

# Attachment 3

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**PLHA Formula 5-year Plan - Amendment**

Rev. 5/7/21

**Eligible Applicants §300**

<b>§300(a) and (b)</b> Eligible Applicants for the Entitlement and Non-Entitlement formula component described in Section §100(b)(1) and (2) are limited to the metropolitan cities and									
Applicant:		County of Monterey							
Address:		1441 Schilling Place, 2nd Fl. South							
City:	Salinas	State:	CA	Zip:	93901	County:	Monterey		
Auth Rep Name:	Craig Spencer	Title:	Acting Director of Housing	Auth Rep. Email:	SpencerC@co.monterey.ca.us	Phone:	831.755-5233		
Address:		1441 Schilling Place, 2nd Fl. South		City:	Salinas	State:	CA	Zip Code:	93901
Contact Name:	Dawn Yonemitsu	Title:	Management Analyst II	Contact Email:	yonemitsud@co.monterey.ca.us	Contact Phone:	831.755-5387		
Address:		1441 Schilling Place, 2nd Fl. South		City:	Salinas	State:	CA	Zip Code:	93901

**§300(d)** Is Applicant delegated by another Local government to administer on its behalf its formula allocation of program funds? No

**§300(d)** If Applicant answered "Yes" above, has the Applicant attached the legally binding agreement required by §300 (c) and (d)?

File Name:	<a href="#">Application and Adopting the</a>	Pursuant to section 302(c)(4) of the Guidelines, Applicant's PLHA Plan for 2019-2023	Uploaded to
File Name:	<a href="#">App1 Signature Block</a>	Signature Block - upload in Microsoft Word Document	Uploaded to HCD?
File Name:	<a href="#">App1 TIN</a>	Taxpayer Identification Number Document	Uploaded to HCD?
File Name:	<a href="#">Applicant Agreement</a>	Legally binding agreement between Delegating and Administering Local Governments	Uploaded to HCD?

**Eligible Activities, §301**

<b>§301(a)</b> Eligible activities are limited to the following:	<b>Included?</b>
<b>§301(a)(1)</b> The predevelopment, development, acquisition, rehabilitation, and preservation of multifamily, residential live-work, rental housing that is affordable to Extremely low-, Very low-, Low-, or Moderate-income households, including necessary operating subsidies.	<input type="checkbox"/> YES
<b>§301(a)(2)</b> The predevelopment, development, acquisition, rehabilitation, and preservation of affordable rental and ownership housing, including Accessory Dwelling Units (ADUs), that meets the needs of a growing workforce earning up to 120 percent of AMI, or 150 percent of AMI in high-cost areas. ADUs shall be available for occupancy for a term of no less than 30 days.	<input type="checkbox"/> YES
<b>§301(a)(3)</b> Matching portions of funds placed into Local or Regional Housing Trust Funds.	<input checked="" type="checkbox"/> YES
<b>§301(a)(4)</b> Matching portions of funds available through the Low- and Moderate-Income Housing Asset Fund pursuant to subdivision (d) of HSC Section 34176.	<input type="checkbox"/> YES
<b>§301(a)(5)</b> Capitalized Reserves for services connected to the preservation and creation of new permanent supportive housing.	<input type="checkbox"/> YES
<b>§301(a)(6)</b> Assisting persons who are experiencing or At-risk of homelessness, including, but not limited to, providing rapid re-housing, rental assistance, supportive/case management services that allow people to obtain and retain housing, operating and capital costs for navigation centers and emergency shelters, and the new construction, rehabilitation, and preservation of permanent and transitional housing.	<input checked="" type="checkbox"/> YES
<b>§301(a)(7)</b> Accessibility modifications in Lower-income Owner-occupied housing.	<input type="checkbox"/> YES
<b>§301(a)(8)</b> Efforts to acquire and rehabilitate foreclosed or vacant homes and apartments.	<input type="checkbox"/> YES
<b>§301(a)(9)</b> Homeownership opportunities, including, but not limited to, down payment assistance.	<input type="checkbox"/> YES
<b>§301(a)(10)</b> Fiscal incentives made by a county to a city within the county to incentivize approval of one or more affordable housing Projects, or matching funds invested by a county in an affordable housing development Project in a city within the county, provided that the city has made an equal or greater investment in the Project. The county fiscal incentives shall be in the form of a grant or low-interest loan to an affordable housing Project. Matching funds investments by both the county and the city also shall be a grant or low-interest deferred loan to the affordable housing Project.	<input type="checkbox"/> YES

**§302(c)(4) Plan**

Rev. 5/7/21

**§302(c)(4)(A)** Describe the manner in which allocated funds will be used for eligible activities.

The County is amending its Action Plan to streamline operations by eliminating funding for one activity and reallocating the funds to the remaining three activities. The remaining activities are: 1) capitalizing a local housing trust fund; 2) capitalized reserves for services connected with the preservation of and creation of new permanent supportive housing; and, 3) assisting persons who are experiencing or at-risk of homelessness, including, but not limited to, providing rapid rehousing, rental assistance, supportive/case management services that allow people to obtain and retain housing, operating and capital costs for navigation centers and emergency shelters, and the construction of new and rehabilitation/preservation of permanent and transitional supportive housing. The County's PLHA homeless funding will support the implementation of the Continuum of Care's 10-Year Plan to Reduce Homelessness.

