5,309**	**100.0%**	**10,240**	**100.0%**

Percent of HUD Area Median Family Income	City of Temple Number	City of Temple Percent	City of Walnut Number	City of Walnut Percent	City of West Covina Number	City of West Covina Percent	Unincorporated Los Angeles County Number	Unincorporated Los Angeles County Percent
Extremely Low Income (<=30% HAMFI)	1,810	16.3%	885	9.7%	4,030	13.1%	13,589	14.1%
Very Low Income (>30%, <=50% HAMFI)	1,530	13.8%	980	10.8%	4,085	13.3%	12,032	12.5%
Low Income (>50%, <=80% HAMFI)	1,880	17.0%	1,290	14.2%	5,415	17.6%	18,853	19.5%
Moderate Income (>80, <120% HAMFI)	2,060	18.6%	1,370	15.1%	6,655	21.6%	19,068	19.8%
Above Moderate Income (>=120% HAMFI)	3,810	34.4%	4,560	50.2%	10,565	34.4%	32,928	34.1%
Total Households	**11,090**	**100.0%**	**9,085**	**100.0%**	**30,750**	**100.0%**	**96,470**	**100.0%**

Sources: U.S. HUD, 2013-2017 Comprehensive Housing Affordability Strategy (CHAS) data; BAE, 2021.

Appendix A-6: Units in Structure by Jurisdiction, 2015-2019 Five-Year Sample Period (Page 1 of 2)

	City of Alhambra		City of Arcadia		City of Azusa		City of Baldwin Park	
Type of Residence	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Single Family Detached	14,102	44.5%	12,890	60.3%	6,935	50.3%	13,341	71.1%
Single Family Attached	3,682	11.6%	1,871	8.7%	1,864	13.5%	1,346	7.2%
Multifamily 2 Units	1,299	4.1%	344	1.6%	183	1.3%	281	1.5%
Multifamily 3-19 Units	9,122	28.8%	4,179	19.5%	2,495	18.1%	1,942	10.3%
Multifamily 20-49 Units	1,743	5.5%	1,672	7.8%	825	6.0%	770	4.1%
Multifamily 50+	1,679	5.3%	420	2.0%	993	7.2%	746	4.0%
Mobile Home/Other (a)	84	0.3%	10	0.0%	500	3.6%	342	1.8%
Total Housing Units	**31,711**	**100.0%**	**21,386**	**100.0%**	**13,795**	**100.0%**	**18,768**	**100.0%**
Single Family Housing Units	**17,784**	**56.1%**	**14,761**	**69.0%**	**8,799**	**63.8%**	**14,687**	**78.3%**
Multifamily Housing Units	**13,843**	**43.7%**	**6,615**	**30.9%**	**4,496**	**32.6%**	**3,739**	**19.9%**

	City of Bradbury		City of Claremont		City of Covina		City of Diamond Bar	
Type of Residence	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Single Family Detached	377	97.9%	8,739	69.9%	8,871	55.6%	12,979	70.1%
Single Family Attached	5	1.3%	1,034	8.3%	1,444	9.0%	2,723	14.7%
Multifamily 2 Units	0	0.0%	348	2.8%	236	1.5%	106	0.6%
Multifamily 3-19 Units	0	0.0%	1,454	11.6%	2,725	17.1%	1,878	10.1%
Multifamily 20-49 Units	3	0.8%	394	3.1%	857	5.4%	58	0.3%
Multifamily 50+	0	0.0%	519	4.1%	1,139	7.1%	451	2.4%
Mobile Home/Other (a)	0	0.0%	23	0.2%	686	4.3%	331	1.8%
Total Housing Units	**385**	**100.0%**	**12,511**	**100.0%**	**15,958**	**100.0%**	**18,526**	**100.0%**
Single Family Housing Units	**382**	**99.2%**	**9,773**	**78.1%**	**10,315**	**64.6%**	**15,702**	**84.8%**
Multifamily Housing Units	**3**	**0.8%**	**2,715**	**21.7%**	**4,957**	**31.1%**	**2,493**	**13.5%**

	City of Duarte		City of El Monte		City of Glendora		City of Industry	
Type of Residence	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Single Family Detached	4,454	59.8%	17,575	56.3%	12,564	70.9%	77	86.5%
Single Family Attached	965	13.0%	3,003	9.6%	1,376	7.8%	8	9.0%
Multifamily 2 Units	86	1.2%	1,076	3.4%	225	1.3%	0	0.0%
Multifamily 3-19 Units	824	11.1%	4,396	14.1%	1,737	9.8%	0	0.0%
Multifamily 20-49 Units	347	4.7%	1,865	6.0%	402	2.3%	0	0.0%
Multifamily 50+	668	9.0%	1,586	5.1%	703	4.0%	0	0.0%
Mobile Home/Other (a)	106	1.4%	1,722	5.5%	706	4.0%	4	4.5%
Total Housing Units	**7,450**	**100.0%**	**31,223**	**100.0%**	**17,713**	**100.0%**	**89**	**100.0%**
Single Family Housing Units	**5,419**	**72.7%**	**20,578**	**65.9%**	**13,940**	**78.7%**	**85**	**95.5%**
Multifamily Housing Units	**1,925**	**25.8%**	**8,923**	**28.6%**	**3,067**	**17.3%**	**0**	**0.0%**

	City of Irwindale		City of La Cañada Flintridg		City of La Puente		City of La Verne	
Type of Residence	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Single Family Detached	382	89.9%	6,406	93.0%	6,553	67.5%	7,874	65.6%
Single Family Attached	5	1.2%	242	3.5%	567	5.8%	668	5.6%
Multifamily 2 Units	0	0.0%	8	0.1%	72	0.7%	78	0.6%
Multifamily 3-19 Units	12	2.8%	192	2.8%	1,051	10.8%	1,091	9.1%
Multifamily 20-49 Units	20	4.7%	42	0.6%	457	4.7%	182	1.5%
Multifamily 50+	0	0.0%	0	0.0%	884	9.1%	418	3.5%
Mobile Home/Other (a)	6	1.4%	0	0.0%	119	1.2%	1,696	14.1%
Total Housing Units	**425**	**100.0%**	**6,890**	**100.0%**	**9,703**	**100.0%**	**12,007**	**100.0%**
Single Family Housing Units	**387**	**91.1%**	**6,648**	**96.5%**	**7,120**	**73.4%**	**8,542**	**71.1%**
Multifamily Housing Units	**32**	**7.5%**	**242**	**3.5%**	**2,464**	**25.4%**	**1,769**	**14.7%**

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Sources: U.S. Census Bureau, American Community Survey, 2015-2019 five-year sample data, Table B25024; BAE, 2021.

Appendix A-6: Units in Structure by Jurisdiction, 2015-2019 Five-Year Sample Period (Page 2 of 2)

Type of Residence	City of Monrovia Number	City of Monrovia Percent	City of Montebello Number	City of Montebello Percent	City of Monterey Park Number	City of Monterey Park Percent	City of Pasadena Number	City of Pasadena Percent
Single Family Detached	7,637	55.5%	9,783	49.1%	12,165	57.1%	26,670	43.3%
Single Family Attached	1,100	8.0%	1,441	7.2%	2,019	9.5%	2,983	4.8%
Multifamily 2 Units	640	4.7%	733	3.7%	486	2.3%	1,930	3.1%
Multifamily 3-19 Units	2,903	21.1%	4,555	22.9%	4,266	20.0%	14,555	23.6%
Multifamily 20-49 Units	525	3.8%	1,412	7.1%	1,182	5.5%	6,587	10.7%
Multifamily 50+	834	6.1%	1,692	8.5%	1,132	5.3%	8,756	14.2%
Mobile Home/Other (a)	122	0.9%	290	1.5%	68	0.3%	91	0.1%
Total Housing Units	**13,761**	**100.0%**	**19,906**	**100.0%**	**21,318**	**100.0%**	**61,572**	**100.0%**
Single Family Housing Units	**8,737**	**63.5%**	**11,224**	**56.4%**	**14,184**	**66.5%**	**29,653**	**48.2%**
Multifamily Housing Units	**4,902**	**35.6%**	**8,392**	**42.2%**	**7,066**	**33.1%**	**31,828**	**51.7%**

Type of Residence	City of Pomona Number	City of Pomona Percent	City of Rosemead Number	City of Rosemead Percent	City of San Dimas Number	City of San Dimas Percent	City of San Gabriel Number	City of San Gabriel Percent
Single Family Detached	25,692	63.0%	11,070	72.4%	7,444	62.0%	7,508	55.0%
Single Family Attached	2,612	6.4%	2,220	14.5%	1,720	14.3%	1,702	12.5%
Multifamily 2 Units	784	1.9%	225	1.5%	38	0.3%	126	0.9%
Multifamily 3-19 Units	6,001	14.7%	957	6.3%	822	6.9%	3,086	22.6%
Multifamily 20-49 Units	1,731	4.2%	194	1.3%	122	1.0%	945	6.9%
Multifamily 50+	2,316	5.7%	350	2.3%	1,001	8.3%	278	2.0%
Mobile Home/Other (a)	1,622	4.0%	270	1.8%	852	7.1%	0	0.0%
Total Housing Units	**40,758**	**100.0%**	**15,286**	**100.0%**	**11,999**	**100.0%**	**13,645**	**100.0%**
Single Family Housing Units	**28,304**	**69.4%**	**13,290**	**86.9%**	**9,164**	**76.4%**	**9,210**	**67.5%**
Multifamily Housing Units	**10,832**	**26.6%**	**1,726**	**11.3%**	**1,983**	**16.5%**	**4,435**	**32.5%**

Type of Residence	City of San Marino Number	City of San Marino Percent	City of Sierra Madre Number	City of Sierra Madre Percent	City of South El Monte Number	City of South El Monte Percent	City of South Pasaden Number	City of South Pasaden Percent
Single Family Detached	4,860	96.8%	3,684	70.6%	3,514	67.4%	5,202	48.7%
Single Family Attached	39	0.8%	347	6.6%	362	6.9%	745	7.0%
Multifamily 2 Units	9	0.2%	175	3.4%	149	2.9%	401	3.8%
Multifamily 3-19 Units	106	2.1%	941	18.0%	432	8.3%	2,816	26.4%
Multifamily 20-49 Units	0	0.0%	74	1.4%	137	2.6%	1,156	10.8%
Multifamily 50+	0	0.0%	0	0.0%	76	1.5%	347	3.2%
Mobile Home/Other (a)	9	0.2%	0	0.0%	547	10.5%	11	0.1%
Total Housing Units	**5,023**	**100.0%**	**5,221**	**100.0%**	**5,217**	**100.0%**	**10,678**	**100.0%**
Single Family Housing Units	**4,899**	**97.5%**	**4,031**	**77.2%**	**3,876**	**74.3%**	**5,947**	**55.7%**
Multifamily Housing Units	**115**	**2.3%**	**1,190**	**22.8%**	**794**	**15.2%**	**4,720**	**44.2%**

Type of Residence	City of Temple Number	City of Temple Percent	City of Walnut Number	City of Walnut Percent	City of West Covina Number	City of West Covina Percent	Unincorporated Los Angeles County Number	Unincorporated Los Angeles County Percent
Single Family Detached	9,524	78.3%	8,993	94.4%	20,478	64.8%	81,815	80.8%
Single Family Attached	965	7.9%	143	1.5%	2,976	9.4%	4,121	4.1%
Multifamily 2 Units	195	1.6%	20	0.2%	132	0.4%	777	0.8%
Multifamily 3-19 Units	883	7.3%	174	1.8%	2,212	7.0%	5,703	5.6%
Multifamily 20-49 Units	269	2.2%	10	0.1%	781	2.5%	2,158	2.1%
Multifamily 50+	218	1.8%	152	1.6%	4,742	15.0%	3,843	3.8%
Mobile Home/Other (a)	113	0.9%	38	0.4%	260	0.8%	2,855	2.8%
Total Housing Units	**12,167**	**100.0%**	**9,530**	**100.0%**	**31,581**	**100.0%**	**101,272**	**100.0%**
Single Family Housing Units	**10,489**	**86.2%**	**9,136**	**95.9%**	**23,454**	**74.3%**	**85,936**	**84.9%**
Multifamily Housing Units	**1,565**	**12.9%**	**356**	**3.7%**	**7,867**	**24.9%**	**12,481**	**12.3%**

Sources: U.S. Census Bureau, American Community Survey, 2015-2019 five-year sample data, Table B25024; BAE, 2021.

