

CRL Compliance : Tracking Challenges

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City of Richmond**

Developing a Tool to Track CRL Compliance

**Tracking Table: Affordable Housing Production Requirements and Housing Set Aside Expenditure Requirements
Richmond Community Redevelopment Agency**

A	B	C	D	H			E	F	G	I
Information on Housing Development/Rehabilitation										
Project Name	Date of Occupancy (FY)	Location: Specific Project Area or Outside Project Area	Tenure (Rental or Ownership)	Total # of Units in Project	Total # of Units restricted by Covenant	Production Adjustment Factor for Units Outside RDA	Affordability Covenant Length	Date of Affordability Covenant	Entity with whom Affordability Covenant is Recorded (Agency, City,	Agency or Non-Agency Developed
Heath Park	1999/2000	RDA 1	Ownership	5	4	1	45 years		City	Non Agency
Baker Estates	2000/2001	Outside	Ownership	18	18	0.5	20 years		City	Non Agency
Burrell Estates	2000/2001	Outside	Ownership	87	87	0.5	30 years		County	Non Agency
Carter Estates	2000/2001	RDA 6	Ownership	23	18	1	30 years			Non Agency
Metro Walk (sub phase 1-3)	2003/2004	RDA 1	Ownership	64	21	1	45 years		Agency	Non Agency
Guaraldi Infill	2003/2004	RDA 4	Ownership	2	2	1	45 years		City	Non Agency
Gillispie Park	2003/2004	RDA 1a	Ownership	8	8	1	45 years		City	Non Agency
Metro Walk (sub phase 4-7)	2004/2005	RDA 1	Ownership	68	45	1	45 years		Agency	Non Agency
Peterson Housing	2004/2005	RDA 4	Rental	30	30	1	55 years	12/02/07	Agency	Non Agency
Haden Homeownership	2006/2007	Outside	Ownership	40	16	0.5	45 years		Agency	Non Agency
Halliday	2005/2006	Outside	Ownership	42	18	0.5	45 years		Agency	Non Agency
Midtown Infill	2008/2009	RDA 6	Ownership	4	4	0.5	45 years			Non Agency
North Infill	2005/2006	RDA 4	Ownership	9	9	1	45 years			Non Agency
West Townhomes	2008/2009	RDA 1a	Ownership	10	10	1	45 years			Non Agency
Senior Rental	2007/2008	RDA 1a	Rental	66	66	1	55 years		Agency	Non Agency
Infill Scattered-site	2006/2007	RDA 4	Ownership	14	14	1	45 years			Non Agency
Multifamily Rental	2008/2009	RDA 1	Rental	21	21	1	55 years		City	Non Agency
Miraflores Multifamily	2008/2009	RDA 1a	Rental	80	80	1	55 years			Non Agency

**Tracking Table: Affordable Housing Production Requirements and Housing Set Aside Expenditure Requirements
Richmond Community Redevelopment Agency**

A	V	W	X	Y	Z	AA	AB	AC	AD	AE	AF	AG
Project Name	Funding				Housing Set Aside Expenditures							
	Total Development Costs	Locally Controlled Funding	Housing Set Aside Funding	Date LMIHF first expended	Expenditure Targeting by Income Need				Expenditure Targeting by Non-Age Restricted			
					Very Low	Low	Moderate	Total Affordable	Number of Affordable Non-Age Restricted Units	Number of Affordable Age Restricted Units	Set Aside Expenditure on Non-Age Restricted	Set Aside Expenditure on Age Restricted
Heath Estates	3,380,522	695,000	115,389			115,389		115,389	4		115,389	\$0
Baker Estates	3,884,443	1,035,550	102,713			62,769	39,944	102,713	18		102,713	\$0
Burrell Estates	15,916,169	500,000	OFFSET									
Carter Estates	3,544,658	903,917	OFFSET									
Metro Walk (sub phase 1-3)	12,927,899		2,927,899				2,927,899	2,927,899	21	0	2,927,899	\$0
Guaraldi Infill	570,380	362,244	OFFSET					0	2	0		
Gillispie Park	3,873,213	670,000	799,409			399,705	399,705	799,409	8	0		
Metro Walk (sub phase 4-7)			2,324,101				2,324,101	2,324,101				
Peterson Housing	10,149,063	223,500	4,741,492	12/2/07	1,106,348	1,106,348	2,528,796	4,741,492	30		4,741,492	\$0
Haden Homeownership			456,281			171,105	285,176	456,281	16		456,281	\$0
Halliday			367,000		0	142,722	224,278	367,000				
Midtown Infill			615,000			615,000		615,000				
North Infill		333,000	894,000		0	894,000	0	894,000				
West Townhomes	0	630,000	750,000		0	225,000	525,000	750,000				
Senior Rental		816,000	4,323,000		2,096,000	0	2,227,000	4,323,000				
Infill Scattered Site		711,000	1,259,284		0	269,847	989,437	1,259,284				
Multifamily Rental	9,500,000	790,000	3,168,000		452,571	1,056,000	1,659,429	3,168,000				
Miraflores Multifamily		2,566,000	5,467,000		0	2,665,163	2,801,838	5,467,000				
		10,236,211	28,310,568		3,654,920	7,723,047	16,932,602	28,310,568	99	0	8,343,774	0

