

# Housing Funding Strategy Summary

## AFFORDABLE HOUSING – INCOME LIMIT GUIDELINES

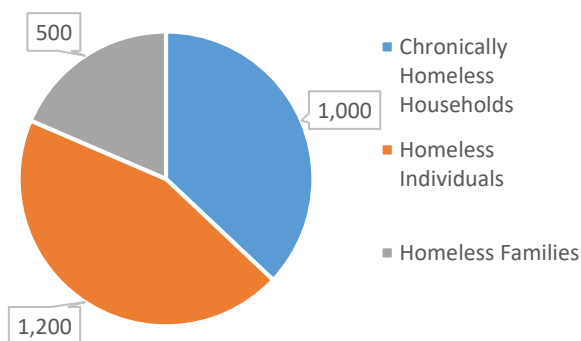
The 2017 Area Median Income (AMI) for Orange County is \$88,000. The income limits for Orange County are defined below:

FY 2017 Income Limit Category	Median Family Income	Persons in Family							
		1	2	3	4	5	6	7	8
Extremely Low Income	30%	21,950	25,050	28,200	31,300	33,850	36,350	38,850	41,350
Very Low Income	50%	36,550	41,750	46,950	52,150	56,350	60,500	64,700	68,850
Low Income	80%	58,450	66,800	75,150	86,450	90,150	96,850	103,500	110,200

## PERMANENT SUPPORTIVE HOUSING FOR SPECIAL NEEDS POPULATIONS



- For Orange County individuals and families currently experiencing homelessness;
- Affordable housing where supportive services providers actively engage tenants in flexible, voluntary and comprehensive services;
- Work with property and housing management to support tenant stability and ensure the housing is a positive community asset.



The plan identifies the need for 2,700 supportive housing units will be needed for individuals and families.

## HOUSING DEVELOPMENT FUNDING OPPORTUNITIES

### Capital Funding Resources for development of Affordable/Supportive Housing

#### Federal

- Federal Home Loan Bank Affordable Housing Program (AHP)
- HOME Investment Partnerships Program (HOME)
- Community Development Block Grant (CDBG)
- HUD Continuum of Care resources
- Public Housing Authorities
- National Housing Trust Fund (NHTF)

#### State

- 4% and 9% Low Income Housing Tax Credits (LIHTC)
- Mental Health Services Act (MHSA) Housing Program/Special Needs Housing Programs
- Veteran's Housing and Homeless Prevention Program (VHPP)
- Multiple Housing Program (MHP)
- Affordable Housing and Sustainable Communities Program (AHSC)
- State Housing and Community Development Multi-Family Housing Program
- Housing Successor Agency

### Operating/Supportive Services Funding Resources

#### Federal

- Housing Choice Vouchers
- Veterans Affairs Supportive Housing (HUD-VASH)
- HUD 988 Project Rental Assistance
- Special Needs Housing Program Capitalized Operating Subsidy Reserves
- Federally Qualified Health Centers (FQHCs)
- Program of All-inclusive Care for the Elderly (PACE)

#### State

- Whole Person Care (WPC)
- Mental Health Services Act (MHSA)

#### Local

- Health Partners
- Local Philanthropy

## SUPPORTIVE HOUSING UNIT GOAL – DEVELOPMENT COST PER UNIT

Housing Development Cost per Unit (2.5% annual escalator)						
	2019	2020	2021	2022	2023	2024
<b>Supportive Housing</b>						
<b>Single Adults – Acquisition/rehabilitation</b>	\$300,000	\$307,500	\$315,188	\$323,067	\$331,144	\$339,422
<b>Single Adults – New Construction</b>	\$375,000	\$384,375	\$393,984	\$403,834	\$413,930	\$424,278
<b>Supportive Housing – Families: Acquisition/Rehabilitation</b>	\$350,000	\$358,750	\$367,719	\$376,912	\$386,335	\$395,993
<b>Supportive Housing – Families: New Construction</b>	\$425,000	\$435,625	\$446,516	\$457,679	\$469,120	\$480,848
<b>Total Supportive Housing Development Costs (2,700 units) = \$930,000,000</b>						

## STATE HOMELESS FUNDING - APPROXIMATIONS

### Homeless Emergency Aid Block Grant

#### One Time Funding

County of Orange - \$15,569,716

Anaheim and Santa Ana - \$9,970,039

### SB 2 – Building Homes and Jobs Act

#### Year 1 (Planning)

County of Orange - \$1.2 Million

Cities - \$6 Million

#### Year 2 Annual Funding (ongoing)

County of Orange - \$2.37 Million

Cities - \$11.83 Million

## BOARD OF SUPERVISORS RECENT INVESTMENTS

- Approved an initial group of 11 Supportive Housing projects, totaling of 451 units. The County committed \$13.4 million in MHSA funds toward 99 of these 451 units of Permanent Supportive Housing. The remainder of \$70.5 million the Board of Supervisor allocated to housing, has been set aside and will be available on an ongoing basis to help fund future projects.
- Approved a contract with the Illumination Foundation for a total of \$3.2 million for one year to address populations with high risk healthcare needs including physical, substance abuse, and mental health.
- Approved \$3.5 million in Homeless Bridge Housing Services contracts with Grandma's House of Hope and Friendship Shelter.
- Approved the \$81 million Drug Medi-Cal Organized Delivery System (DMC-ODS) pilot program to better serve the County's substance use disorder population.
- Advocated for a \$10 million grant from CalOptima to the County for Recuperative Care. The CalOptima Board of Directors will approve the grant in August and it will allow for greater flexibility in the reimbursement rate and length of stay.

## FUNDING CONSIDERATIONS

- Proactively plan with 22 Community Development Block Grant (CDBG) partners in the region who will be receiving SB2 Funding as the impact of the funds will be maximized if the local CDBG jurisdictions align their priorities for investing this significant new source in solutions to homelessness, and dedicate at least 50% of the funding to the 2,700 supportive and affordable housing unit development.
- Identify collective solutions to bridge funding gaps. Even if cities and the county allocated the majority of available funding to permanent supportive housing, a capital funding gap of \$353 million and an operating subsidy gap of \$350 million still remains.
- Given the County's investments in the creation of housing for homeless population will include prioritization within the Service Planning Area of the projects location and utilization of the Coordinated Entry System.