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Renew Alameda County: Program Update

Presented by Habitat for Humanity East Bay/Silicon Valley's Home Preservation Department

SINCE MARCH 2019 LAUNCH

- 80 loans funded
- 55 projects
 completed
- \$9.7M funded

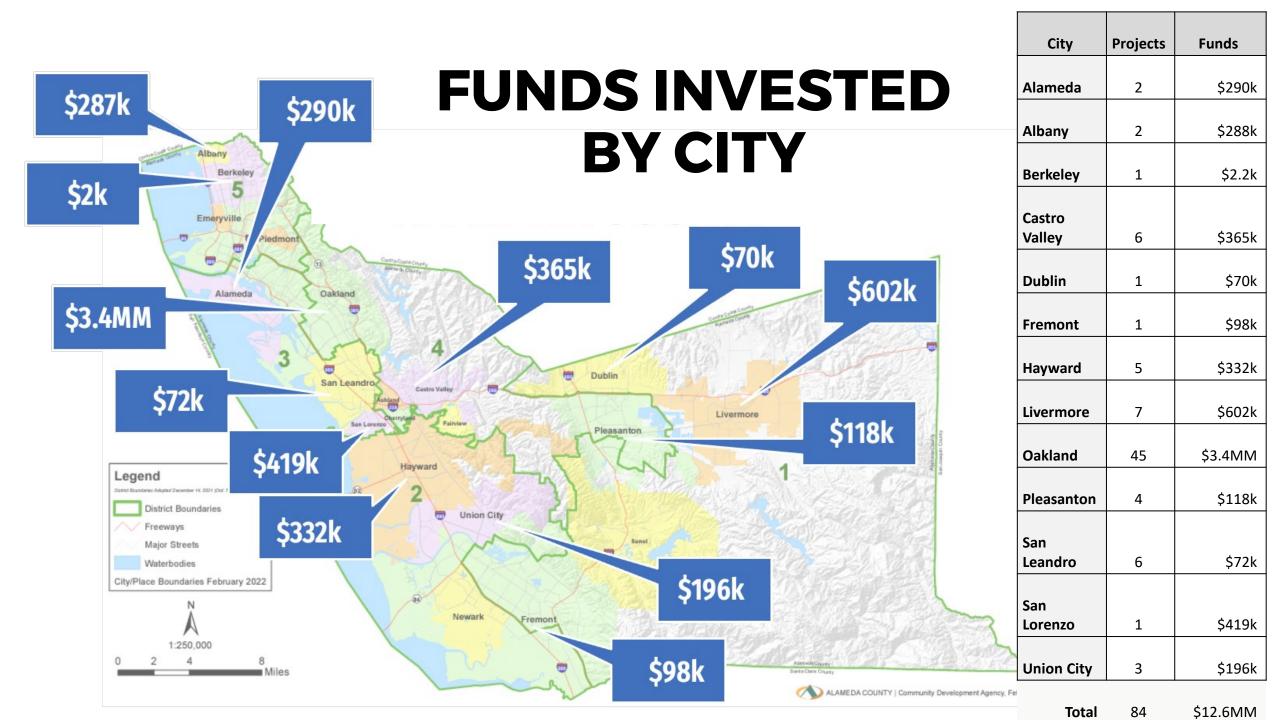


YEAR FOUR BY THE NUMBERS

Mar 2022- Feb 2023

- 28 loans closed
- \$3.2M funded
- \$116K average loan size



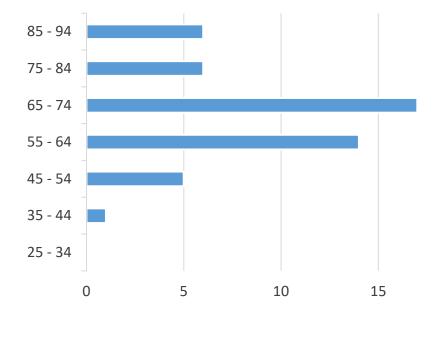


HOMEOWNERS SERVED ARE...