Appendix A-7: Housing Units by Year Built by Jurisdiction, 2015-2019 Five-Year Sample Period (Page 1 of 2)

	City of Alhambra		City of Arcadia		City of Azusa		City of Baldwin Park	
Year Built	Number	Percent	Number	Percent	Number	Percent	Number	Percent
1939 or Earlier	7,851	24.8%	1,729	8.1%	623	4.5%	1,001	5.3%
1940-1949	4,145	13.1%	2,963	13.9%	1,172	8.5%	1,865	9.9%
1950-1959	4,593	14.5%	4,926	23.0%	3,207	23.2%	6,270	33.4%
1960-1969	3,433	10.8%	3,229	15.1%	1,773	12.8%	3,065	16.3%
1970-1979	3,917	12.3%	2,823	13.2%	2,541	18.4%	2,089	11.1%
1980-1989	4,212	13.3%	2,159	10.1%	1,800	13.0%	2,761	14.7%
1990-1999	2,042	6.4%	1,660	7.8%	943	6.8%	745	4.0%
2000-2009	957	3.0%	1,310	6.1%	894	6.5%	714	3.8%
2010-2013	325	1.0%	322	1.5%	420	3.0%	172	0.9%
2014 or Later	244	0.8%	265	1.2%	427	3.1%	113	0.6%
Total Housing Units	**31,719**	**100.0%**	**21,386**	**100.0%**	**13,800**	**100.0%**	**18,795**	**100.0%**

	City of Bradbury		City of Claremont		City of Covina		City of Diamond Bar	
Year Built	Number	Percent	Number	Percent	Number	Percent	Number	Percent
1939 or Earlier	41	10.6%	895	7.2%	730	4.6%	148	0.8%
1940-1949	2	0.5%	694	5.5%	578	3.6%	104	0.6%
1950-1959	98	25.5%	2,839	22.7%	6,330	39.6%	292	1.6%
1960-1969	30	7.8%	2,788	22.3%	3,250	20.3%	3,646	19.7%
1970-1979	18	4.7%	2,124	17.0%	2,093	13.1%	5,535	29.9%
1980-1989	40	10.4%	1,732	13.8%	2,003	12.5%	7,240	39.1%
1990-1999	104	27.0%	476	3.8%	589	3.7%	956	5.2%
2000-2009	26	6.8%	747	6.0%	256	1.6%	488	2.6%
2010-2013	15	3.9%	76	0.6%	70	0.4%	5	0.0%
2014 or Later	11	2.9%	140	1.1%	101	0.6%	121	0.7%
Total Housing Units	**385**	**100.0%**	**12,511**	**100.0%**	**16,000**	**100.0%**	**18,535**	**100.0%**

	City of Duarte		City of El Monte		City of Glendora		City of Industry	
Year Built	Number	Percent	Number	Percent	Number	Percent	Number	Percent
1939 or Earlier	225	3.0%	2,646	8.5%	982	5.5%	15	16.9%
1940-1949	826	11.1%	3,701	11.9%	642	3.6%	15	16.9%
1950-1959	2,008	27.0%	7,730	24.8%	5,594	31.6%	23	25.8%
1960-1969	1,101	14.8%	4,802	15.4%	3,867	21.8%	4	4.5%
1970-1979	1,279	17.2%	3,411	10.9%	2,381	13.4%	6	6.7%
1980-1989	1,446	19.4%	3,277	10.5%	2,157	12.2%	11	12.4%
1990-1999	221	3.0%	3,249	10.4%	672	3.8%	14	15.7%
2000-2009	289	3.9%	1,920	6.1%	704	4.0%	1	1.1%
2010-2013	24	0.3%	202	0.6%	166	0.9%	0	0.0%
2014 or Later	31	0.4%	285	0.9%	548	3.1%	0	0.0%
Total Housing Units	**7,450**	**100.0%**	**31,223**	**100.0%**	**17,713**	**100.0%**	**89**	**100.0%**

	City of Irwindale		City of La Cañada Flintridge		City of La Puente		City of La Verne	
Year Built	Number	Percent	Number	Percent	Number	Percent	Number	Percent
1939 or Earlier	40	9.4%	752	10.9%	251	2.6%	737	6.1%
1940-1949	38	8.9%	1,066	15.5%	534	5.5%	253	2.1%
1950-1959	57	13.4%	2,527	36.7%	4,770	49.2%	990	8.2%
1960-1969	88	20.7%	1,109	16.1%	1,102	11.4%	1,890	15.7%
1970-1979	9	2.1%	437	6.3%	1,148	11.8%	4,089	34.1%
1980-1989	58	13.6%	346	5.0%	955	9.8%	2,163	18.0%
1990-1999	37	8.7%	410	6.0%	659	6.8%	954	7.9%
2000-2009	65	15.3%	155	2.2%	214	2.2%	439	3.7%
2010-2013	9	2.1%	72	1.0%	28	0.3%	260	2.2%
2014 or Later	24	5.6%	16	0.2%	42	0.4%	232	1.9%
Total Housing Units	**425**	**100.0%**	**6,890**	**100.0%**	**9,703**	**100.0%**	**12,007**	**100.0%**

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Sources: U.S. Census Bureau, American Community Survey, 2015-2019 five-year sample data, Table B25034; BAE, 2021.

Appendix A-7: Housing Units by Year Built by Jurisdiction, 2015-2019 Five-Year Sample Period (Page 2 of 2)

	City of Monrovia		City of Montebello		City of Monterey Park		City of Pasadena	
Year Built	Number	Percent	Number	Percent	Number	Percent	Number	Percent
1939 or Earlier	2,580	18.7%	1,193	6.0%	1,546	7.3%	17,787	28.9%
1940-1949	1,791	13.0%	2,873	14.4%	2,808	13.2%	4,951	8.0%
1950-1959	2,509	18.2%	4,585	23.0%	5,943	27.9%	8,852	14.4%
1960-1969	2,445	17.8%	4,236	21.3%	3,215	15.1%	7,212	11.7%
1970-1979	1,524	11.1%	3,863	19.4%	2,936	13.8%	7,261	11.8%
1980-1989	1,230	8.9%	1,737	8.7%	2,045	9.6%	6,300	10.2%
1990-1999	803	5.8%	743	3.7%	1,266	5.9%	3,564	5.8%
2000-2009	754	5.5%	466	2.3%	1,153	5.4%	4,028	6.5%
2010-2013	90	0.7%	163	0.8%	298	1.4%	790	1.3%
2014 or Later	35	0.3%	60	0.3%	108	0.5%	827	1.3%
Total Housing Units	**13,761**	**100.0%**	**19,919**	**100.0%**	**21,318**	**100.0%**	**61,572**	**100.0%**

	City of Pomona		City of Rosemead		City of San Dimas		City of San Gabriel	
Year Built	Number	Percent	Number	Percent	Number	Percent	Number	Percent
1939 or Earlier	5,116	12.5%	1,951	12.8%	456	3.8%	2,442	17.9%
1940-1949	3,081	7.5%	2,540	16.6%	119	1.0%	2,423	17.8%
1950-1959	10,254	25.1%	3,447	22.5%	1,177	9.8%	2,194	16.1%
1960-1969	6,102	14.9%	2,145	14.0%	2,239	18.6%	1,574	11.5%
1970-1979	4,366	10.7%	1,690	11.0%	3,821	31.7%	1,623	11.9%
1980-1989	6,189	15.2%	1,644	10.7%	2,564	21.3%	1,405	10.3%
1990-1999	2,835	6.9%	1,040	6.8%	942	7.8%	947	6.9%
2000-2009	1,947	4.8%	559	3.7%	427	3.5%	887	6.5%
2010-2013	392	1.0%	164	1.1%	106	0.9%	30	0.2%
2014 or Later	564	1.4%	117	0.8%	188	1.6%	120	0.9%
Total Housing Units	**40,846**	**100.0%**	**15,297**	**100.0%**	**12,039**	**100.0%**	**13,645**	**100.0%**

	City of San Marino		City of Sierra Madre		City of South El Monte		City of South Pasadena	
Year Built	Number	Percent	Number	Percent	Number	Percent	Number	Percent
1939 or Earlier	1,964	39.1%	1,346	25.8%	365	7.0%	3,946	37.0%
1940-1949	1,313	26.1%	758	14.5%	715	13.7%	902	8.4%
1950-1959	895	17.8%	971	18.6%	1,852	35.5%	1,506	14.1%
1960-1969	385	7.7%	929	17.8%	760	14.6%	1,710	16.0%
1970-1979	166	3.3%	452	8.7%	451	8.6%	1,186	11.1%
1980-1989	167	3.3%	219	4.2%	392	7.5%	720	6.7%
1990-1999	66	1.3%	261	5.0%	437	8.4%	437	4.1%
2000-2009	34	0.7%	253	4.8%	145	2.8%	221	2.1%
2010-2013	11	0.2%	21	0.4%	26	0.5%	44	0.4%
2014 or Later	22	0.4%	11	0.2%	74	1.4%	6	0.1%
Total Housing Units	**5,023**	**100.0%**	**5,221**	**100.0%**	**5,217**	**100.0%**	**10,678**	**100.0%**

	City of Temple		City of Walnut		City of West Covina		Unincorporated Los Angeles County	
Year Built	Number	Percent	Number	Percent	Number	Percent	Number	Percent
1939 or Earlier	1,384	11.4%	104	1.1%	636	2.0%	10,019	9.9%
1940-1949	1,860	15.3%	54	0.6%	1,047	3.3%	9,752	9.6%
1950-1959	3,702	30.4%	298	3.1%	11,596	36.7%	30,084	29.7%
1960-1969	1,672	13.7%	1,384	14.5%	3,895	12.3%	19,311	19.1%
1970-1979	882	7.2%	2,158	22.6%	7,036	22.3%	15,053	14.9%
1980-1989	895	7.4%	4,358	45.7%	3,876	12.3%	8,707	8.6%
1990-1999	549	4.5%	565	5.9%	1,974	6.3%	5,045	5.0%
2000-2009	796	6.5%	465	4.9%	854	2.7%	2,651	2.6%
2010-2013	215	1.8%	121	1.3%	204	0.6%	333	0.3%
2014 or Later	212	1.7%	35	0.4%	463	1.5%	364	0.4%
Total Housing Units	**12,167**	**100.0%**	**9,542**	**100.0%**	**31,581**	**100.0%**	**101,319**	**100.0%**

Sources: U.S. Census Bureau, American Community Survey, 2015-2019 five-year sample data, Table B25034; BAE, 2021.

