November 5, 2019

Board of Supervisors
County of Marin
3501 Civic Center Drive
San Rafael, California 94903

SUBJECT: Grant from the Marin County Affordable Housing Fund to Bolinas Community Land Trust for a scattered site affordable housing development on Mesa Road and Wharf Road in Bolinas.

Dear Supervisors:

RECOMMENDATIONS:
1) Approve a grant in the amount of $400,000 from Marin County’s Affordable Housing Fund to Bolinas Community Land Trust for predevelopment of 11 permanently affordable homes on the properties located at Mesa Road and 31 Wharf Road in Bolinas.
2) Authorize President, subject to County Counsel approval, to execute (a) County Housing Grant document, including funding thresholds; (b) Regulatory Agreement; and (c) related documents (including Subordination Agreements) that may be required by other sources of financing for this project.
3) Approve the related budget adjustments as detailed in the Fiscal Impact section.

SUMMARY:
The Bolinas Community Land Trust (BCLT) is developing scattered site affordable housing on two locations in Bolinas, on the Mesa and in Downtown. They will provide affordable workforce housing for households who have incomes between the extremely low to low-income levels. BCLT is requesting $400,000 in predevelopment funds. An anonymous donor has agreed to fund all cost for the acquisition and construction of the developments. BCLT is required to pay for all predevelopment expenses through permitting. They received a $500,000 grant from the Marin Community Foundation.

DISCUSSION:
BCLT is requesting predevelopment funds which will leverage over 10 million in funding from a local anonymous donor who purchased two sites and will provide all the construction financing to develop affordable homes in Bolinas available to the workforce. The Mesa Road site is a 20-acre level grassy parcel, which has an area of approximately five acres that has been identified as having potential for development of agricultural worker housing. The project is located near the Bolinas Fire Station and Playground. BCLT is proposing two units and an accessory dwelling unit for

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1 According to the FY 2019 HUD income limits, for a household of four this would be $48,350 for extremely low and up to $129,150 for a low income household

https://www.huduser.gov/portal/datasets/il.html
agricultural workers and their families. The 31 Wharf Road site is a 2.5-acre parcel in the downtown business district that has a gently sloping area of about an acre that abuts into a wider, two-acre area of steep forested slope. On this site they are proposing eight, 2- and 3-bedroom units. The Downtown project will be a mixed-use project, including affordable homes, commercial space and parking.

The BCLT has been in operation since 1982 and has completed two projects in downtown Bolinas. They provide homes for 23 residents, including 10 in single room occupancy (SRO) shared units, 7 in studio apartments, and 5 in the family townhouses. In the past year, BCLT has raised over $700,000 towards the creation of a revolving fund, with the goal of raising an additional $1,300,000 in the next two years. This is part of their strategy to grow the organization in order to respond to the increasing need of affordable homes in Bolinas.

The BCLT requested $400,000 from the County's Housing Fund, which is less than 4% of the total project cost, estimated at $10,500,000. "Predevelopment" is considered funding for costs incurred in the early stages of a project, such as feasibility studies, environmental studies or appraisals. Early predevelopment funds are typically the most difficult to identify and secure because the project is riskier and there is less guarantee that it will move forward. However, the County has invested in predevelopment funding in the past, with the goal of encouraging the development of affordable homes. The predevelopment budget for the project is attached (Attachment A). In addition, this project will leverage private donations of approximately $10 million.

The Marin County Affordable Housing Fund was created to increase the stock of permanently affordable homes in the County. The Affordable Housing Fund provides a local funding source for financial and technical assistance to help affordable housing developers create and preserve affordable housing for low and very low-income households. Monies from the Affordable Housing Fund can be used anywhere in the County, with a priority for projects in the unincorporated areas.

Housing Fund monies are intended to advance the values of a balanced community, by providing support for a variety of housing types available for households at a range of income levels. The proposed grant for these developments meets the guidelines for the County's Housing Fund and furthers a number of Countywide Plan goals including the following:

**HS-3.1 House Local Workers.** Strive to provide an adequate supply and variety of housing opportunities to meet the needs of Marin County's workforce and their families, striving to match housing types and affordability with household income.

**HS-3.5 Maintain Population Diversity.** Maintain a diversity of age, social, and economic backgrounds among residents throughout Marin County by matching housing size, types, tenure, and affordability to household needs.

**FISCAL IMPACT:** There is no impact to General Fund net county cost as a result of this recommendation. The $400,000 grant amount is available in the Marin County Affordable Housing Fund (Fund 2070). This action will increase expenditure appropriations in the Marin County Affordable Housing Fund by $400,000. The current available balance is $6,440,662. Your Board's approval of this action will result in a remaining fund balance of $6,040,662.
Respectfully Submitted,

Leelee Thomas
Planning Manager

Munis BUA #595 (Period 4 2020)

Attachments:
   A. Affordable Housing Fund Application

Brian C. Crawford
Director