Female, 39, 80% Joint, 4, 8% Male, 6, 12%

80% SOLE FEMALE

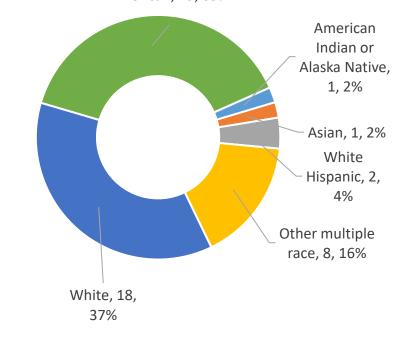
PROPERTY OWNERS



88% SENIORS 55+

REFLECTIVE OF THE COUNTY'S DIVERSITY

Black or African American, 19, 39%

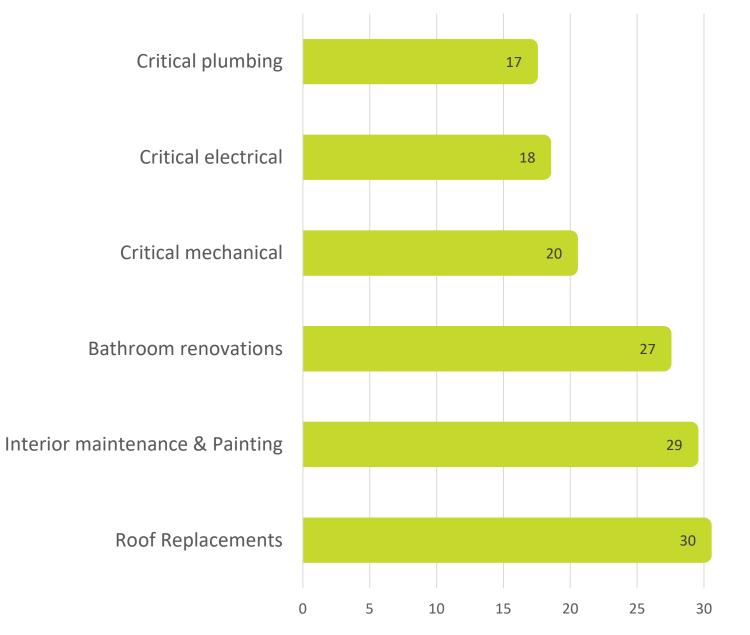


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PROJECT PORTFOLIO

55 project completions since launch

Most Common Project Types (Renew AC contract years 1-4)



35

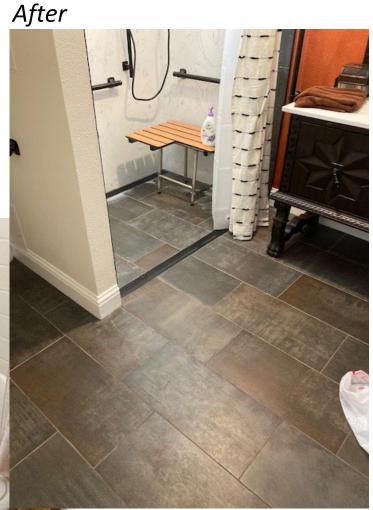
ACORN: MAJOR ACCESSIBILITY IMPROVEMENTS

- Refinished deck & replacement of fence sections •
- Accessibility upgrades, including bathroom remodel •



Before

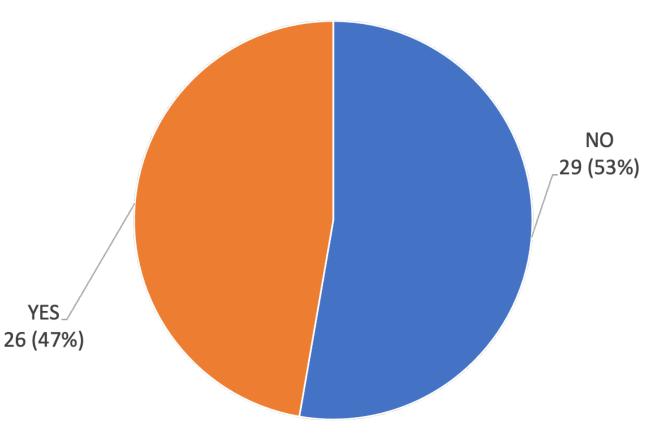




RELOCATION & STORAGE ASSISTANCE

- Boomerang funds are critical, especially for households with physical or cognitive disabilities
- \$174k total Habitat contributed \$37k

Renew AC contract years 1-4 completed projects requiring relocation & storage assistance





POLCY CHANGES - ENACTED

RELOCATION & STORAGE

• March 2023, per diem and grant limits raised to increase with inflation

	Previous	New	
Per diem	•\$150 (1-2 people) •\$225 (2+ people)	•\$245 (1-2 people) •\$300 (2+ people)	
Grant	•\$10,000	•\$25,000 (2 months for 3+ people)	



POLCY CHANGES – AWAITING APPROVAL

LOAN LIMIT

 Loan maximum proposed to increase from \$150,000 to \$200,000

REAPPLYING FOR PROGRAM

 If a Borrower has not used the maximum loan amount, they may reapply for the Program <u>after one (1) year</u> from the completion of construction

FOR MORE INFORMATION

www.RenewAC.org

JEN GRAY

Director of Home Preservation JGray@HabitatEBSV.org – 510.803.3313



Union City project, replaced all windows on home

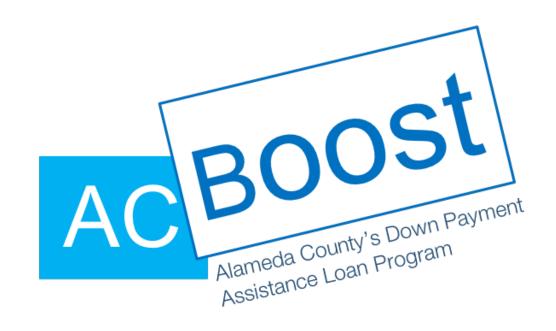




Measure A1 Oversight Committee Presentation

Measure A1 Down Payment Assistance Loan Program

May 12, 2023

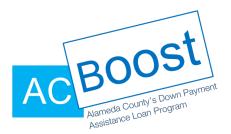






The Alameda County Board of Supervisors adopted a policy framework in 2018 which drove the Program Design. The program was designed to:

- Assist First Time Home Buyers to purchase homes in Alameda County
- Serve households earning $\leq 120\%$ AMI (with ability to go up to 150% AMI)
- Include design features that:
 - encourage Alameda County residents to purchase homes near work or transit that takes them to work.
 - benefit former Alameda County residents that have been **displaced**.
 - benefit educators and first responders so they may live in the communities in which they work.
- Loan to be structured as a shared appreciation, silent second mortgage.

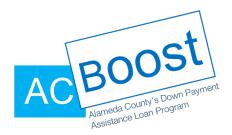


Equity-Centered Policies

Included in the original program design:

- Tiered levels of assistance based on household income and market-based need
- Multilingual outreach and interpretation services
- Shared appreciation loan to balance wealth-building for individuals with longterm program sustainability
- Robust race data collection throughout the process.





Measure A1 Funding at Work

Program launched March 2019; Outcome Data as of March 2023

Measure A1 – Down Payment Assistance Loan Program AC Boost – \$50 million of the total \$580 million in Measure A1

Closed Loans: Funds Reserved: Funds Remaining:

87.67% _ in 48 months \$27.03 million (166 homebuyers)\$12.42 million (62 applicants)\$5.39 million*

*Expect remaining funds to be spent by the end of 2024



Funding Cycle 2 Update

The 2nd Pre-Application Period was held from July 15th-August 30th, 2021.

6,081 Pre-applications received (2,294 during funding cycle #1)

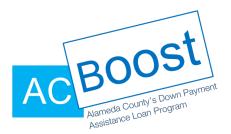
1,000 attendees joined the virtual public lottery held on September 17th, 2021.

1,406 applicants have attended the 17 application workshops we have held to date.

382 full applications have been submitted for underwriting.

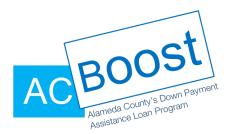
199 applicants have been approved for a Reservation of Funds to date.

6 applicants are currently in contract to purchase a home.
82 Loans have closed (166 in total).



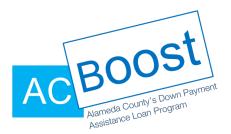
Funding Cycle 2 Highlights

- 13 borrowers have utilized subordinate financing programs, including:
 - ✓ NeighborhoodLIFT
 - ✓ WISH
 - ✓ Black Wealth Initiative
 - ✓ Black Wealth Builders Fund
 - ✓ First Republic Bank Down Payment Assistance Loan
- 3 borrowers have used AC Boost along with a Section 8 homeownership subsidy to purchase a home
- 40 borrowers have purchased homes with a down payment that was less than 3%
- 29 borrowers have purchased homes with a 0% down payment



Funding Cycle 2 Highlights

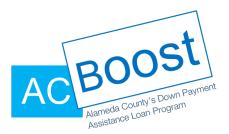
- Modified virtual application workshop format to enable live chat and Q&A with participants
- Disseminated information to borrowers about estate planning resources, COVID mortgage relief programs and home repair programs
- Recommended additional program policy changes which were approved by the Board of Supervisors in February 2023



Funding Cycle 2 Update

Program policy changes approved by the Board of Supervisors in February 2023

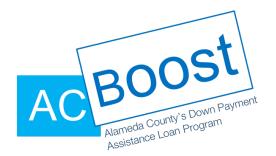
- Exception available for increased Debt-to-Income Ratio
- First mortgage can be less than 50% of purchase price in certain scenarios
- First-Time Homebuyer definition has been broadened to be aligned with HUD's definition



Funding Cycle 2 Update

Other program policy changes implemented during Funding Cycle 2

- Student loan payment included in DTI is now lower for loans in forbearance or deferment
- CLTV can exceed 100% for borrowers receiving FHA loans when up-front mortgage insurance is financed
- Gift funds are allowed from friends in addition to relatives
- Current or previous owners of certain types of mobile homes can now qualify as First-Time Homebuyers
- Certain Manufactured homes now qualify as an eligible property type to purchase with an AC Boost loan



AC Boost Outcomes to Date





AC Boost by the Numbers

166 homes purchased as of March 2023

Key Statistics	Average	Median	
AC Boost Loan Amounts	\$162,658	\$160,000	
Household Size	2.4	2	
Percent of Area Median Income	92.80%	93.85%	
Based on Median Household Size of	2	\$107,224 A	
	BOS-adopted program objective was to serve 120% AMI and below which is \$137,100 for		

household size of 2 in 2022.