Appendix A-8: Occupancy and Vacancy Status by Jurisdiction, 2015-2019 Five-Year Sample Period (Page 1 of 2)

	City of Alhambra		City of Arcadia		City of Azusa		City of Baldwin Park	
Occupancy Status	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Vacant Units	**1,948**	**6.1%**	**1,866**	**8.7%**	**989**	**7.2%**	**807**	**4.3%**
For Rent	272	0.9%	335	1.6%	172	1.2%	192	1.0%
For Sale	162	0.5%	182	0.9%	170	1.2%	84	0.4%
Rented or Sold, Not Occupied	154	0.5%	200	0.9%	178	1.3%	103	0.5%
For Seasonal, Rec, or Occasional Use	112	0.4%	277	1.3%	185	1.3%	81	0.4%
For Migrant Workers	0	0.0%	0	0.0%	0	0.0%	0	0.0%
Other	1,248	3.9%	872	4.1%	284	2.1%	347	1.8%
Occupied Units	**29,771**	**93.9%**	**19,520**	**91.3%**	**12,811**	**92.8%**	**17,988**	**95.7%**
Total Housing Units	**31,719**	**100.0%**	**21,386**	**100.0%**	**13,800**	**100.0%**	**18,795**	**100.0%**

	City of Bradbury		City of Claremont		City of Covina		City of Diamond Bar	
Occupancy Status	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Vacant Units	**115**	**29.9%**	**782**	**6.3%**	**650**	**4.1%**	**631**	**3.4%**
For Rent	5	1.3%	75	0.6%	176	1.1%	175	0.9%
For Sale	22	5.7%	68	0.5%	100	0.6%	82	0.4%
Rented or Sold, Not Occupied	5	1.3%	78	0.6%	65	0.4%	28	0.2%
For Seasonal, Rec, or Occasional Use	31	8.1%	148	1.2%	41	0.3%	168	0.9%
For Migrant Workers	0	0.0%	0	0.0%	0	0.0%	0	0.0%
Other	52	13.5%	413	3.3%	268	1.7%	178	1.0%
Occupied Units	**270**	**70.1%**	**11,729**	**93.7%**	**15,350**	**95.9%**	**17,904**	**96.6%**
Total Housing Units	**385**	**100.0%**	**12,511**	**100.0%**	**16,000**	**100.0%**	**18,535**	**100.0%**

	City of Duarte		City of El Monte		City of Glendora		City of Industry	
Occupancy Status	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Vacant Units	**318**	**4.3%**	**1,310**	**4.2%**	**826**	**4.7%**	**4**	**4.5%**
For Rent	153	2.1%	447	1.4%	220	1.2%	0	0.0%
For Sale	40	0.5%	97	0.3%	155	0.9%	0	0.0%
Rented or Sold, Not Occupied	20	0.3%	201	0.6%	57	0.3%	0	0.0%
For Seasonal, Rec, or Occasional Use	38	0.5%	67	0.2%	167	0.9%	0	0.0%
For Migrant Workers	0	0.0%	0	0.0%	0	0.0%	0	0.0%
Other	67	0.9%	498	1.6%	227	1.3%	4	4.5%
Occupied Units	**7,132**	**95.7%**	**29,913**	**95.8%**	**16,887**	**95.3%**	**85**	**95.5%**
Total Housing Units	**7,450**	**100.0%**	**31,223**	**100.0%**	**17,713**	**100.0%**	**89**	**100.0%**

	City of Irwindale		City of La Cañada Flintridge		City of La Puente		City of La Verne	
Occupancy Status	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Vacant Units	**33**	**7.8%**	**467**	**6.8%**	**288**	**3.0%**	**486**	**4.0%**
For Rent	0	0.0%	29	0.4%	75	0.8%	0	0.0%
For Sale	0	0.0%	26	0.4%	32	0.3%	109	0.9%
Rented or Sold, Not Occupied	5	1.2%	0	0.0%	20	0.2%	48	0.4%
For Seasonal, Rec, or Occasional Use	6	1.4%	140	2.0%	28	0.3%	118	1.0%
For Migrant Workers	0	0.0%	0	0.0%	0	0.0%	0	0.0%
Other	22	5.2%	272	3.9%	133	1.4%	211	1.8%
Occupied Units	**392**	**92.2%**	**6,423**	**93.2%**	**9,415**	**97.0%**	**11,521**	**96.0%**
Total Housing Units	**425**	**100.0%**	**6,890**	**100.0%**	**9,703**	**100.0%**	**12,007**	**100.0%**

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Sources: U.S. Census Bureau, 2015-2019 five-year sample data, Table B25004 and B25015; BAE, 2021.

Appendix A-8: Occupancy and Vacancy Status by Jurisdiction, 2015-2019 Five-Year Sample Period (Page 2 of 2)

	City of Monrovia		City of Montebello		City of Monterey Park		City of Pasadena	
Occupancy Status	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Vacant Units	**833**	**6.1%**	**1,031**	**5.2%**	**1,363**	**6.4%**	**6,348**	**10.3%**
For Rent	370	2.7%	401	2.0%	162	0.8%	983	1.6%
For Sale	22	0.2%	39	0.2%	158	0.7%	480	0.8%
Rented or Sold, Not Occupied	58	0.4%	109	0.5%	54	0.3%	382	0.6%
For Seasonal, Rec, or Occasional Use	85	0.6%	44	0.2%	172	0.8%	485	0.8%
For Migrant Workers	0	0.0%	0	0.0%	0	0.0%	0	0.0%
Other	298	2.2%	438	2.2%	817	3.8%	4,018	6.5%
Occupied Units	**12,928**	**93.9%**	**18,888**	**94.8%**	**19,955**	**93.6%**	**55,224**	**89.7%**
Total Housing Units	**13,761**	**100.0%**	**19,919**	**100.0%**	**21,318**	**100.0%**	**61,572**	**100.0%**

	City of Pomona		City of Rosemead		City of San Dimas		City of San Gabriel	
Occupancy Status	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Vacant Units	**1,749**	**4.3%**	**842**	**5.5%**	**624**	**5.2%**	**1,244**	**9.1%**
For Rent	339	0.8%	113	0.7%	70	0.6%	179	1.3%
For Sale	290	0.7%	5	0.0%	164	1.4%	194	1.4%
Rented or Sold, Not Occupied	220	0.5%	68	0.4%	107	0.9%	72	0.5%
For Seasonal, Rec, or Occasional Use	47	0.1%	69	0.5%	62	0.5%	163	1.2%
For Migrant Workers	0	0.0%	0	0.0%	0	0.0%	0	0.0%
Other	853	2.1%	587	3.8%	221	1.8%	636	4.7%
Occupied Units	**39,097**	**95.7%**	**14,455**	**94.5%**	**11,415**	**94.8%**	**12,401**	**90.9%**
Total Housing Units	**40,846**	**100.0%**	**15,297**	**100.0%**	**12,039**	**100.0%**	**13,645**	**100.0%**

	City of San Marino		City of Sierra Madre		City of South El Monte		City of South Pasadena	
Occupancy Status	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Vacant Units	**536**	**10.7%**	**557**	**10.7%**	**145**	**2.8%**	**851**	**8.0%**
For Rent	24	0.5%	60	1.1%	14	0.3%	284	2.7%
For Sale	0	0.0%	64	1.2%	0	0.0%	111	1.0%
Rented or Sold, Not Occupied	54	1.1%	29	0.6%	0	0.0%	141	1.3%
For Seasonal, Rec, or Occasional Use	113	2.2%	149	2.9%	0	0.0%	55	0.5%
For Migrant Workers	0	0.0%	0	0.0%	0	0.0%	0	0.0%
Other	345	6.9%	255	4.9%	131	2.5%	260	2.4%
Occupied Units	**4,487**	**89.3%**	**4,664**	**89.3%**	**5,072**	**97.2%**	**9,827**	**92.0%**
Total Housing Units	**5,023**	**100.0%**	**5,221**	**100.0%**	**5,217**	**100.0%**	**10,678**	**100.0%**

	City of Temple		City of Walnut		City of West Covina		Unincorporated Los Angeles County	
Occupancy Status	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Vacant Units	**700**	**5.8%**	**473**	**5.0%**	**1,151**	**3.6%**	**5,339**	**5.3%**
For Rent	146	1.2%	42	0.4%	428	1.4%	547	0.5%
For Sale	75	0.6%	21	0.2%	42	0.1%	712	0.7%
Rented or Sold, Not Occupied	56	0.5%	87	0.9%	138	0.4%	396	0.4%
For Seasonal, Rec, or Occasional Use	92	0.8%	199	2.1%	53	0.2%	755	0.7%
For Migrant Workers	0	0.0%	0	0.0%	0	0.0%	0	0.0%
Other	331	2.7%	124	1.3%	490	1.6%	2,929	2.9%
Occupied Units	**11,467**	**94.2%**	**9,069**	**95.0%**	**30,430**	**96.4%**	**95,980**	**94.7%**
Total Housing Units	**12,167**	**100.0%**	**9,542**	**100.0%**	**31,581**	**100.0%**	**101,319**	**100.0%**

Sources: U.S. Census Bureau, 2015-2019 five-year sample data, Table B25004 and B25015; BAE, 2021.

Appendix A-9: Sale Price Characteristics by Jurisdiction, August 2020 to January 2021 (Page 1 of 2)

Sale Price Characteristics	City of Alhambra SFR	City of Alhambra Condo/ Townhome	City of Arcadia SFR	City of Arcadia Condo/ Townhome	City of Azusa SFR	City of Azusa Condo/ Townhome	City of Baldwin Park SFR	City of Baldwin Park Condo/ Townhome
Total Units Sold	99	95	202	70	132	101	129	47
Median Sale Price	$812,000	$590,000	$1,274,000	$692,500	$592,500	$475,000	$528,000	$399,000
Average Sale Price	$820,771	$600,549	$1,490,365	$751,684	$644,771	$458,226	$541,018	$401,230
Average Unit Size (SF)	1,604	1,353	2,696	1,669	1,798	1,320	1,318	1,195
Median Price per SF	$518.52	$443.04	$565.36	$442.95	$385.36	$348.92	$424.53	$351.87
Average Price per SF	$534.77	$452.61	$581.26	$454.11	$389.98	$356.96	$433.34	$345.52

Sale Price Characteristics	City of Bradbury SFR	City of Bradbury Condo/ Townhome	City of Claremont SFR	City of Claremont Condo/ Townhome	City of Covina SFR	City of Covina Condo/ Townhome	City of Diamond Bar SFR	City of Diamond Bar Condo/ Townhome
Total Units Sold	7	0	167	18	272	50	232	107
Median Sale Price	$1,400,000	n.a.	$785,000	$596,250	$625,000	$437,500	$784,250	$442,000
Average Sale Price	$2,064,429	n.a.	$868,579	$593,484	$651,282	$464,472	$849,570	$451,760
Average Unit Size (SF)	4,672	n.a.	2,293	1,624	1,678	1,423	2,184	1,235
Median Price per SF	$392.06	n.a.	$389.69	$355.96	$400.55	$324.56	$402.94	$374.54
Average Price per SF	$425.37	n.a.	$399.13	$365.66	$406.47	$331.70	$401.23	$369.49

Sale Price Characteristics	City of Duarte SFR	City of Duarte Condo/ Townhome	City of El Monte SFR	City of El Monte Condo/ Townhome	City of Glendora SFR	City of Glendora Condo/ Townhome	City of Industry SFR	City of Industry Condo/ Townhome
Total Units Sold	65	22	121	49	265	48	0	0
Median Sale Price	$640,000	$417,500	$580,000	$480,000	$745,000	$527,500	n.a.	n.a.
Average Sale Price	$644,033	$449,090	$599,234	$488,928	$834,094	$525,066	n.a.	n.a.
Average Unit Size (SF)	1,432	1,184	1,456	1,392	2,009	1,536	n.a.	n.a.
Median Price per SF	$446.21	$394.45	$432.36	$355.61	$441.07	$339.70	n.a.	n.a.
Average Price per SF	$470.70	$384.02	$443.72	$356.11	$443.95	$344.76	n.a.	n.a.

