
Title 29 Affordable Housing Fund: Fiscal Year 2023-2024 Report and Projects

**County of San Luis Obispo
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Adult And Homeless Services Branch
Homeless Services Division**

County of San Luis Obispo

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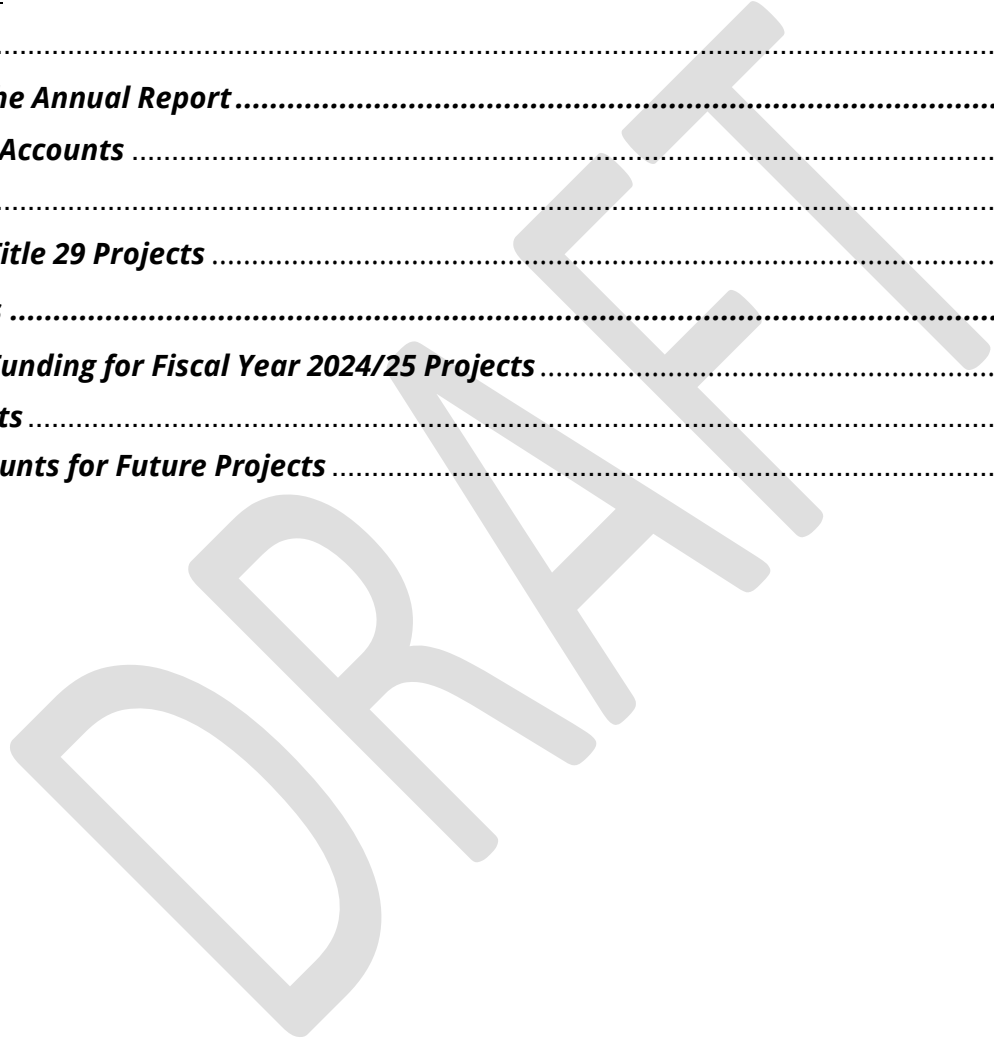
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Introduction

Title 29 of the County Code, Affordable Housing Fund (“AHF”), supports affordable housing by granting subsidies to eligible affordable housing projects.

The provision of this Title remains in effect only to the extent that they allow the County to allocate and expend Affordable Housing Fund and Housing Impact Fee account balances that existed prior to June 7, 2022, when the Inclusionary Housing Ordinance was repealed.