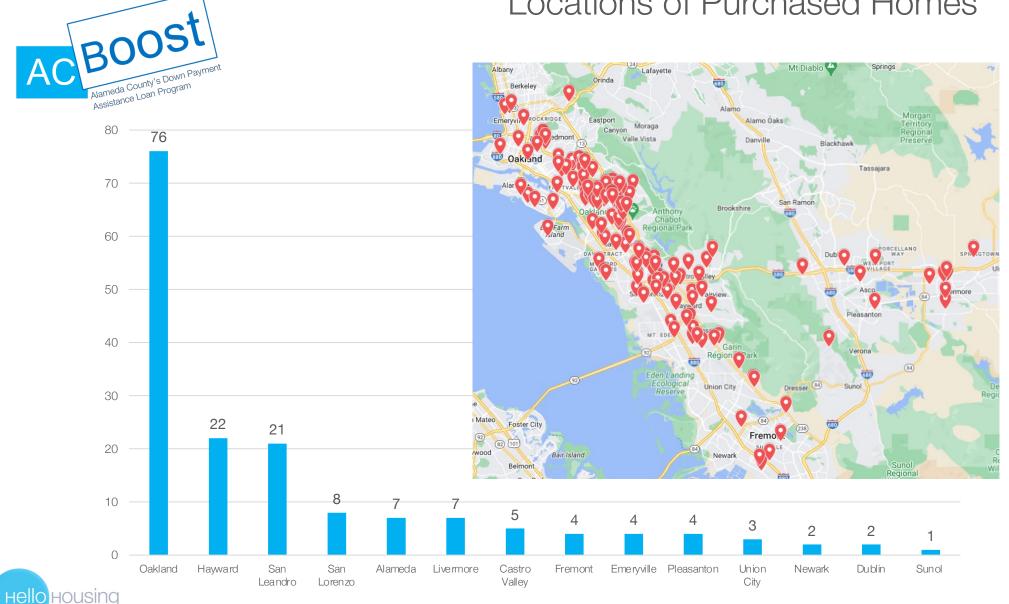
Home Purchase Prices to Date

Purchase Prices	Condo/ Townhome	Single-Family
Lowest (BMR)	\$290,029	\$475,000
Lowest (Market Rate)	\$332,000	\$410,500
Median	\$500,000	\$573,000
Highest	\$920,000	\$860,000



Program launched March 2019; Data as of March 2023

Locations of Purchased Homes*



* No purchases yet in Albany, Berkeley, and Piedmont.



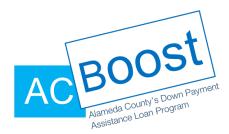
72%

Hello Housing

Household Composition of Successful Purchasers

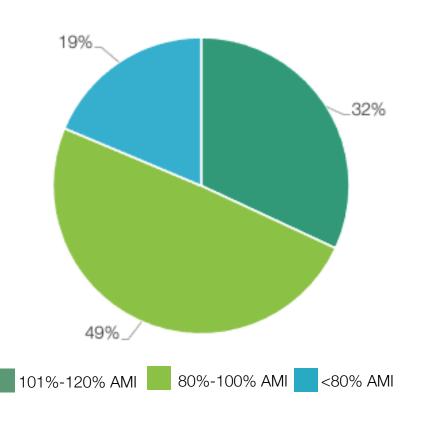
166 Households 166 Households Educator 26% .45% First Responder 55% 1% Displaced from County Other 1% School-Aged Children at Home

No School-Aged Children at Home



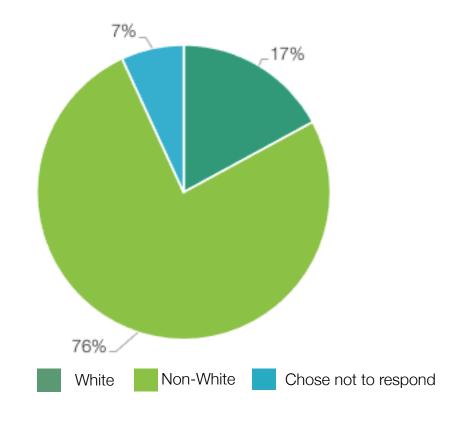
166 Households

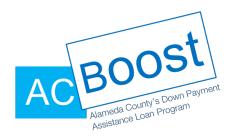
Hello Housing



Household Composition of Successful Purchasers

166 Households



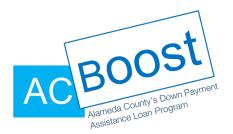


Household Composition of Successful Purchasers compared to Alameda County 2022 Data

Race	Applicants who Purchased a Home*	Compared to Alameda County General Population	
Total Households	166		
Asian	35.7%	33.8%	
White	17.1%	29.2%	
Black or African American	16.1%	10.7%	
Multi-Racial	13.8%	5.6%	
Latinx	8.4%	22.4%	
Middle Eastern or North African	1.8%	N/A	
Pacific Islander	0.3%	1.0%	
American Indian	0.0%	1.1%	
Chose Not to Respond	6.9%	N/A	

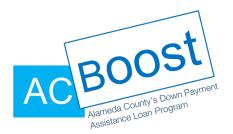


*Race data reported at the individual level. This includes 392 household members from a total of 166 households.