**§302(c)(4)(B)** Provide a description of the way the Local government will prioritize investments that increase the supply of housing for households with incomes at or below 60 percent of Area Median Income (AMI).

The County will allocate funding for the Local Housing Trust Fund to provide funding for the Monterey County Local Housing Trust Fund to provide gap financing, loans and/or grants to support affordable units within multi-family rental housing projects within the County and incorporated cities, targeted at households that are 60% AMI or below. There are multiple affordable housing projects in the five-year pipeline, including Sun Rose Apartments (permanent and transitional supportive housing), Greenfield Commons Phases 1 & 2 (permanent supportive housing and low- and moderate- family housing), Lightfighter Village (permanent supportive housing for veterans), and East Garrison inclusionary units. All units produced through these projects that receive PLHA funding will be occupied by households at or below 60% AMI. All new units will have an affordability restriction of 55-years. The County will prioritize affordable housing projects that target households at or below 60% AMI that are the most shovel ready.

**§302(c)(4)(C)** Provide a description of how the Plan is consistent with the programs set forth in the Local Government's Housing Element.

The Housing Element aims to expand the County's affordable housing inventory by a minimum of 900 units (374 very-, 244 low-, and 288 moderate-income units) by 2023. The County will provide gap financing for housing developers to subsidize the construction of affordable units. For this reason, the County will allocate an annual average of 42% of its available PLHA funding to the MCLHTF during the five-year planning period. Policy H-3.2 of the County's Housing Element prioritizes planning residential development within Community Areas near existing or planned infrastructure to ensure conservation of the County's agricultural and natural resources. Working with regional/multi-jurisdictional agreements and activities to facilitate housing development is part of implementing this policy.

**Activities Detail (Activities Detail (Must Make a Selection on Formula Allocation Application worksheet under Eligible Activities, §301))**

**§301(a)(1)** The predevelopment, development, acquisition, rehabilitation, and preservation of multifamily, residential live-work, rental housing that is affordable to extremely low-, very low-, low-, or moderate-income households, including necessary Operating subsidies.

**§301(a)(2)** The predevelopment, development, acquisition, rehabilitation, and preservation of Affordable rental and ownership housing, including Accessory Dwelling Units (ADUs), that meets the needs of a growing workforce earning up to 120 percent of AMI, or 150 percent of AMI in high-cost areas. ADUs shall be available for occupancy for a term of no less than 30 days.

**§301(a)(3)** Matching portions of funds placed into Local or Regional Housing Trust Funds.

<b>§302(c)(4)(E)(i)</b> Provide a detailed and complete description of how allocated funds will be used for the proposed Activity.	<b>Percentage of Funds Allocated for Affordable Owner-occupied Workforce Housing</b>	<b>20%</b>
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The County will allocate funding to the MCLHTF to ensure funding is available to provide gap financing for the construction affordable units within multi-family developments, permanent supportive services and affordable rental housing projects that are targeted primarily at households at 60% AMI or below (90% of the allocation). These projects must be ready to apply for financing, such as through the California Tax Credit Allocation Committee (TCAC) for either 4% or 9% tax credits. Ten percent of the allocation will be made available to assist households earning up to 120% AMI with the purchase of inclusionary homes deed restricted by County Ordinance.

Complete the table below for each proposed Activity to be funded with 2019-2023 PLHA allocations. If a single Activity will be assisting households at more than one level of Area Median Income, please list the Activity as many times as needed to capture all of the AMI levels that will be assisted, but only show the percentage of annual funding allocated to the Activity one time (to avoid double counting).

Funding Allocation Year	2020	2021	2022	2023	2020	2021	2022	2023							
Type of Affordable Housing Activity	Rental: Development	Rental: Development	Rental: Development	Rental: Development	Ownership: Acquisition	Ownership: Acquisition	Ownership: Acquisition	Ownership: Acquisition							
<b>§302(c)(4)(E)(i)</b> Percentage of Funds Allocated for the Proposed Activity	30.00%	45.00%	40.00%	40.00%	20.00%	20.00%	20.00%	20.00%							
<b>§302(c)(4)(E)(ii)</b> Area Median Income Level Served	60%	60%	60%	60%	120%	120%	120%	120%							<b>TOTAL</b>
<b>§302(c)(4)(E)(ii)</b> Unmet share of the RHNA at AMI Level <b>Note: complete for year 2019 &amp; 2020 only</b>					247										247
<b>§302(c)(4)(E)(ii)</b> Projected Number of Households Served	25	25	25	25	2	2	2	2							108