Compliance Challenges:

- **Expenditure by Income Target Requirement does not mesh with Regional Fair Share Housing Allocations**
- **Issues with calculation of Non-Age Restricted Target**
- **How should agencies that do not have Article 34 authority approach income target compliance?**

**Housing Fund
Expenditures:
Measuring up against Regional
Fair Share Allocations**

**ABAG Regional Fair Share Allocation
for the City of Richmond
Income Targeting Requirement by Income Category
Richmond Community Redevelopment Agency**

1999-2006 Allocation			2007-2014 Draft Allocation	
Income Group and Relation to County Median Income	Total Housing Units Needed	Percentage Need by Income Level	Total Housing Units Needed	Percentage Need by Income Level
Very Low (0-50%)	471	34%	391	31%
Low Income (51-80%)	273	20%	339	27%
Moderate (81-120%)	625	46%	540	43%
Total	1369	100%	1270	100%

**Tracking Table: Affordable Housing Production Requirements and Housing Set Aside Expenditure Requirements
Richmond Community Redevelopment Agency**

A	J	K	L	M	W	X	Z	AA	AB	AC
	Affordable Housing Production to Meet Production Obligations					Housing Set Aside Expenditures				
Project Name	New Construction Number of Affordable Units				Expenditure Targeting by Income Need					
	Very Low	Low	Moderate	Total Affordable	Locally Controlled Funding	Housing Set Aside Funding	Very Low	Low	Moderate	Total Affordable
Heath Estates	0	4	0	4	695,000	115,389		115,389		115,389
Baker Estates	0	11	7	18	1,035,550	102,713		62,769	39,944	102,713
Burrell Estates	0	25	62	87	500,000	OFFSET				
Carter Estates	0	11	7	18	903,917	OFFSET				
Metro Walk (sub phase 1-3)			21	21		2,927,899			2,927,899	2,927,899
Guaraldi Infill		2		2	362,244	OFFSET				0
Gillispie Park	0	4	4	8	670,000	799,409		399,705	399,705	799,409
Metro Walk (sub phase 4-7)		0	45	45		2,324,101			2,324,101	2,324,101
Peterson Housing	7	7	16	30	223,500	4,741,492	1,106,348	1,106,348	2,528,796	4,741,492
Haden Homeownership		6	10	16		456,281		171,105	285,176	456,281
Halliday		7	11	18		367,000	0	142,722	224,278	367,000
Midtown Infill			3	3		615,000		615,000		615,000
North Infill		9		9	333,000	894,000	0	894,000	0	894,000
West Townhomes		3	7	10	630,000	750,000	0	225,000	525,000	750,000
Senior Rental	32		34	66	816,000	4,323,000	2,096,000	0	2,227,000	4,323,000
Infill Scattered Site		3	11	14	711,000	1,259,284	0	269,847	989,437	1,259,284
Multifamily Rental	3	7	11	21	790,000	3,168,000	452,571	1,056,000	1,659,429	3,168,000
Miraflores Multifamily		39	41	80	2,566,000	5,467,000	0	2,665,163	2,801,838	5,467,000
	42	138	290	470	10,236,211	28,310,568	3,654,920	7,723,047	16,932,602	28,310,568

**Adjusted Income Targeting Requirement by Income Category
Richmond Community Redevelopment Agency**

ABAG Draft Fair Share Allocation 2007-2014			Adjusted Income Expenditure Target		
Income Group and Relation to County Median Income	Total Housing Units Needed	Percentage Need by Income Level	Less: Units Assisted with Locally Controlled Funds	Adjusted Total Housing Units Needed	Adjusted Percentage Need by Income Level
Very Low (0-50%)	391	31%		391	32%
Low Income (51-80%)	339	27%	38	301	24%
Moderate (81-120%)	540	43%		540	44%
Total	1270	100%		1232	100%