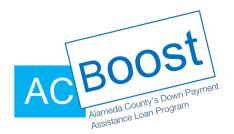
Information Requested from Committee

- Are participants able to avoid mortgage insurance payments using AC Boost, making their loan more affordable?
 - ✓ 153 of the 166 borrowers (92.17%) have been able to avoid mortgage insurance.
 - ✓ 9 borrowers are paying for mortgage insurance due to having an FHA mortgage (only 1 of these has an LTV over 80%).
 - ✓ 4 additional borrowers are paying for mortgage insurance because their 1st mortgage LTV is higher than 80%.



Information Requested from Committee

- Please clarify how many of the mortgages are FHA, VA, Fannie Mae and Freddie Mac or proprietary bank loans.
 - ✓ FHA loans 9
 - ✓ VA loans 0
 - ✓ Conventional loans 157
 - $\checkmark\,$ Data is not available on Fannie Mae and Freddie Mac loans and portfolio loans



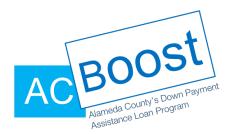
Information Requested from Committee

- Do you plan to align the program with the FHFA new qualifying standards based on the Average Prime Offer Rate?
 - ✓ The new FHFA qualifying standards are based on updated credit scoring requirements and AC Boost does not have credit score requirements.



Coming Soon - Funding Cycle 3





Funding Cycle 3

- Final two application workshops for Funding Cycle 2 will be held in May and June
- Pre-Application period for Funding Cycle 3 is anticipated to open in late summer/early fall 2023
- New lender trainings and Realtor information sessions will be held this summer
- We anticipate the remainder of funds from the bond allocation to be disbursed during Funding Cycle 3





Affirmative Marketing Strategies

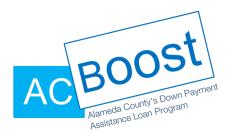
Key marketing strategies for Funding Cycle 3 will include:

- Outreach to organizations and public agencies with close ties to communities that include underrepresented homebuyers.
- Partnering with Alameda County to push information through their social media channels which included NextDoor, Twitter, and Facebook.
- Working with diverse realtors, lenders and housing counseling agencies that serve underrepresented homebuyers.
- Working with "connector" individuals and presenting at meetings to encourage meeting participants to become champions of the program.
- Attending in-person community events to provide information about the program.
- Media advertising based on audience demographics in multiple languages (English, Spanish, Chinese, Vietnamese and Tagalog).



Race composition of Pre-Applicants compared to Alameda County 2021 Data

Race	Funding Cycle 1: Submitted Pre- Application*	Funding Cycle 2: Submitted Pre- Application*	Funding Cycle 1: Submitted Pre- Application*	Funding Cycle 2: Submitted Pre- Application*	Compared to Alameda County General Population
	Raw Numbers				
Total Households	2294	6081	By Total %		
Asian	1365	3483	22.13%	23.54%	32.3%
Black or African American	1750	4302	28.38%	29.08%	11.0%
White	643	1268	10.43%	8.57%	30.6%
Multi-Racial	849	2172	13.77%	14.68%	5.4%
Latinx	1064	2577	17.25%	17.42%	22.3%
American Indian	29	66	0.47%	0.45%	1.1%
Pacific Islander	69	176	1.12%	1.19%	0.9%
Middle Eastern or North African	86	275	1.39%	1.86%	N/A
Other Race	N/A	7	N/A	0.05%	N/A
Chose Not to Respond	312	469	5.06%	3.17%	N/A



Additional Marketing Strategies

Continue efforts to increase marketing & outreach to Latinx, American Indian and Pacific Islander buyers.

During the marketing period for Funding Cycle #2, Hello Housing engaged in targeted outreach to get the word out about the Pre-Application period to more Latinx, American Indian and Pacific Islander households. We will continue these efforts during the marketing period for Funding Cycle #3.

- Outreach to public health, community service, and faith-based organizations that primarily serve these communities to share program information
- Participate at events hosted by organizations such as the National Association of Hispanic Real Estate Professionals







"As a single parent, I am proud to have achieved my dream of homeownership and to provide my children with a decent and stable living environment. This achievement has had a profound impact on both me and my family. It provides a sense of pride, accomplishment, and security for everyone involved and it represents a significant step forward in our lives."

"I am **optimistic about the positive changes** that homeownership will bring to my life. Owning a home will provide both **physical and financial stability** for myself and my family.