Sale Price Characteristics	City of Irwindale SFR	City of Irwindale Condo/ Townhome	City of La Cañada Flintridge SFR	City of La Cañada Flintridge Condo/ Townhome	City of La Puente SFR	City of La Puente Condo/ Townhome	City of La Verne SFR	City of La Verne Condo/ Townhome
Total Units Sold	2	0	134	5	217	22	171	20
Median Sale Price	$432,500	n.a.	$1,875,000	$1,050,000	$549,000	$441,564	$795,000	$336,000
Average Sale Price	$432,500	n.a.	$2,276,449	$998,200	$540,755	$452,674	$810,083	$394,175
Average Unit Size (SF)	1,415	n.a.	3,334	1,857	1,340	1,313	2,093	1,010
Median Price per SF	$310.60	n.a.	$704.40	$531.91	$427.65	$356.24	$390.68	$403.17
Average Price per SF	$310.60	n.a.	$717.24	$539.44	$417.68	$349.10	$406.44	$396.10

Sale Price Characteristics	City of Monrovia SFR	City of Monrovia Condo/ Townhome	City of Montebello SFR	City of Montebello Condo/ Townhome	City of Monterey Park SFR	City of Monterey Park Condo/ Townhome	City of Pasadena SFR	City of Pasadena Condo/ Townhome
Total Units Sold	131	48	62	47	76	50	489	290
Median Sale Price	$850,000	$557,500	$670,000	$435,000	$749,000	$567,500	$1,180,430	$650,000
Average Sale Price	$897,321	$584,451	$708,124	$432,496	$806,064	$578,345	$1,475,202	$752,080
Average Unit Size (SF)	1,681	1,407	1,878	1,198	1,670	1,434	2,195	1,349
Median Price per SF	$540.43	$420.05	$405.60	$368.29	$506.33	$401.29	$664.06	$546.53
Average Price per SF	$563.78	$423.71	$403.20	$368.81	$510.81	$408.04	$678.18	$559.64

Sale Price Characteristics	City of Pomona SFR	City of Pomona Condo/ Townhome	City of Rosemead SFR	City of Rosemead Condo/ Townhome	City of San Dimas SFR	City of San Dimas Condo/ Townhome	City of San Gabriel SFR	City of San Gabriel Condo/ Townhome
Total Units Sold	335	83	70	16	155	41	136	34
Median Sale Price	$515,000	$385,000	$695,000	$554,000	$725,000	$470,000	$889,000	$601,500
Average Sale Price	$524,266	$401,047	$774,081	$552,250	$754,248	$476,059	$959,803	$867,376
Average Unit Size (SF)	1,496	1,329	1,586	1,583	1,949	1,385	1,706	1,510
Median Price per SF	$367.81	$304.63	$476.30	$345.17	$408.85	$351.20	$578.61	$437.07
Average Price per SF	$370.03	$309.70	$571.91	$354.52	$407.59	$350.62	$583.96	$555.54

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Sources: Redfin, 2021; BAE, 2021.

Appendix A-9: Sale Price Characteristics by Jurisdiction, August 2020 to January 2021 (Page 2 of 2)

Sale Price Characteristics	City of San Marino		City of Sierra Madre		City of South El Monte		City of South Pasadena	
	SFR	Condo/ Townhome	SFR	Condo/ Townhome	SFR	Condo/ Townhome	SFR	Condo/ Townhome
Total Units Sold	68	0	75	6	23	4	73	29
Median Sale Price	$2,199,000	n.a.	$1,098,800	$741,500	$550,000	$466,500	$1,450,000	$830,000
Average Sale Price	$2,385,144	n.a.	$1,212,069	$689,333	$548,522	$463,000	$1,599,928	$873,721
Average Unit Size (SF)	2,995	n.a.	2,057	1,529	1,358	1,504	2,100	1,433
Median Price per SF	$804.66	n.a.	$633.26	$452.53	$428.84	$311.65	$755.14	$603.20
Average Price per SF	$805.14	n.a.	$631.30	$457.40	$424.57	$311.74	$780.92	$616.23

Sale Price Characteristics	City of Temple		City of Walnut		City of West Covina		Unincorporated Los Angeles County	
	SFR	Condo/ Townhome	SFR	Condo/ Townhome	SFR	Condo/ Townhome	SFR	Condo/ Townhome
Total Units Sold	111	30	156	14	266	83	998	181
Median Sale Price	$900,250	$784,900	$880,000	$505,000	$650,000	$440,000	$885,000	$510,000
Average Sale Price	$1,021,904	$783,947	$943,081	$536,964	$737,954	$458,880	$968,877	$542,052
Average Unit Size (SF)	1,854	1,702	2,362	1,307	1,903	1,342	1,936	1,255
Median Price per SF	$550.79	$455.57	$411.24	$403.77	$399.46	$347.72	$515.45	$447.98
Average Price per SF	$585.06	$463.55	$408.79	$419.22	$408.92	$352.21	$541.49	$444.90

Sources: Redfin, 2021; BAE, 2021.

Appendix A-10: Median Gross Rent Jurisdiction, 2015-2019 Five-Year Sample Period

	City of Alhambra	**City of Arcadia**	**City of Azusa**	**City of Baldwin Park**
Median Gross Rent	$1,436	$1,662	$1,468	$1,471
	City of Bradbury	**City of Claremont**	**City of Covina**	**City of Diamond Bar**
Median Gross Rent	$0	$1,561	$1,484	$2,071
	City of	**City of El**	**City of**	**City of Industry**
Median Gross Rent	$1,523	$1,282	$1,716	$950
	City of Irwindale	**City of La Cañada**	**City of La Puente**	**City of La Verne**
Median Gross Rent	$1,333	$2,858	$1,410	$1,510
	City of Monrovia	**City of Montebello**	**City of Monterey**	**City of Pasadena**
Median Gross Rent	$1,590	$1,334	$1,400	$1,710
	City of Pomona	**City of Rosemead**	**City of San Dimas**	**City of San Gabriel**
Median Gross Rent	$1,362	$1,353	$1,808	$1,486
	City of San Marino	**City of Sierra Madre**	**City of South El Monte**	**City of South Pasadena**
Median Gross Rent	$3,293	$1,615	$1,333	$1,802
	City of Temple	**City of Walnut**	**City of West Covina**	**Unincorporated Los Angeles County**
Median Gross Rent	$1,636	$2,359	$1,674	$1,644

Sources: U.S. Census Bureau, 2015-2019 five-year sample data, Table B25063 and B25064; BAE, 2021.

Appendix A-11: RHNA Allocation by Jurisdiction, 2015-2019 Five-Year Sample Period (Page 1 of 2)

	City of Alhambra		City of Arcadia		City of Azusa		City of Baldwin Park	
Income Level	Units	Percent	Units	Percent	Units	Percent	Units	Percent
Very Low-Income	1,774	26.0%	1,102	34.3%	760	28.7%	576	28.8%
Low-Income	1,036	15.2%	570	17.7%	368	13.9%	275	13.7%
Moderate-Income	1,079	15.8%	605	18.8%	382	14.4%	263	13.1%
Above Moderate-Income	2,936	43.0%	937	29.2%	1,141	43.0%	887	44.3%
Total RHNA Allocation	**6,825**	**100%**	**3,214**	**100%**	**2,651**	**100%**	**2,001**	**100%**

	City of Bradbury		City of Claremont		City of Covina		City of Diamond Bar	
Income Level	Units	Percent	Units	Percent	Units	Percent	Units	Percent
Very Low-Income	16	39.0%	556	32.5%	614	32.1%	844	33.5%
Low-Income	9	22.0%	310	18.1%	268	14.0%	434	17.2%
Moderate-Income	9	22.0%	297	17.4%	281	14.7%	437	17.3%
Above Moderate-Income	7	17.1%	548	32.0%	747	39.1%	806	32.0%
Total RHNA Allocation	**41**	**100%**	**1,711**	**100%**	**1,910**	**100%**	**2,521**	**100%**

	City of Duarte		City of El Monte		City of Glendora		City of Industry	
Income Level	Units	Percent	Units	Percent	Units	Percent	Units	Percent
Very Low-Income	269	30.3%	1,797	21.1%	735	32.3%	6	35.3%
Low-Income	145	16.3%	853	10.0%	386	17.0%	4	23.5%
Moderate-Income	137	15.4%	1,233	14.5%	388	17.0%	2	11.8%
Above Moderate-Income	337	38.0%	4,619	54.3%	767	33.7%	5	29.4%
Total RHNA Allocation	**888**	**100%**	**8,502**	**100%**	**2,276**	**100%**	**17**	**100%**

	City of Irwindale		City of La Canada Flintridge		City of La Puente		City of La Verne	
Income Level	Units	Percent	Units	Percent	Units	Percent	Units	Percent
Very Low-Income	36	30.3%	252	41.2%	544	28.2%	414	30.8%
Low-Income	11	9.2%	135	22.1%	275	14.3%	239	17.8%
Moderate-Income	17	14.3%	139	22.7%	275	14.3%	223	16.6%
Above Moderate-Income	55	46.2%	86	14.1%	835	43.3%	470	34.9%
Total RHNA Allocation	**119**	**100%**	**612**	**100%**	**1,929**	**100%**	**1,346**	**100%**

	City of Monrovia		City of Montebello		City of Monterey Park		City of Pasadena	
Income Level	Units	Percent	Units	Percent	Units	Percent	Units	Percent
Very Low-Income	519	31.1%	1,314	25.3%	1,324	25.2%	2,747	29.1%
Low-Income	262	15.7%	707	13.6%	822	15.6%	1,662	17.6%
Moderate-Income	254	15.2%	777	15.0%	848	16.1%	1,565	16.6%
Above Moderate-Income	635	38.0%	2,388	46.0%	2,263	43.0%	3,455	36.6%
Total RHNA Allocation	**1,670**	**100%**	**5,186**	**100%**	**5,257**	**100%**	**9,429**	**100%**

	City of Pomona		City of Rosemead		City of San Dimas		City of San Gabriel	
Income Level	Units	Percent	Units	Percent	Units	Percent	Units	Percent
Very Low-Income	2,799	26.5%	1,154	25.0%	384	30.8%	846	28.0%
Low-Income	1,339	12.7%	638	13.8%	220	17.6%	415	13.7%
Moderate-Income	1,510	14.3%	686	14.9%	206	16.5%	466	15.4%
Above Moderate-Income	4,910	46.5%	2,134	46.3%	438	35.1%	1,296	42.9%
Total RHNA Allocation	**10,558**	**100%**	**4,612**	**100%**	**1,248**	**100%**	**3,023**	**100%**

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Sources: SCAG; BAE, 2021.

