February 25, 2020

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

SUBJECT: Grant from the Marin County Affordable Housing Fund to San Geronimo Valley Affordable Housing Association for the acquisition of an existing apartment building for conversion to permanently affordable housing located at 300 Olema Road in Fairfax.

Dear Supervisors:

RECOMMENDATIONS:
1) Approve a grant in the amount of $500,000 from Marin County’s Affordable Housing Fund to the San Geronimo Valley Affordable Housing Association for acquisition of a property to convert it to permanently affordable housing.
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 in the future by other sources of financing for this project.
3) Approve the related budget adjustments as detailed in the Fiscal Impact section.

SUMMARY:
The San Geronimo Valley Affordable Housing Association (SGVAHA) is in contract to purchase a property located at 300 Olema Road in Fairfax to preserve it as permanently affordable housing. The ten apartments will provide affordable housing for households who have incomes between the extremely low to low-income\(^1\) levels. SGVAHA is requesting $500,000 in acquisition funds from the County. SGVAHA has also applied for funds from the Marin Community Foundation, who will consider a grant of $500,000 on their March Trustee docket. Other funding for the project includes $50,000 from the Tamalpais Pacific Foundation. SGVAHA has also applied for Community Development Block Grant (CDBG) funds for the rehabilitation of the property.

DISCUSSION:
The property located at 300 Olema Road in Fairfax is a ten-unit apartment complex built in 1963. The property has been owned and managed by a family since the 1980’s and rents are significantly below market rate rents. The owner wishes to sell to an organization who will provide affordable housing for the residents and has been flexible during the lengthy purchase process. The current residents will not be displaced as a

\(^1\) 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
result of the sale of the property. When vacancies arise, the units will be rented to low income families utilizing an affirmative marketing strategy consistent with County policy.

The SGVAHA is a non-profit organization that owns and operates three shared housing units rented to six low-income seniors on Sage Lane, and the Forest Knolls Mobile Home Park with 19 owner occupied spaces and one rental on Sir Francis Drake Boulevard in Forest Knolls. The Olema project is SGVAHA’s first project outside of the San Geronimo Valley.

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.

Affordable 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 $500,000 grant amount is available in the Marin County Affordable Housing Fund (Fund 2070). The current available balance is approximately $6.3 million. On February 4, 2020, the Agency Director authorized the allocation of $50,000 which was deposited into escrow as a fully refundable deposit (Wire 6142, Confirmation 3220499). The $50,000 in escrow, pending your Board’s approval would be part of the $500,000 award. This action will increase expenditure appropriations in the Marin County Affordable Housing Fund by $500,000.

**REVIEWED BY:**

- Department of Finance
- County Counsel
- Human Resources
- County Administrator

☒ N/A

☒ N/A

☒ N/A

☒ N/A
Respectfully Submitted,

Leelee Thomas  
Planning Manager

Brian C. Crawford  
Director

Munis BUA #691 (Period 8 2020)

Attachments:
A. Affordable Housing Fund Application