I'm excited about the opportunity to become more involved in my community and to make a positive impact there. Owning a home will increase my quality of life, as my dog and I will have a yard to enjoy, and I'll have access to amenities like an in-unit washer and dryer and a dishwasher. Overall, the challenges of the journey will be worth it for the positive impact that owning a home will have on my life."

"It's an **amazing feeling to have my own home for the first time**. Knowing that my children have a **stable place to live** without worrying about a landlord making changes or not maintaining the unit **brings me peace of mind**. Additionally, being in one place means my new grandchild can come visit me!

For the past year and a half, we've been living with my parents on pull-out couches. Having more space now is good for everyone, and my family feels more stable. We had been dreading having to move out and pay rent in the Bay Area because it is so expensive. However, now that I was able to purchase a condo, I'm paying the same as I would be for rent, but I don't have to worry about moving or rent hikes".





Hello Housing's AC Boost Team











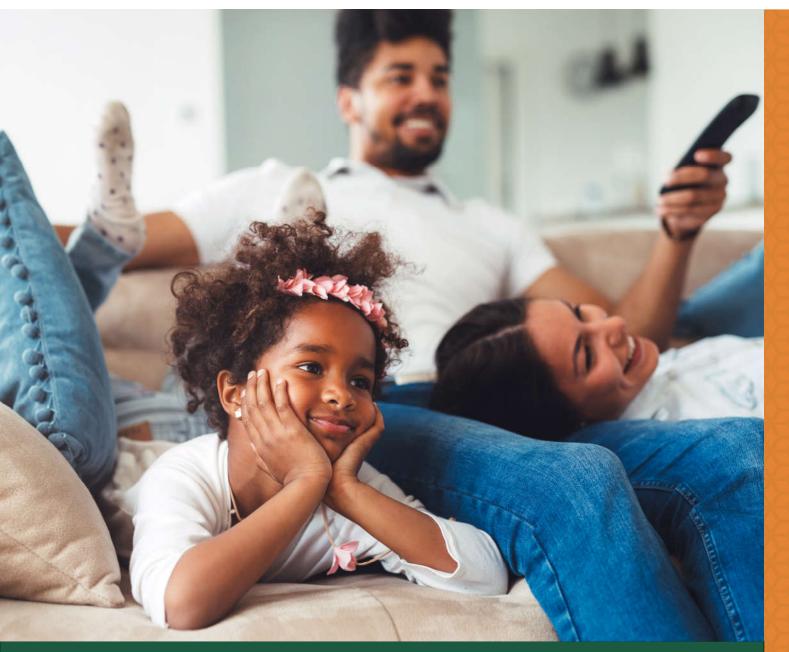
Florence Szeto Loan Closing Specialist Jennifer Duffy President

Karen Khomsonerasinh Loan Underwriting and Compliance Specialist Paxcelli Flores Special Projects Manager

Sarah Shimmin Senior Program Manager



If you have any questions or suggestions, please email our team at ACBoost@hellohousing.org or call (510) 500-8840.



Measure A1

Oversight Committee Regular Meeting May 12, 2023



ALAMEDA COUNTY Community Development Agency



Alameda County Community Development Agency Housing and Community Dev<u>elopment</u>

Agenda

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ITEM	DESCRIPTION	TYPE	SPEAKER
1.	Calling Committee to Order	Organization	Chair Bruce
2.	<u>Review and Consider Approval of the 4/4/2023</u> <u>Meeting Minutes</u>	Action	Chair Bruce
3.	Alameda County HCD News	Information	Dylan Sweeney
4.	<u>Measure A1 News</u> AC Boost presentation by Hello Housing Renew AC presentation by Habitat for Humanity Development process overview & occupancy	Information	Dylan Sweeney
5.	Oversight Committee Mandate	Informaiton	Chair Bruce
6.	Duties and authority of the Committee Future Agenda Items	Information	Chair Bruce
7.	Public Comment for Items not on Agenda	Information	Chair Bruce

2

Call to Order

Measure A1 Oversight Committee

May 12, 2023





Review and Consider Approval of April 4, 2023 Meeting Minutes

Measure A1 Oversight Committee

May 12, 2023





HCD News

Measure A1 Oversight Committee

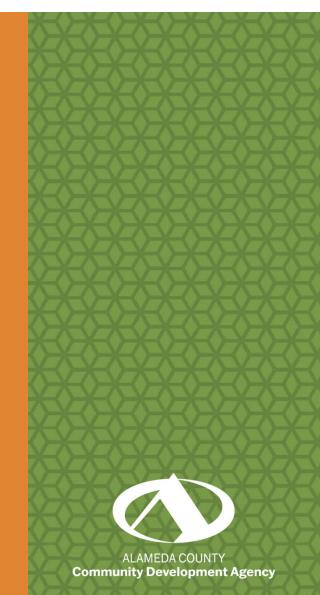
May 12, 2023





HCD News

- Annual Report 3 was reviewed by the Health Committee on May 8th
- Work commencing on Annual Report 4
- HCD is in pre-planning to present future funding opportunities, including the BAHFA regional Bond an additional County G.O. Bond
- Staff has fully updated and is now current on predevelopment projects
- Website to be released