Appendix A-11: RHNA Allocation by Jurisdiction, 2015-2019 Five-Year Sample Period (Page 2 of 2)

	City of San Marino		City of Sierra Madre		City of South El Monte		City of South Pasadena	
Income Level	Units	Percent	Units	Percent	Units	Percent	Units	Percent
Very Low-Income	149	37.5%	79	38.7%	131	22.7%	757	36.6%
Low-Income	91	22.9%	39	19.1%	64	11.1%	398	19.3%
Moderate-Income	91	22.9%	35	17.2%	70	12.1%	334	16.2%
Above Moderate-Income	66	16.6%	51	25.0%	312	54.1%	578	28.0%
Total RHNA Allocation	**397**	**100%**	**204**	**100%**	**577**	**100%**	**2,067**	**100%**

	City of Temple		City of Walnut		City of West Covina		Unincorporated Los Angeles County (a)	
Income Level	Units	Percent	Units	Percent	Units	Percent	Units	Percent
Very Low-Income	630	28.8%	427	33.0%	1,653	30.9%	8,279	28.5%
Low-Income	350	16.0%	225	17.4%	850	15.9%	4,419	15.2%
Moderate-Income	369	16.9%	231	17.9%	865	16.2%	4,577	15.7%
Above Moderate-Income	837	38.3%	410	31.7%	1,978	37.0%	11,792	40.6%
Total RHNA Allocation	**2,186**	**100%**	**1,293**	**100%**	**5,346**	**100%**	**29,067**	**100%**

Note:
(a) Represents the unincorporated portions of LA County within the San Gabriel Valley. This assumes the unincorporated portions of San Gabriel Valley will maintain their share of projected unincorporated Los Angeles County housing units.

Sources: SCAG; BAE, 2021.

APPENDIX B: LITERATURE REVIEW BIBLIOGRAPHY

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APPENDIX C: PUBLIC FUNDING SOURCES AND MECHANISMS MATRIX

Fund Name	Funding Source For SGVRHT	Use of Funds	Amount of Funds	Implementation Time Period	Funding Cycle	Housing Trust (JPA)	Housing Authority	Local Jurisdiction	Housing Developer	501(c)3
Federal Sources										
Community Development Block Grant	SGVRHT activities	Grants to develop viable urban communities by providing decent housing and a suitable living environment and by expanding economic opportunities, pimarily for low- and moderate-income persons. Grants may be used for a broad spectrum of community development efforts, including housing, social services, job creation programs, and business retention programs.	Dependent on jurisdiction	Short Term	Annual			x		
HOME Investment Partnerships Program	SGVRHT activities and Project-specific development	Grants to fund new construction and acquisition and rehabilitation of affordable housing, or direct rental subsidies to low-income households.	Dependent on jurisdiction	Short Term	Annual			x		
Low Income Housing Tax Credits	Project-specific development	Tax credits used to subsidize the acquisition, construction, and rehabilitation of affordable rental housing for low- and moderate-income tenants.	Dependent on project	Long Term	Annual				x	
New Markets Tax Credits	Project-specific development	Credit against Federal income taxes for investors that make Qualified Equity Investments (QEIs) in certified financial intermediaries called Community Development Entities (CDEs).	Dependent on project	Long Term	Ongoing					x (CDE)
Opportunity Zones	Project-specific development	Tax advantages for investors or developer that make investments within opportunity zone communities that include deferral of capital gains, reduction of capital gains, or no capital gains tax on fund profits.	Deferral and exemptions	Long Term	Ongoing				x	

Fund Name	Funding Source For SGVRHT	Use of Funds	Amount of Funds	Implementation Time Period	Funding Cycle	Housing Trust (JPA)	Housing Authority	Local Jurisdiction	Housing Developer	501(c)3
State Sources										
California Department of Housing and Community Development (HCD)										
Affordable Housing and Sustainable Communities (AHSC)	Project-specific development	Capital funding for affordable housing projects near major transit nodes.	Up to $20 million per project	Medium Term	Annual	x (JPA eligible)	x	x	x	
CalHOME	SGVRHT activities and Project-specific development	Grants to assist individual first-time homebuyers (low and very low-income households) for down payment assistance, home rehabilitation, homebuyer cousneling, mortgage assitance, and other technical assistance.	Up to $5 million per project	Short Term	Two Years	x (Adminsters by LACDA; Housing Trust may receive?)	x	x		x
Community Development Block Grant	SGVRHT activities	Grants to assist in affordable housing rehabilitation or acquisition, public improcements, public services, or technical assistance.	Up to $1.5 million per project	Short Term				x (Non-entitlement jurisdiction)		
Emergency Solutions Grants	SGVRHT activities	Funds to provide homeless services through engagement and social assistance, improvement and operation of emergency shelters, rapid rehousing programs, and prevention of families and individuals at risk of becoming homeless.	Dependent on Continuum of Care (CoC)'s set minimum and maximum grant amount	Short Term	Annual	x (Through sponsorship of regional CoC)	x (Through sponsorship of regional CoC)	x (Through sponsorship of regional CoC)		
Golden State Acquisition Fund (GSAF)	Project-specific development	Stemming from HCD's Affordable Housing Innovation Fund, GSAF provides low-cost financing program to support creation and preservation of affordable housing.	Up to $13.95 million per project	Medium Term (5 years)			x		x	x (Non-profit Developer)
HOME Investment Partnerships Program	SGVRHT activities and Project-specific development	Most assistance is in the form of loans by city and county recipients to project developers to be repaid to local HOME accounts for reuse.	Up to $1 million per project	Long Term (period of up to 55 years of affordability)	Annual	x (Adminsters by LACDA; Housing Trust may receive?)		x (For those that do not already receive HOME funds from HUD)		

Fund Name	Funding Source For SGVRHT	Use of Funds	Amount of Funds	Implementation Time Period	Funding Cycle	Housing Trust (JPA)	Housing Authority	Local Jurisdiction	Housing Developer	501(c)3
State Sources										
California Department of Housing and Community Development (HCD)										
Homekey	Project-specific development	Assistance in purchasing and rehabilitating housing, including hotels, motels, vacant apartment buildings, and other buildings and convert them into interim or permanent, long-term housing for persons experiencing homelessness.	Dependent on project	Short Term	One time allocation; currently not accepting applications		x	x	x (Only with local jurisdiction or housing authority sponsorship)	x (Only with local jurisidiction or housing authority sponsorship)
Housing for a Healthy California	Project-specific development	Eligible use of funds depends on whether applicant is a NHTF or SB2 applicant. NHTF applicants may use funds for acquisition or new construction and SB 2 applicants may use funds for acquisition, new construction, administrative costs, COSRs, and rental subsidies assistance.	Up to $20 million per project	Long Term			x		x	x
Infill Infrastructure Grant Program	Project-specific development	Grants for infrastructure improvements in support of higher-density affordable and mixed-income housing, and mixed-use infill development projects.	Up to $7.5 million per project for Qualifying Infill Project or up to $30 million per project for housing designated within a Qualifying Infill Area	Long Term	Two Years		x	x	x	x (Non-profit Developer)
Local Early Action Planning (LEAP) Grant	SGVRHT activities	Grants and technical assistance to local governments for the preparation and adoption of planning documents, and process improvements that accelerate housing production and facilitate implementation of Regional Housing Needs Assessment.	Up to $1.5 million per project	Short Term	One time allocation; currently not accept applications	x (Could be passed through from local jurisdictions)		x (could be passed through to JPA)		

Fund Name	Funding Source For SGVRHT	Use of Funds	Amount of Funds	Implementation Time Period	Funding Cycle	Housing Trust (JPA)	Housing Authority	Local Jurisdiction	Housing Developer	501(c)3
State Sources										
California Department of Housing and Community Development (HCD)										
Local Housing Trust Fund Program	SGVRHT activities	Loans for multifamily rental housing projects that require tenant income and rent restrictions as well construction loans and permanent financing loans for construction or rehabilitation of affordable rental housing projects, emergency shelters, permanent supportive or transitional housing, and affordable homeownership projects.	Up to $5 million per project	Long Term	Annual	x		x		x
Mobilehome Park Rehabilitation and Resident Ownership Program	Project-specific development	Funds for acquisition or rehabilitation of existing mobilehome park. Short-term conversion loan to purchase a mobilehome park or long-term blanket/individual loan to purchase mobilehome park to help low-income residents finance the purchase of shares or spaces in the park or to help pay for the cost to repair low-income residents' mobilehomes. Loans may also be used for construction or reconstruction of a park impacted by a natural disaster.	Up to $5 million per project	Short and Long Term		x (Allows for local public entity which also includes two or more local public entities acting jointly)	x	x		x
Multifamily Housing Program	Project-specific development	Deferred payment loans for new construction, rehabilitation, or acquisition of permanent or transitional rental housing, and the conversion of nonresidential structures to rental housing.	Up to $20 million per project	Long Term	Annual		x (Must be owner or developer of project and have experience with affordable housing development)	x (Must be owner or developer of project and have experience with affordable housing development)	x (Must be owner or developer of project and have experience with affordable housing development)	x (Must be owner or developer of project and have experience with affordable housing development)

Fund Name	Funding Source For SGVRHT	Use of Funds	Amount of Funds	Implementation Time Period	Funding Cycle	Housing Trust (JPA)	Housing Authority	Local Jurisdiction	Housing Developer	501(c)3
State Sources										
California Department of Housing and Community Develompent (HCD)										
National Housing Trust Fund	Project-specific development	Deferred payment or forgivable loan to assist in new construction of permanent housing for extremely low-income households. Eligible applicants bust be owner or developer of project.	Up to $10 million per project	Long Term			x (Must be owner or developer of project)	x (Must be owner or developer of project)	x	
Permanent Local Housing Allocation	SGVRHT activities and Project-specific development	Use of funds are dependent on the type of allocation recipient receives: formula allocation or competitive allocation. Grants are to help implement increase affordable housing stock. Eligible uses include predevelopment, development, acquisition, rehabilitation, and preservion multifamily and other residential rental housing for lower and workforce-income households; matching portions of funds placed into housing trust funds or available through Low and Moderate Income Housing Assest Fund; capitalized reserves for services connected to preservation and creation of new permant supportive housing; homeless rehousing or rental assistance; etc.	**Formula allocations** are dependent on each entitlement local government's share of total Community Development Block Grant (CDBG) allocation in California. **Competitve allocations** are dependent on type of assistance project is providing and can range from $1 to $3 million	Long Term		x (Pass through from local jurisdiction, but Housing trust does not directly receives this money)		x (could be passed through to JPA)		
Regional Early Action Planning Grants	SGVRHT activities	Grants and technical assistance to regional public entities and governments for the preparation and adoption of planning documents, and process improvements that accelerate housing production and facilitate implementation of Regional Housing Needs Assessment.	Dependent on the population estimate of each applicant	Short Term	One time allocation; currently not accept applications	x (Pass through from county, but Housing trust does not directly receives this money)				
SB 2 Planning Grants	SGVRHT activities	Grants and technical assistance to local government to prepare, adopt, and implement plans and process improvements that streamline housing approvals and accelerate housing production.	Up to $625,000 per project	Short Term	One time allocation; currently not accept applications	x (Multi-jurisdictional partnerships are eligible)		x		

Fund Name	Funding Source For SGVRHT	Use of Funds	Amount of Funds	Implementation Time Period	Funding Cycle	Housing Trust (JPA)	Housing Authority	Local Jurisdiction	Housing Developer	501(c)3
State Sources										
California Department of Housing and Community Development (HCD)										
Section 811 Project Rental Assistance	Project-specific development	Rental assistance funding to provide five-year renewable rental assistance to affordable housing projects serving persons with disabilities.	Up to 25% of all project units which are restricted as supportive housing for persons with disability	Long Term					x	
Supportive Housing Multifamily Housing Program	Project-specific development	Deferred payment loans for permanent financing and used for acquisition, refinancing property to maintain affordable rents, on and off-site improvements, consulting fees and costs, capitalized reserves, and facilities for social services linked to restricted supportive housing units. A minimum of 40 percent of units must be set aside to populations experiencing chronic homelessness, homeless youths, or exiting institutional settings.	Up to $20 million per project	Long Term		x (Trust is eligible applicant; Must have past experience with owning a developing affordable housing development)	x (Must have past experience with owning a developing affordable housing development)	x (Must have past experience with owning a developing affordable housing development)	x (Must have past experience with owning a developing affordable housing development)	x (Must have past experience with owning a developing affordable housing development)
Transit Oriented Development Housing Program	Project-specific development	Low-interest loans available as gap financing for rental housing developments near transit that include affordable units. Grants are also available for infrastructure improvements necessary for the development of specified housing developments, or to facilitate connections between these developments and the transit station.	Up to $15 million per project	Long Term				x	x	
Veterans Housing and Homelessness Prevention Program	Project-specific development	Loans for acquisition, construction, rehabilitation, and preservation of affordable multifamily housing for veterans and their families to allow veterans to access and maintain housing stability.	Up to $10 million per project	Long Term	Every 2 Years		x		x	x