Doing the Right Thing:

Meeting the Housing Fund
Expenditure Target
Requirements and
Working Within the Limitations of
Article 34

**Preliminary Calculation
Agency Progress Towards
Fulfilling Income Targeting Requirement
Richmond Community Redevelopment Agency**

Income Target Requirement		Projected Agency Housing Fund Expenditures 2001-2010	
Income Group and Relation to County Median Income	Percentage Need by Income Level	HF Expenditures by Income (Estimated)	Percentage Expended by Income Level
Very Low (0-50%)	31%	\$ 3,654,920	13%
Low Income (51-80%)	27%	\$ 7,723,047	27%
Moderate (81-120%)	43%	\$ 16,932,602	60%
Total	100%	\$ 28,310,568	100%

Note: Income Target Requirement based on draft 2007-2014 Regional Fair Share Allocation. Subject to change.

Sample Income Target Calculations

Expenditure Tracking: Multifamily New Construction

Project: Peterson Housing, City of Richmond

Funding Sources:

<u>Locally Controlled Funding</u>	
1 City HOME	\$ 223,500
2 Agency Housing Fund	\$ 4,741,492
<u>Other Funding</u>	
3 Tax Exempt Perm Bond	\$ 1,360,000
4 AHP	\$ 205,500
5 Deferred Developer Fee	\$ 300,515
6 Tax Credit Equity	\$ 3,318,056
Total Sources/Development Costs	\$ 10,149,063

Unit Affordability Mix:

30 units total, restricted to TCAC rents affordable to HHs at 60% AMI.

Locally Controlled Affordability Covenants:

The Agency's Regulatory Agreement restricts the units to the following income levels:

Very Low	Low	Moderate	Total
7	7	16	30

How Should Housing Fund Expenditures be Calculated?

- **Allocate expenditures proportional to number and income-level of affordable units?**
- **Deposit HOME and other locally controlled funds into the Housing Fund so expenditures can count towards requirement?**
- **Other?**

Expenditure Targeting by Income Need Calculation

Scenario A:

Distribute Housing Funds across all units restricted under Regulatory Agreement

Unit Distribution	Very Low	Low	Moderate	Total Affordable
HOME		10		10
Housing Fund	7	7	16	30

Allocation of Expenditure	Very Low	Low	Moderate	Total Affordable
HOME		\$ 223,500		\$ 223,500
Housing Fund	\$ 1,106,348	\$ 1,106,348	\$ 2,528,796	\$ 4,741,492
% Housing Fund by Income	23%	23%	53%	100%

Scenario B:

Offset Income Target Requirement with HOME-assisted Units

Proportional to Unit

Unit Distribution	Very Low	Low	Moderate	Total Affordable
HOME		10		10
Housing Fund	4		16	20

Allocation of Expenditure	Very Low	Low	Moderate	Total Affordable
HOME		\$ 223,500		\$ 223,500
Housing Fund	\$ 948,298		\$ 3,793,194	\$ 4,741,492
% Housing Fund by Income	20%	0%	80%	100%

**Impact of Article 34 Election on
Agency Progress Towards
Fulfilling Income Targeting Requirement
Richmond Community Redevelopment Agency**

Income Target Requirement		Projected Agency Housing Fund Expenditures 2001-2010		Projected Agency Housing Fund Expenditures 2001-2010 - Article 34	
Income Group and Relation to County Median Income	Percentage Need by Income Level	HF Expenditures by Income (Estimated)	Percentage Expended by Income Level	HF Expenditures by Income (Estimated) assuming Article 34 Election	Percentage Expended by Income Level
Very Low (0-50%)	31%	\$ 3,654,920	13%	\$ 8,202,317	29%
Low Income (51-80%)	27%	\$ 7,723,047	27%	\$ 12,392,711	44%
Moderate (81-120%)	43%	\$ 16,932,602	60%	\$ 7,715,540	27%
Total	100%	\$ 28,310,568	100%	\$ 28,310,568	100%

Note: Income Target Requirement based on draft 2007-2014 Regional Fair Share Allocation. Subject to change.

Meeting the Housing Fund Expenditure Target Requirements and Working Within the Limitations of Article 34

- **Agencies that do not have Article 34 authority to produce low-income housing will likely have difficulty meeting the income target expenditure requirement.**
- **Should Agencies consider:**
 - **Restricting only the 49% very low and low income units (and not the 51% moderate units), therefore count more Housing Fund project expenditures towards very low and low income units?**
 - **Holding an Article 34 election?**