ALAMEDA COUNTY

Measure A1 News

Measure A1 Oversight Committee

May 12, 2023





Measure A1 News

- MA1 is now nearly 95% reserved, committed, or expended
- Housing preservation and innovation funds remain uncommitted

Acquisition and
opportunity as
well as
Homeowner
development
reservations
occurred during
the AR4 period



ALAMEDA COUNTY Community Development Agency



Program	Allocation	Reserved, Committed, Expended	Q4 FY 2022/23
Rental Development	\$435m	\$430m	\$5m
Downpayment Assistance	\$50m	\$50m	\$0m
Housing Preservation	\$45m	\$25m	\$25m
Acquisition and Opportunity	\$25m	\$25m	\$0m
Homeowner Development	\$25m	\$25m	\$0m
Innovation	\$10m	\$6m	\$4m

Dalanaa

Measure A1 News

• 3,891 Units Total (800 additional units)

600 additional units tracked, Commitments exceed MA1 goal of 3,800 units

51 Projects Supported

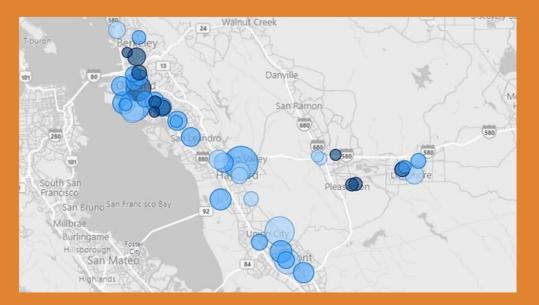
Projects supported in every jurisdiction except Piedmont

• 2,874 Under Construction or Complete (500 additional units)

Nearly 75% of projects in final phases

• Over 1,000 for Extremely Low Income households

\$30,000 for an individual and \$42,840 for a family of four



No new rental awards

•

Improved project tracking for pre-dev commitments in CDS

Result of reaching full staffing and implementing realtime tracking for MA1 website

6 listings open currently on AC Housing portal, the most ever





AC Boost Presentation Hello Housing





Renew AC Presentation Habitat for Humanity







Measure A1 Occupancy

- Data for 8 completed projects required to submit occupancy reports for 2021
- Deadline for 2022 occupancy was April 30th and can be reported on at a later meeting – will include 17completed projects

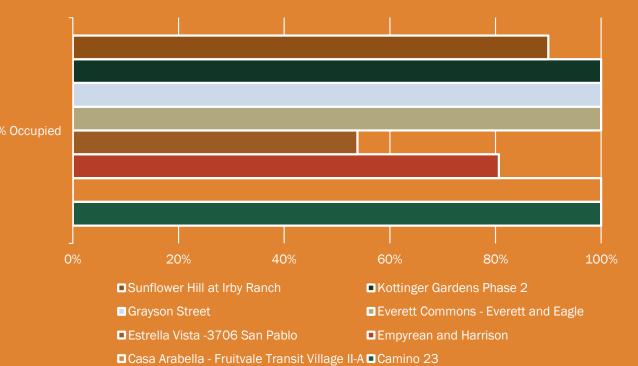




Measure A1 2021 Occupancy Rates

Project Name	Total Units	Total MA1 Units	Units Occupied	Units Vacant
Camino 23	37	23	23	0
Casa Arabella	94	46	46	0
Empyrean & Harrison	146	124	100	24
Estrella Vista	86	13	7	6
Everett Commons	20	8	8	0
Grayson Street	23	5	5	0
Kottinger Gardens Phase 2	54	25	25	0
Sunflower Hill at Irby Ranch	31	30	27	3

MA1 Projects 2021 Occupancy Rates



- 5 of the 8 projects required to submit 2021 compliance are at 100% occupancy
 - 274 A1 Units included in 2021 monitoring