Fund Name	Funding Source For SGVRHT	Use of Funds	Amount of Funds	Implementation Time Period	Funding Cycle	Housing Trust (JPA)	Housing Authority	Local Jurisdiction	Housing Developer	501(c)3
State Sources										
California Debt Limit Allocation Committee										
California Debt Limit Allocation Committee (CDLAC)	Project-specific development	Entity set to allocate California's annual debt ceiling and administer joint bond and tax credit program to finance affordable housing.		Long Term	Annual		x	x	x	
Bonds	Project-specific development	Affordable housing bond measure provides public bonds to use for hard and soft costs associated with new construction or acquisition or to reimburse acquisition and predevelopment costs previously paid by the applicant for the proposed project. As a JPA, the SGVRHT is permitted to issue tax-exempt revenue bonds without voter approval. The two type of revenue bonds a JPA can issue are public enterprise revenue bonds and qualified private activity revenue bond.	Depend on investments	Long Term	Ongoing	x	x	x		
Community Development Block Grant	SGVRHT activities	Local CDBG funds are administered by LACDA. Funds for community projects including housing, social services, job creation programs, and business retention programs.	Local jurisdictions with population under 50,000; community-based organizations	Short Term	Annual			x		
Enhanced Infrastructure Financing District	Project-specific development	Districts that produce funding from property tax increment to finance the construction or rehabiliation of public infrastructure and private facilities.	Dependent on negotiation terms between EIFDs and local taxing entities	Long Term	Ongoing	x				

Fund Name	Funding Source For SGVRHT	Use of Funds	Amount of Funds	Implementation Time Period	Funding Cycle	Housing Trust (JPA)	Housing Authority	Local Jurisdiction	Housing Developer	501(c)3
Local and Regional Sources										
Development Impact Fees	SGVRHT activities	A mitigation fee in which a developer must pay an affordable housing fee on a per unit or sq. ft. of residential or commercial development built in order to address the financing gap associated with building affordable housing. Funds are deposited into a regional housing trust fund and are used to for local affordable housing development.	Dependent on authorizing jursidiction's fee structure	Short Term	Ongoing			x		
HOME Investment Partnerships Program	SGVRHT activities and Project-specific development	Local HOME funds are administered by LACDA. Funds for Home Ownership program for first-time homebuyers and proposed new affordable housing developments. The fund is allocated through the Multifamily Housing Program.	Dependent on jurisdiction	Short Term	Annual			x		
Impact Fee Waivers/Deferrals	Project-specific development	Waived or deferred impact fees on local affordable housing projects to reduce total development cost.	None	Short Term	Ongoing			x		
Measure H (Los Angeles County's Homeless Initiative)	SGVRHT activities	Funds to provide services for populations experiencing homelessness. Use of funds may include efforts for addressing homelessness and subsidies for supportive and affordable housing initiatives throughout Los Angeles County. Funds can also support rental assistance initiatives and community outreach programs that connect residents experiencing homelessness to social services programs.	Dependent on activities	Short Term	Ongoing	x	x	x		x

Fund Name	Funding Source For SGVRHT	Use of Funds	Amount of Funds	Implementation Time Period	Funding Cycle	Housing Trust (JPA)	Housing Authority	Local Jurisdiction	Housing Developer	501(c)3
Local and Regional Sources										
Metro Affordable Transit Connected Housing (MATCH) Program	Project-specific development	Two types of loans are produced from the MATCH program: 1) the Housing and Transportation (H + T) Loan, which can be used to finance the costs associated with housing development for existing, occupied, unsubsidized, and non-deed restricted multifamily housing with rents restricted to households earning at or below 80 percent AMI; and 2) the Predevelopment Loan, which are used to cover predevelopment costs, such as architecture, engineering, environmental studies, entitlements and permitting, etc.	**H + T Loan:** determiend on a per loan basis and calculated based on 1) 75 to 85 percent of appraised property value and 2) either the difference between 120 percent of appraised property value and CDFI portion or $2 million **Predevelopment Loan**: Up to $1.5 million per project	Short to Medium Term	Annual				x	
Multifamily Bond Financing Program	Project-specific development	LACDA issues tax-exempt or taxable bonds fro projects located within Los Angeles County and meet deepest affrodable levels and significant public benefit of preserving existing affordable housing.	Dependent on project	Long Term	Annual				x (LACDA requires a cooperative resolution by the City in which project is located in)	
Multifamily Rental Housing Program	Project-specific development	LACDA provides capital funding and rental assistance to new construction, acquisition, preservation, and rehabilitation of permanent multifamily rental housing projects for populations with special needs, seniors, or targeted populations listed under the NPLH program. Use of capital funds are for reimbursement of acquisition of land and improvements, underwriting costs, and project predevelopment, construction, and permanent financing.	Up to $10 milion per proejc based on type of funds received (AHTF or NPLH)	Long Term	Annual		x (minimum requirement for applicant team must include an architect, developer, lead service provider, and property manager)	x (minimum requirement for applicant team must include an architect, developer, lead service provider, and property manager)	x (minimum requirement for applicant team must include an architect, developer, lead service provider, and property manager)	x (minimum requirement for applicant team must include an architect, developer, lead service provider, and property manager)

Fund Name	Funding Source For SGVRHT	Use of Funds	Amount of Funds	Implementation Time Period	Funding Cycle	Housing Trust (JPA)	Housing Authority	Local Jurisdiction	Housing Developer	501(c)3
Local and Regional Sources										
No Place Like Home	Project-specific development	Loans to acquire, design, construct, rehabilitate, or preserve permanent supportive housing for persons who are experiencing homelessness, chronic homelessness or who are at risk of chronic homelessness, and who are in need of mental health services. Los Angeles, San Diego, San Francisco, and Santa Clara Counties are considered Alternative Process Counties (APC) under the NPLH program and receives automatic allocations. NPLH program is administered by LACDA in Los Angeles County.	Up to $20 million per project	Long Term	Annual		x	x (**Tri-Cities of Pomona, Claremont, and La Verne, and the City of Berkeley** are considered separate Counties under the NPLH program because they receive a direct allocation of Mental Health Services Act (MHSA) funds from the California Department of Health Care Services.)	x	x
Parcel Tax	SGVRHT activities	Non-value-based tax on real property, which is generally designed as a flat per-parcel assessment, but which can also be tied to other characteristics of a property, such as number of units, number of fixtures, differences in use, etc	Dependent on authorizing jursidiction's taxing structure	Short Term	Ongoing			x		
Publicly Owned Sites	Project-specific development	Public entities can make publicly-owned sites available to developers at a reduced or no cost if development projects meet the affordability or public benefit threshold required by the jurisdiction.	None	Short-term	Ongoing			x	x	
Property/Real Estate Transfer Tax	SGVRHT activities	Tax on real estate transfers that is earmarked for affordable housing funding.	Dependent on authorizing jursidiction's tax rate	Short Term	Ongoing			x		
Sales and Use Tax	SGVHRT activities	Special tax add-on that is earmarked for affordable housing.	Dependent on authorizing jursidiction's tax rate	Short Term	Ongoing			x		

Fund Name	Funding Source For SGVRHT	Use of Funds	Amount of Funds	Implementation Time Period	Funding Cycle	Housing Trust (JPA)	Housing Authority	Local Jurisdiction	Housing Developer	501(c)3
Local and Regional Sources										
Transient Occupancy Tax (TOT)	SGVRHT activities	Tax levied by local governments on users of temporary (i.e., 30 days or less) lodgings and accommodations. This source of revenue typically accrue to the General Fund of authorizing jurisdiction.	Dependent on authorizing jursidiction's tax rate	Short Term	Ongoing			x		

APPENDIX D: SOURCES FOR PROJECT-SPECIFIC FUNDING AND LEVERAGING

The following summary provides project-specific funding and leveraging sources that the SGVRHT can use or direct developers to access for individual affordable housing developments throughout the San Gabriel Valley

Local and Regional Funding Sources and Mechanisms

Enhanced Infrastructure Financing District

Hampered by the loss of redevelopment agencies, California jurisdictions now have limited methods to leverage property tax increment to fund affordable housing. One of the tools authorized by State law is to establish an Enhanced Infrastructure Financing District (EIFD). Under an EIFD, the local jurisdiction apportions incremental increases in property tax revenue generated within an established area into a dedicated fund. EIFD funds can then use existing and future tax revenue as a guarantee for the issuance of large value public bonds. Typically, EIFDs are established in areas undergoing major planning and development projects, such as new specific plan areas.

- **Eligible Applicants:** SGVRHT
- **Funding Amount:** Dependent on the amount of property tax controlled by the local jurisdiction and negotiations with other local taxing entities that could be asked to contribute tax increment to the EIFD.
- **Implementation Time Period:** Long-term
- **Funding Cycle:** Ongoing
- **Key Considerations for SGVRHT:** When formed through a Joint Powers Authority (JPA), an EIFD can be established without voter approval. The JPA/governing board can prepare an Infrastructure Financing Plan which lays out the proposed future development in the EIFD area and the uses of the EIFD funds. Once the plan is approved, the EIFD fund will begin to accrue tax increment revenue pursuant to the approved guidelines. These EIFD areas tend to be precise, suggesting the SGVRHT should not seek to administer these funds but should instead assist local jurisdictions in creating EIFDs to support local affordable housing projects. The SGVRHT could help distribute EIFD funds for affordable housing developments, though funds raised within a specific geographic location must be used to fund housing and infrastructure in that same geographic area.

Impact Fee Waivers and Deferrals

As a mechanism to incentivize affordable housing development in a cost-effective way, impact fee waivers and deferrals for affordable housing projects that meet a certain threshold can encourage a wave of qualifying affordable housing projects. In jurisdictions with robust fee schedules, impact fees can accumulate into a large share of project costs. Waiving or deferring impact fees for affordable housing developments can alleviate the upfront burden of affordable housing developers while creating a viable source to move affordable developments forward.

- **Eligible Applicants:** Local jurisdictions
- **Funding Amount:** Offsets fees established by the local jurisdiction
- **Implementation Time Period:** Short-term
- **Funding Cycle:** Ongoing
- **Key Considerations for SGVRHT:** Fee waivers or deferrals are a useful tool in reducing the cost and time needed to build affordable housing. Although not a direct subsidy to a project, these reductions can help close the financing gap. In its policy work, the SGVRHT should support cities to incorporate fee waivers and deferrals into local pro-housing policies.