Since 2009 when Title 29 took effect, the Board of Supervisors has reviewed the Annual Report. The Annual Report includes a financial statement of the Title 29 Affordable Housing Fund for fiscal year. The 2023-2024 Title 29 Affordable Housing Fund Annual Report details expenditures during the county's **fiscal year** from July 1, 2023, to June 30, 2024.

Contents of the Annual Report

This Annual Report includes the following information.

- Statement of Accounts
- Expenses, disbursements, and uses of the Affordable Housing Fund
- Number of housing units constructed or assisted
- Types of units (rental or ownership), income levels, and location
- State and Federal funds leveraged for the projects
- Project status

Summary of All Accounts

The summary of All Accounts in the Affordable Housing Fund from July 1, 2023, to June 30, 2024, is summarized in Table 1.

Table 1: Summary of All Accounts ¹ Reporting Period 7/1/2023-6/30/2024

Fiscal Year	Beginning Balance	Interest Accrued	Funds Expended	Funds Committed in Prior Action Plans but not expended ²	Funds Allocated in the 2024 Action Plan	Remaining Balance
2023-2024	\$ 2,079,138.17	\$ 49,643.67	\$ 1,121,031.46	\$ 340,162.80	\$518,503.00	\$ 149,084.58

¹ Includes In-Lieu Fees and Housing Impact Fees.

² Remaining balance from prior Action Plans

Projects

Summary of Title 29 Projects

Table 3 shows the status of the projects funded through Title 29 funds that are currently under construction, pending construction or completed during the reporting period July 1, 2023 - June 30, 2024. All projects meet Goal 1 – Increase and Maintain Affordable Housing Stock, of the 2020-2024 Consolidated Plan of the County of San Luis Obispo and Line of Effort 1 – Create affordable and appropriately designed housing opportunities and shelter options for underserved populations, of the Countywide Plan to Address Homelessness (2022-2027) .

Table 2: Status of Projects Supported by Title 29 funds for Reporting Period 7/1/23-6/30/24.

Project Name/Beneficiaries	Estimated Completion Date	Amount Allocated & Purpose	Amount Drawn	Remaining Amount	Additional Funding Sources	Status
<p>Templeton Place II Templeton</p> <p>People’s Self-Help Housing</p> <p>36 units. 10 of these units are reserved for veterans experiencing homelessness. Remaining units are for extremely low-and-low-income households.</p>	N/A	<p>AP 2019 \$38,538</p> <p>AP 2020 \$112,723</p> <p>Hard costs</p>	\$151,261	\$0	Tax credits, Homeless Vets & Title 29 funds	<p>Completed July 2023</p> <p>Leased</p>

Table 2 continued: Status of Projects Supported by Title 29 funds for Reporting Period 7/1/23-6/30/24.

Project Name/Beneficiaries	Estimated Completion Date	Amount Allocated & Purpose	Amount Drawn	Remaining Amount	Additional Funding Sources	Status
<p>Rockview at Sunset Morro Bay</p> <p>San Luis Obispo Nonprofit Housing Corporation</p> <p>34 units for extremely low to low-income households.</p>	<p>N/A</p>	<p>AP 2021 \$7,216</p>	<p>\$7,216</p>	<p>\$0</p>	<p>Tax credits, CDBG, Title 29 funds</p>	<p>Completed March 2024</p> <p>Leased</p>
<p>Pismo Terrace Pismo Beach</p> <p>People’s Self-Help Housing</p> <p>50 affordable housing units consisting of 25 units for No Place Like Home which overlaps with 5 Transitional Age Youth units.</p>	<p>N/A</p>	<p>AP 2020 \$114,331</p> <p>AP 2021 \$115,638</p> <p>Project-related costs</p>	<p>\$229,969</p>	<p>\$0</p>	<p>State HEAP/ HHAP/ No Place Like HOME funds, tax credits, over \$1M of City of PB funds and Title 29 funds.</p>	<p>Completed March 2024</p> <p>Leased</p>

Table 2 continued: Status of Projects Supported by Title 29 funds for Reporting Period 7/1/23-6/30/24.