•

•

34 vacant units included in 2021 report



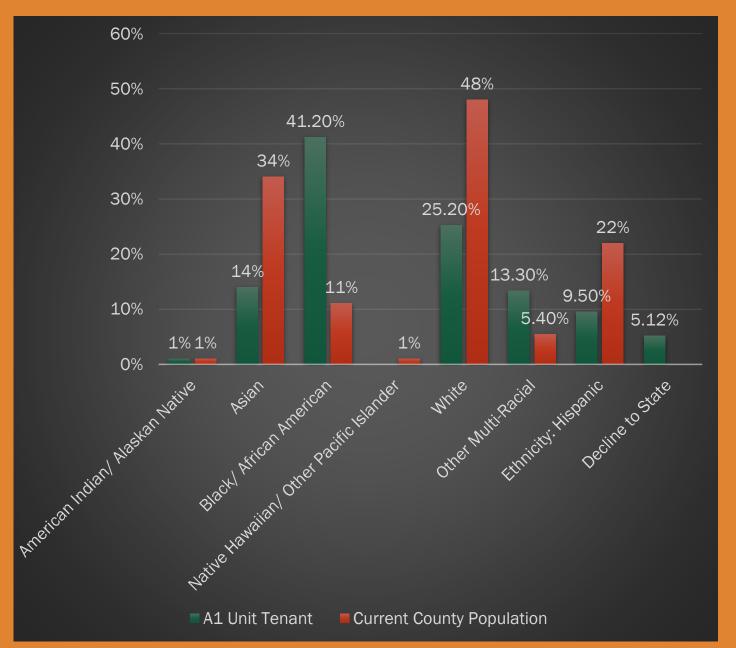


2021 Occupancy Unit Income Requirements

	<30%		30%-50%		50%-60%		60%-80%	
Project Name	Designated	Tenant	Designated	Tenant	Designated	Tenant	Designated	Tenant
Camino 23	8	18	12	5	3			
Casa Arabella	5	28	18	18	23			
Empyrean & Harrison	66	97		17		8	58	2
Estrella Vista	4	7		6	9			
Everett Commons		7	8	1				
Grayson Street	5	5						
Kottinger Gardens Phase 2	5	25	11		9			
Sunflower Hill at Irby Ranch	6	26		3	17	1	7	

There are no housed units with over-income tenants

2021 Tenant Demographics







Oversight Committee Mandate

Measure A1 Oversight Committee

May 12, 2023





Review of MA1 Citizen Oversight Committee Duties

There are three sources that can be referenced when defining the duties of the oversight committee

•<u>Language of the Bond Question and Measure</u> as approved by the Voters

•<u>Structure of the Committe</u> as approved by the Board of Supervisors

•Committee Bylaws



Community Development Agency



Review of MA1 Citizen Oversight Committee Duties

•2016 Bond Measure question and language:

•"shall the County of Alameda issue up to \$580 million in general obligation bonds to acquire or improve real property, subject to **independent citizen oversight and regular audits**?"

• "The Oversight Committee shall annually review the expenditure of the proceeds of the bonds for the prior year and shall report to the Board whether the proceeds of the bonds were spent in accordance with the purposes set forth in the ballot measure."





Oversight Committee Duties (cont.)

•Board Approved Structure – Role of the Committee:

• "As described in the Bond Measure, the role of the Measure A1 Oversight Committee is to formally review and report to the Board of Supervisors on the issue of the conformity of Measure A1 expenditures with the purposes set forth in the Measure."

• "The Committee's role is not to act as a loan committee, program evaluator, or to become involved in the funding selection process, or to make recommendations regarding future expenditures, other than identifying any nonconforming expenditures for the purpose of avoiding future nonconforming expenditures."





Oversight Committee Duties (cont.)

•Committee Bylaws, Section 2. Duties and Authority:

•The duties of the Committee, as established by Measure A1 and the Board of Supervisors, are to annually review the expenditure of the proceeds of the bonds for the prior year and report to the Board whether the proceeds of the bonds were spent in accordance with the purposes set forth in the ballot measure. The purposes set forth in the ballot measure are to acquire or improve real property to:

•Provide affordable local housing and prevent displacement of vulnerable populations, including low- and moderateincome households, veterans, seniors, and persons with disabilities;

•Provide supportive housing for homeless people countywide; and

•Help low- and moderate-income households purchase homes and stay in their communities.





Audit Requirements

- Bond Measure outlines that MA1 expenditures are subject to independent citizen oversight and regular audits
 - Review of Annual Reports and project summaries detailing expenditures
- MA1 expenditures are included in two separate, publicly published independent audits
 - Macias Gini & O'Connell conduct the Countywide Annual Comprehensive Financial Report
 - <u>http://www.acgov.org/auditor/acfr.htm</u>
 - Grant & Smith LLP conduct the Alameda County HCD Basic Financial Statements and Independent Auditors Report.
 - Both audits are available through the 2021-2022 Fiscal Year, the most recent complete FY





Oversight Committee Duties (cont.)



Meet no fewer than four times a year



Review MA1 Annual Reports Produced By HCD Staff

Offer comment and direction as to the contents of the report

Report could, potentially, contain a determination as the weather "bonds were spent in accordance with the purposes set forth in the ballot measure"

Approve report for submission to Board of Supervisors



Report to Board of Supervisors

This is in the form of the approved annual report

Future Agenda Items

Measure A1 Oversight Committee May 12, 2023





- Opportunity for Committee members to request discussion of items that can be placed on the agenda for the next meeting
- Additional detail on projects
- Structure of annual reports
- Anything of interest related to the duty of this Committee





Public Comment

Measure A1 Oversight Committee May 12, 2023





Recess: The A1 Oversight Committee has taken a short recess. We will be back shortly.

Measure A1 Oversight Committee

Get Housing and Community Development updates by subscribing to our newsletter at: <u>https://www.acgov.org/cda/hcd/esubscribe.htm</u>