<b>§302(c)(4)(E)(iv) Period of Affordability for the Proposed Activity (55 years required for rental housing projects)</b>	55-years	55-years	55-years	55-years	30-years	30-years	30-years	30-years										
<b>§302(c)(4)(E)(iii) A description of major steps/actions and a proposed schedule for the implementation and completion of the Activity.</b>																		
In 2020 the County established an interest list for housing development through the No Place Like Home Program. Several developers responded to that request and the County used that list to support its application to HCD for the Local Housing Trust Fund matching funds program. On August 1, 2022 the County was notified that HCD had accepted its LHTF application and deemed it complete. With all funding in place for the Monterey County Local Housing Trust Fund, the County is developing program policies and procedures. The County anticipates having adopted policies and procedures in place by February 2024 and issuing its first formal request for proposals no later than March 2024.																		
<b>§301(a)(4) Matching portions of funds available through the Low- and Moderate-Income Housing Asset Fund pursuant to subdivision (d) of HSC Section 34176.</b>																		
<b>§301(a)(5) Capitalized Reserves for Services connected to the preservation and creation of new permanent supportive housing.</b>																		
<b>§301(a)(6) Assisting persons who are experiencing or At risk of homelessness, including, but not limited to, providing rapid rehousing, rental assistance, supportive/case management services that allow people to obtain and retain housing, operating and capital costs for navigation centers and emergency shelters, and the new construction, rehabilitation, and preservation of permanent and transitional housing.</b>																		
<b>§302(c)(4)(E)(i) Provide a detailed and complete description of how allocated funds will be used for the proposed Activity.</b>																		
The County will use funds to provide rapid rehousing, rental assistance, supportive/case management services that will allow people to obtain and retain housing, including operating and capital costs for the County's Salinas SHARE Center and Sun Rose Gardens Permanent & Transitional Housing Development. The County is dedicated to increasing the supply of housing for the 0-30% AMI population within the County by providing permanent and transitional housing.																		
Complete the table below for each proposed Activity to be funded with 2019-2023 PLHA allocations. If a single Activity will be assisting households at more than one level of Area Median Income, please list the Activity as many times as needed to capture all of the AMI levels that will be assisted, but only show the percentage of annual funding allocated to the Activity one time (to avoid double counting).																		
Funding Allocation Year	2019	2020	2021	2022	2023	2019	2020	2020	2021	2022	2023							
Type of Activity for Persons Experiencing or At Risk of Homelessness	Navigation Center Operating	Navigation Center Operating	Navigation Center Operating	Navigation Center Operating	Navigation Center Operating	Permanent Housing: New Construction	Permanent Housing: New Construction	Supportive/Case Management Services	Supportive/Case Management Services	Supportive/Case Management Services	Supportive/Case Management Services							
<b>§302(c)(4)(E)(i) Percentage of Funds Allocated for the Proposed Activity</b>	50.00%	35.00%	10.00%	25.00%	25.00%	50.00%	11.00%	4.00%	25.00%	15.00%	15.00%							
<b>§302(c)(4)(E)(ii) Area Median Income Level Served</b>	30%	30%	30%	30%	30%	30%	30%	30%	30%	30%	30%						<b>TOTAL</b>	
<b>§302(c)(4)(E)(ii) Unmet share of the RHNA at AMI Level</b> <b>Note: complete for year 2019 &amp; 2020 only</b>	155																155	
<b>§302(c)(4)(E)(ii) Projected Number of Households Served</b>	15	15	15	15	15	13	13	15	15	15	15						161	
<b>§302(c)(4)(E)(iv) Period of Affordability for the Proposed Activity (55 years required for rental housing projects)</b>						55-Years	55-Years											
<b>§302(c)(4)(E)(iii) A description of major steps/actions and a proposed schedule for the implementation and completion of the Activity.</b>																		
The Salinas SHARE Center is in operation and has shelter capacity for 100 unsheltered persons per night, including "family rooms" that allow unsheltered families to remain together. Sun Rose Gardens completed construction in September, 2023. It offers 9 units of permanent supportive housing and 8 units of shared transitional housing. All clients will be referred by the Monterey County Health Department's Behavioral Health Bureau and be homeless with a psychiatric disability diagnosis. The County will fund the Community Health Engagement (CHE) program operated by California State University Monterey Bay to be the County's lead agency for conducting street outreach to homeless individuals and families. Subsequent to initial contact CHE will work with the clients to help steer them through the systematic barriers to stable housing.																		
<b>§301(a)(7) Accessibility modifications in Lower-income Owner-occupied housing.</b>																		
<b>§301(a)(8) Efforts to acquire and rehabilitate foreclosed or vacant homes and apartments.</b>																		
<b>§301(a)(9) Homeownership opportunities, including, but not limited to, down payment assistance.</b>																		
<b>§301(a)(10) Fiscal incentives made by a county to a city within the county to incentivize approval of one or more affordable housing Projects, or matching funds invested by a county in an affordable housing development Project in a city within the county, provided that the city has made an equal or greater investment in the Project. The county fiscal incentives shall be in the form of a grant or low-interest loan to an affordable housing Project. Matching funds investments by both the county and the city also shall be a grant or low-interest deferred loan to the affordable housing Project.</b>																		