Metro Affordable Transit Connected Housing Program

The Metro Affordable Transit Connect Housing (MATCH) program is a public-private lending partnership that provides funding for preservation and expansion of affordable housing within Los Angeles County and within half-mile of a High Frequency Transit Node. The program issues two loan products: the Housing and Transportation (H+T) Loan and the Predevelopment Loan. The H + T Loan comprises 75 percent of MATCH funding and can be used to finance the costs associated with housing development for existing, occupied, unsubsidized, and non-deed restricted multifamily housing with rents restricted to households with incomes at or below 80 percent AMI. Eligible use of funds includes purchasing and closing costs, financing fees, carrying costs, and reserves. Projects eligible for the H + T Loan are required to have a minimum size of 20 units. The Predevelopment Loans comprises 25 percent of MATCH funding and are reserved for new affordable housing project through new construction of substantial rehabilitation. Eligible use of funds includes predevelopment costs, such as architecture, engineering, environmental studies, entitlements and permitting, etc. Projects eligible for the Predevelopment Loan must have a minimum size of 49 units and demonstrate site control.

- **Eligible Applicants:** Housing developers
- **Funding Amount:**
    - **H + T Loan:** Determined on a per loan basis and calculated based on 1) 75 to 85 percent of appraised property value and 2) either the difference between 120 percent of appraised property value and CDFI portion or $2 million
    - **Predevelopment Loan:** Up to $1.5 million per project
- **Implementation Time Period:** Short to Medium-Term
- **Funding Cycle:** Annual
- **Key Considerations for SGVRHT:** The SGVRHT should identify sites and projects that would be eligible for MATCH funds and work with local jurisdictions, developers, and LA

Metro to leverage these sources to support Metro-adjacent affordable housing development.

HOME Investment Partnership (HOME)

The Los Angeles County Development Authority (LACDA) administers HUD's HOME funding to qualifying jurisdictions throughout the County. In Los Angeles County, HOME funds continue to support the Home Ownership program for first-time homebuyers and proposed new affordable housing developments. The fund is allocated through the Multifamily Housing Program.

- **Eligible Applicants:** Local jurisdictions under LACDA's participating cities
- **Funding Amount:** Dependent on applicant and project
- **Implementation Time Period:** Short-term
- **Funding Cycle:** Annual
- **Key Considerations for SGVRHT:** HOME funds could be challenging to pass through to the SGVRHT due to their geographic restrictions and complicated federal requirements. While not a top-tier source to pursue, SGVRHT will want to fully understand the parameters of these federal funds before accepting passthroughs from member cities.

LACDA Multifamily Bond Financing Program

Since 1984, LACDA has administered a multifamily bond financing program for projects throughout Los Angeles County. Eligible projects under this program may either receive tax-exempt or taxable bonds for their projects. Taxable bonds for this program do not require an allocation of bond authority from the California Debt Limit Allocation Committee (CDLAC). Eligible development projects are to be located within Los Angeles County and are chosen by priority of project, based on deepest affordability levels and levels of significant public benefit and preservation of existing affordable housing.

- **Eligible Applicants:** Local jurisdictions (LACDA requires a cooperative resolution adopted by the city in which project is located), housing developers
- **Funding Amount:** Dependent on project
- **Implementation Time Period:** Long-term
- **Funding Cycle:** Annual
- **Key Considerations for SGVRHT:** SGVRHT is currently exploring the possibility of revenue bond fee sharing with LACDA.

Multifamily Rental Housing Program

The Multifamily Rental Housing Program is administered by LACDA and funded by the Affordable Housing Trust Fund (AHTF) and the No Place Like Home (NPLH) program. The Multifamily Rental Housing Program provides capital funds and rental assistance to new construction, acquisition, preservation, and rehabilitation of permanent multifamily rental housing projects for populations with special needs, seniors, or targeted populations listed under the NPLH program.

Eligible uses of capital funds are for reimbursement of acquisition of land and improvements, underwriting costs, and project predevelopment, construction, and permanent financing. Eligible applications for rental assistance receive either Section 8 Project-Based Vouches (PBV) or Project-Based Veterans Affairs Supportive Housing (PHVASH) Vouchers and must be for projects that serve populations with special needs and veterans at or below 30 percent AMI or special needs and seniors at or below 50 percent AMI.

- **Eligible Applicants:** Public agencies, housing authorities, local jurisdictions, housing developers, 501(c)3; minimum requirement for applicant team must include an architect, developer, lead service provider, and property manager
- **Funding Amount:** Up to $10 million per project based on type of fund received (AHTF or NPLH)
- **Implementation Time Period:** Long-term
- **Funding Cycle:** Annual
- **Key Considerations for SGVRHT:** The SGVRHT should collaborate with local jurisdictions and developers to leverage Multifamily Rental Housing funds from LACDA to support affordable housing developments

No Place like Home

The No Place Like Home (NPLH) program provides deferred payment loans to counties or counties with a development sponsor for permanent supportive housing for persons with mental illness who are chronically homeless, homeless, or at-risk of chronic homelessness. These funds may be used for acquisition, design, construction, rehabilitation, or preservation of permanent supportive housing, which may include a Capitalized Operating Subsidy Reserve (COSR). As part of NPLH, Los Angeles County qualifies as an HCD-defined Alternative Process County (APC) under the Alternative Process Allocations of NPLH. APCs receive automatic allocations from NPLH every funding cycle. Other jurisdictions, such as the tri-cities of Pomona, Claremont, and La Verne, and the City of Berkeley are considered separate counties under the NPLH program because they receive direct allocation of Mental Health Services Act (MHSA) funds and these jurisdictions are eligible to apply through the NPLH competitive allocation funding.

As an APC, NPLH funding in Los Angeles County is administered by LACDA. NPLH capital funding may be used for permanent multifamily rental supportive housing projects. These projects can apply for the NPLH capital financing or rental assistance.

- **Eligible Applicants:** Housing authorities, local jurisdictions, housing developers, 501(c)3
- **Funding Amount:** Up to $20 million per project
- **Implementation Time Period:** Long-term
- **Funding Cycle:** Annual
- **Key Considerations for SGVRHT:** The SGVRHT should collaborate with local jurisdictions and developers to leverage NPLH funds to support affordable housing developments

Publicly Owned Sites

Publicly owned sites that remain vacant and underutilized can be used as a project-specific housing funding source for local jurisdictions. To stimulate affordable housing in a region, public entities can make publicly owned sites available to developers at a reduced or no cost if development projects meet the affordability or public benefit threshold required by the jurisdiction. Depending on the location, land and development costs can make it difficult to create new affordable housing for lower-income households. With the contribution of public property with the intent of affordable residential use, both jurisdictions and developers can maximize the use of underutilized sites while addressing the local affordable housing need.

- **Eligible Applicants:** Local jurisdictions; housing developers
- **Funding Amount:** None
- **Implementation Time Period:** Short-term
- **Funding Cycle:** Ongoing
- **Key Considerations for SGVRHT:** SGVRHT should promote affordable housing development on publicly owned sites. SGVRHT staff can help local jurisdictions identify developers and other funding sources to support the development of affordable housing projects on publicly owned sites.

State Funding Sources

Affordable Housing and Sustainable Communities (AHSC)

Funded through the California Cap-and-Trade program, the Affordable Housing and Sustainable Communities (AHSC) program allocates annual funding for affordable housing projects throughout the State. The largest component of AHSC is the GHG emission reductions associated with the proposed projects. As such, HCD requires that the application for funding is a collaborative effort between the development team, local transit authority, and local jurisdiction to ensure the housing proposal fits into the larger transportation network and local environmental goals. Funding awards are specifically broken down into three project types, including Transit Oriented Development (TOD), Integrated Connectivity Projects (ICP), and Rural Innovation Project Areas (RIPA).

- **Eligible Applicants:** SGVRHT, housing authorities, local jurisdictions, housing developers through sponsorship
- **Funding Amount:** Up to $20 million per project
- **Implementation Time Period:** Medium-term
- **Funding Cycle:** Annual
- **Key Considerations for SGVRHT:** The SGVRHT is not eligible for this funding. It is allocated to project sponsors and local jurisdictions for associated infrastructure improvements.

Multifamily Housing Program

The Multifamily Housing Program (MHP) provides deferred payment loans for new construction, rehabilitation, or acquisition of permanent or transitional rental housing and conversion of non-residential structures to rental housing for lower-income households. MHP is sourced by the Veterans and Affordable Housing Bond Act of 2018. Eligible projects must meet the rental housing development standards as noted in the Uniform Multifamily Regulations and must not be receiving the nine percent federal low-income housing tax credits simultaneously. As an active HCD program, the stacking of multiple HCD funding sources on the same projects is prohibited.

- **Eligible Applicants:** SGVRHT, housing authorities, local jurisdictions, housing developers, 501(c)3 can be the primary applicant or an affiliate/general partner of an applicant; applicants must have successfully developed at least one affordable housing project
- **Funding Amount:** Up to $20 million per project
- **Implementation Time Period:** Long-term
- **Funding Cycle:** Annual
- **Key Considerations for SGVRHT:** The SGVRHT is not eligible for this funding. It is allocated to project sponsors.

California Debt Limit Allocation Committee

As federal law limits how much tax-exempt debt a state can issue for private projects that offer qualified public benefit, the California Debt Limit Allocation Committee (CDLAC) was created to allocate California's annual debt ceiling and administer the state's tax-exempt bond program to issue the debt. Currently, CDLAC administers tax-exempt private activity bonds for several programs. For the Qualified Residential Rental Project (QRRP) program, bond authority is award into the New Construction Pool, Other Rehabilitation Pool, for projects that are not eligible for treatment as a new construction or preservation project, and BIPOC (Black, Indigenous and Other People of Color) Pool, for projects for which the sponsor entity is a BIPOC.

- **Eligible Applicants:** Housing authorities, local jurisdictions, housing developers
- **Funding Amount:** Project-Based
- **Implementation Time Period:** Long-term
- **Funding Cycle:** Annual
- **Key Considerations for SGVRHT:** The SGVRHT is not eligible for this funding. It is allocated to project sponsors.

Golden State Acquisition Fund

Seeded from HCD's Affordable Housing Innovation Fund, the Golden State Acquisition Fund (GSAF) is a $93 million low-cost acquisition financing program leveraged with additional capital from a consortium of seven community development financial institutions. GSAF provides a flexible source of capital for the development and preservation of affordable housing properties and recipients can access acquisition financing for rental housing and homeownership opportunities statewide. Funding may be used for acquisition of vacant land or improved property and must meet several income-restricted and affordability level parameters.

- **Eligible Applicants:** Local jurisdiction, housing developers, public agencies
- **Funding Amount:** Up to $13.95 million per project
- **Implementation Time Period:** Medium-term
- **Funding Cycle:** Ongoing
- **Key Considerations for SGVRHT:** The SGVRHT could pursue these funds if it moves forward with a land acquisition strategy.

Homekey

Administered by HCD, $600 million was made available to public agencies to purchase and rehabilitate housing and convert them into interim or permanent housing for residents experiencing homelessness or those who are at risk of serious illness from COVID-19. Homekey funds derived from the State's direct allocation of federal Coronavirus Aid Relief Funds (CRF) the State's General Fund. Under this program, local public agencies partner with the State to acquire and rehabilitate various housing types including hotels, motels, vacant apartment buildings and residential care facilities.

- **Eligible Applicants:** Housing authorities, local jurisdictions, housing developers (with housing authority/local jurisdiction sponsorship), and non-profits (with housing authority/local jurisdiction sponsorship)
- **Funding Amount:** Dependent on project
- **Implementation Time Period:** Short-term
- **Funding Cycle:** One-time allocation; not accepting applications
- **Key Considerations for SGVRHT:** Although the Homekey program is no longer active, the program may return with new funds. If the program returns, the SGVRHT could identify existing housing properties for conversion into permanent housing for residents experiencing homelessness.

Housing for a Healthy California

Made into law in 2017, Assembly Bill 74 authorized HCD to develop the Housing for a Healthy California (HHC) program that supports the acquisition, construction, rehabilitation, administrative costs, Capitalized Operating Subsidy Reserves (COSRs), and rental subsidies/assistance for supportive housing opportunities for individuals who are recipients or eligible for health care provided through the Medi-Cal program. The program utilizes allocations from the 2018-2021 federal National Housing Trust Fund (NHTF). The eligible uses of funds are dependent on the type of applicants: NHTF applicants are only able to use HHC funds for acquisition and/or new construction, while SB2 applicants are able to use HHC funds for acquisition, new construction, administrative costs, capitalized operating subsidy reserves, and rental subsidies/assistance.

- **Eligible Applicants:**
    - **NHTF Applicants:** Housing authorities, housing developers, non-profits that are owner or developer of project
    - **SB2 Applicants:** Counties
- **Funding Amount:** Up to $20 million per project
- **Implementation Time Period:** Long-term
- **Funding Cycle:**
- **Key Considerations for SGVRHT:** The SGVRHT is not eligible for this funding. It is allocated to project sponsors.

Infill Infrastructure Grant Program

The Infill Infrastructure Grant program (IIG) is facilitated by HCD and provides gap funding assistance for infrastructure improvement, such as construction, rehabilitation, demolition, relocation, preservation, and acquisition, specifically for residential or mixed-use infill development projects. Eligible activities for funding include Capital Improvement Projects (CIPs), Qualifying Infill Projects, or housing projects designated with a Qualifying Infill Area.

- **Eligible Applicants:** Housing authorities or local jurisdictions that have jurisdiction over a Qualifying Infill Area, or housing developers of a Qualifying Infill Project
- **Funding Amount:** Up to $7.5 million for Qualifying Infill Project; Up to $30 million for housing designated in Qualifying Infill Area
- **Implementation Time Period:** Long-term
- **Funding Cycle:** Every two years
- **Key Considerations for SGVRHT:** The SGVRHT is not eligible for this funding. It is allocated to project sponsors.

Mobile Home Park Rehabilitation and Resident Ownership Program

HCD's Mobile Home Park Rehabilitation and Resident Ownership program supports the conversion, acquisition, rehabilitation of existing mobile home parks to preserve them as a source of affordable housing for park residents. Funding is allocated in the form of short-term conversion loans, which are granted to purchase a mobile home park, or long-term blanket/individual loan, which are used to purchase mobile home parks to help low-income residents finance the purchase of shares or spaces in the park or to help pay for the cost to repair low-income residents' mobile homes. The program also funds loans for construction and reconstruction of mobile home parks that have been destroyed by a natural disaster.

- **Eligible Applicants: H**ousing authorities, local jurisdictions, 501(c)3
- **Funding Amount:** Up to $5 million per project

- **Implementation Time Period:** Long-term
- **Funding Cycle:** Funds dependent
- **Key Considerations for SGVRHT:** SGVRHT would only pursue this funding as a potential park developer/owner or facilitator of community ownership.

National Housing Trust Fund

The National Housing Trust Fund (NHTF) is a federal program administered by HCD for new construction of permanent housing for extremely low-income households in the form of deferred payment or forgivable loans. The Federal allocation for 2021 totals approximately $690 million, with roughly $127 million allocated to the State of California. Appropriated funding must be used for new construction of 100 percent multifamily units and priority is given to projects with the deepest affordability levels, either serving special needs or homeless population, or in an area of opportunity. Assembly Bill 74 directed HCD to utilize the 2018-2021 NHTF allocation for the Healthy Housing California (HHC) program, which is described above.

- **Eligible Applicants:** SGVRHT, housing authorities, local jurisdictions, housing developers must be owner or developer of project
- **Funding Amount:** Up to $10 million per project
- **Implementation Time Period:** Long-term
- **Funding Cycle:** Fund dependent
- **Key Considerations for SGVRHT:** The SGVRHT is not eligible for this funding. It is allocated to project sponsors.

Section 811 Project Rental Assistance

As a collaborative partnership, the California Housing Finance Agency (CalHFA), Department of Health Care Services (DHCS), HCD, Department of Developmental Services (DDS), and California Tax Credit Allocation Committee (TCAC) have developed the Section 811 Project Rental Assistance Program to provide rental assistance funding to support Medicaid beneficiaries with disabilities who have resided in a long-term health care facility and desire to return to community living. The rental assistance funding provides a five-year renewable rental assistance to affordable housing projects serving persons with disability. Section 811 Project Rental Assistance funds can be used on existing project where construction or rehabilitation is completed or projects under development.

- **Eligible Applicants:** Housing developers
- **Funding Amount:** Up to 25 percent of all project units which are restricted as supportive housing for persons with disability
- **Implementation Time Period:** Long-term
- **Funding Cycle:** Funds dependent
- **Key Considerations for SGVRHT:** SGVRHT is not eligible for this funding.

Supportive Housing Multifamily Housing Program

The Supportive Housing Multifamily Housing Program (SHMHP) provides permanent financing for multifamily rental housing projects including new construction, rehabilitation, acquisition, or conversion of non-residential structures into permanent support housing units for special needs and homeless populations. Developments funded by SHMHP are also required to set aside a minimum of 40 percent of units to populations experiencing chronic homelessness, homeless youths, or exiting institutional settings. Use of funds may involve property acquisition, refinancing property to maintain affordable rents, on and off-site improvements, consulting fees and costs, capitalized reserves, and facilities for social services linked to restricted supportive housing units.

- **Eligible Applicants:** Housing authorities, local jurisdictions, housing developers, 501(c)3 must demonstrate relevant experience to owning and developing affordable rental housing through at least one affordable rental housing project prior; applicants much have at least 24 months experience in ownership or operation of a minimum of one rental housing development that include units reserved for special needs populations
- **Funding Amount:** Up to $20 million per project
- **Implementation Time Period:** Long-term
- **Funding Cycle:** Funds dependent
- **Key Considerations for SGVRHT:** The SGVRHT is not eligible for this funding. It is allocated to project sponsors.

Transit-Oriented Development Housing Program

Funded by the Veterans and Affordable Housing Bond Act of 2018, HCD announced an availability of approximately $141 million for the 2020 Transited-Oriented Development (TOD) Housing Program. TOD Housing Program funds provide financial assistance in the forms of low-interest loans available as gap financing for rental housing development and infrastructure projects that support affordable and mixed-income housing, as well as mixed-used infill development projects. Eligible projects must be new construction or rehabilitation of residential units of no fewer than 20 units and be located within one-quarter mile from a Qualifying Transit Station or one-half mile walking distance from Qualifying Transit Station. Eligible project must also meet affordability requirements and infrastructure requirements

- **Eligible Applicants:** Local jurisdictions, housing developers
- **Funding Amount:** Up to $15 million per project
- **Implementation Time Period:** Long-term
- **Funding Cycle:** Funds dependent
- **Key Considerations for SGVRHT:** The SGVRHT is not eligible for this funding. It is allocated to project sponsors.

Veterans Housing and Homelessness Prevention Program

In 2013, Assembly Bill (AB) 639 restructured the Veteran's Bond Act of 2008, authorizing $600 million in existing bond authority to fund multifamily housing for veterans. With voter approval in the subsequent year, HCD administered the Veteran Housing and Homelessness Prevention Program (VHHP), in collaboration with the California Department of Veteran Affairs (CalVet) and CalHFA, in efforts to address the veteran housing crisis. VHHP provides loans to support the development of affordable multifamily rental housing that provide permanent supportive housing and affordable housing units for veterans and their family. VHHP loans can be used for acquisition, construction, rehabilitation, and preservation of affordable multifamily housing for veterans.

- **Eligible Applicants:** Housing authorities, local jurisdictions, housing developers
- **Funding Amount:** Up to $10 million per project
- **Implementation Time Period:** Long-term
- **Funding Cycle:** Every 2 years
- **Key Considerations for SGVRHT:** The SGVRHT is not eligible for this funding. It is allocated to project sponsors.

Federal Funding Sources

Low Income Housing Tax Credits (LIHTC)

Low Income Housing Tax Credits (LIHTC) are federally sourced tax credits issued to state governments to be awarded to affordable housing developers and administered by the California Tax Credit Allocation Committee (CTCAC). These credits are used to subsidize the acquisition, construction, and rehabilitation of affordable rental housing for low and moderate-income tenants. As the competition for funds has increased, especially for the more substantial nine percent tax credit program, projects that receive funds must meet several criteria. More specifically, California's criteria for awarding LIHTC revolves around climate-related goals. Therefore, most projects receiving funds include public transportation and alternative transportation components. Projects with even modest contributions from the local jurisdiction are significantly more competitive.

- **Eligible Applicants:** Housing developers
- **Funding Amount:** Project dependent
- **Implementation Time Period:** Short-term
- **Funding Cycle:** Annual, with multiple rounds each year
- **Key Considerations for SGVRHT:** The SGVRHT is not eligible for this funding. It is allocated to project sponsors. The amount of leveraged local funds is among the competitive criteria for LIHTCs. By increasing local funding for affordable housing, the SGVRHT attracts more tax credit "dollars" to local projects. The SGVRHT should continue to track LIHTC eligibility and competitiveness criteria for pipeline projects and advocate for regulations changes in favor of SGV projects.

New Market Tax Credit (NMTC)

Authorized by Congress in 2000, New Market Tax Credits (NMTC) encourages private investors to make equity investments in Community Development Entities (CDEs), which are financial intermediaries that provide low-cost capital to businesses and developments within specific qualifying economically distressed Census tracts. Investors receive a federal tax credit equal to 39 percent of their investment over seven years. The NMTC program is flexible in project type and purpose and can be used to finance a range of projects including operations and real estate financing.

- **Eligible Applicants:** Qualified Active Low-Income Community Businesses (QALICBs) and non-profits
- **Funding Amount:** Project Dependent
- **Implementation Time Period:** Long-Term
- **Funding Cycle:** Ongoing
- **Key Considerations for SGVRHT:** NMTCs have been used to develop for-sale affordable housing products, and mixed-product housing developments with commercial components. NMTCs are project-specific and therefore SGVRHT would not be eligible to utilize this source unless it was the developer.

Opportunity Zones

The Tax Cuts and Jobs Act of 2017 started the Opportunity Zones tax incentives to create investment in low-income and undercapitalized communities. The program, which expires in 2026, encourages investors to direct capital gains from previous investments into an Opportunity Fund, a specialized investment vehicle that makes investments in real property, infrastructure, and companies within Opportunity Zone-designated tracts. In return, the program offers federal tax incentive through deferral, partial tax reductions, and tax forgiveness on new capital gains. The San Gabriel Valley has several Opportunity Zone-designated tracts, including concentrations in the Cities of Pomona and El Monte. Affordable housing developers have found it difficult to make Opportunity Zone tax incentives work with Low Income Housing Tax Credits and very few projects have been built with this source nationally.[5] There are a total of ten Opportunity Zones in the San Gabriel Valley, one in South El Monte, two in El Monte, one on the border of El Monte and City of Industry, one in the South San Jose Hills CDP, four in Pomona, and one in Azusa.

- **Eligible Applicants:** Housing developer or investors
- **Funding Amount:** Project dependent
- **Implementation Time Period:** Long-term
- **Funding Cycle:** Ongoing

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[5] Anderson, Bendix, "Time is Running Out for Affordable Housing," May 28,2020, https://www.housingfinance.com/finance/time-is-running-out-for-affordable-housing-in-opportunity-zones_o, Website accessed April 15, 2020

- **Key Considerations for SGVRHT:** The SGVRHT is not eligible for this funding. It is allocated to project sponsors.