Project Name/Beneficiaries	Estimated Completion Date	Amount Allocated & Purpose	Amount Drawn	Remaining Amount	Additional Funding Sources	Status
<p>Toscano Family Apartments San Luis Obispo</p> <p>San Luis Obispo Nonprofit Housing Corporation</p> <p>37 units for extremely low to low-income households</p>	<p>N/A</p>	<p>AP 2021 \$142,396</p> <p>Project related costs</p>	<p>\$142,396</p>	<p>\$0</p>	<p>Tax credits, CDBG, Title 29 funds</p>	<p>Completed April 2024</p> <p>Leased</p>
<p>Shell Beach Senior Apartments Shell Beach</p> <p>San Luis Obispo Nonprofit Housing Corporation</p> <p>25 affordable units for senior households</p>	<p>Fall 2024</p>	<p>AP 2022 \$254,750</p> <p>Construction/Hard Costs</p>	<p>\$242,013</p>	<p>\$12,737</p>	<p>HOME, HOME-ARP, Title 29, Tax Credit, HASLO Loan, Bank Loan, Pismo Beach Inclusionary Housing Fund & Fee Waivers</p>	<p>Under Construction</p>

Table 2 continued: Status of Projects Supported by Title 29 funds for Reporting Period 7/1/23-6/30/24.

Project Name/Beneficiaries	Estimated Completion Date	Amount Allocated & Purpose	Amount Drawn	Remaining Amount	Additional Funding Sources	Status
<p>Vine St. Homes Paso Robles</p> <p>Habitat for Humanity</p> <p>9 units for very low & low- income households</p>	<p>December 2024</p>	<p>AP 2018 \$30,198</p> <p>AP 2021 \$185,221</p> <p>AP 2022 \$233,144</p> <p>AP 2023 \$137,999</p> <p>Hard costs</p>	<p>\$8,213</p>	<p>\$578,349</p>	<p>Donations, volunteers, Title 29 funds, City of PR funds</p>	<p>Under Construction.</p>
<p>Del Rio Ridge Atascadero</p> <p>Peoples' Self-Help Housing</p> <p>42 units for extremely low to low-income households</p>	<p>N/A</p>	<p>AP 2022 \$233,144</p> <p>Construction/Hard Costs</p>	<p>\$0.00</p>	<p>\$0.00</p> <p>Reallocated on 11/8/2022</p>	<p>CDBG, HOME, HOME-ARP, Title 29, State: Veteran's Housing, City of Atascadero</p>	<p>Construction Not Started</p> <p>Additional Funding Required</p>

Table 2 continued: Status of Projects Supported by Title 29 funds for Reporting Period 7/1/23-6/30/24.

Project Name/Beneficiaries	Estimated Completion Date	Amount Allocated & Purpose	Amount Drawn	Remaining Amount	Additional Funding Sources	Status
<p>Arroyo Terrace Apartments Arroyo Grande</p> <p>San Luis Obispo Nonprofit Housing Corporation</p> <p>63 units for low and very low-income rental homes</p>	<p>10/2026</p>	<p>AP 2022 \$55,088</p> <p>Acquisition</p>	<p>\$0.00</p>	<p>\$55,088</p>	<p>Tax Credits, Title 29, Bank Loan, CDBG</p>	<p>Construction Not Started</p> <p>Additional Funding Required</p>

Housing Units

During Fiscal Year 2023-2024, 157 new affordable housing units became available and are fully leased.

Projects for Fiscal Year 24/25

Summary of Funding for Fiscal Year 2024/25 Projects

On February 6, 2023, the Board of Supervisors allocated \$518,503 in Title 29 funds to three affordable housing projects (Table 3). Eligible projects shall have affordable housing units that are deed restricted or that conform to the County’s affordable housing standards (i.e., Land Use Ordinance Section 22.12.030 – Housing Affordability Standards or Coastal Zone Land Use Ordinance Section 23.04.094 – Housing Affordability Standards).

Title 29 requires funds to be allocated to affordable housing projects located within the same housing market areas as the projects that paid the Title 29 fees. Refer to the Title 29 Market Area Map (see Figure 1).

Table 3: Projects Funded in Fiscal Year 2024/25

Project Name	Amount Allocated	Location and Funding Source
<p>Rolling Hills III Templeton People’s Self-Help Housing</p> <p>28 units for low-income individuals and families including 7 units for those experiencing homelessness.</p>	<p>\$89,978</p>	<p>Templeton, North County funds</p>
<p>Arroyo Terrace Apartments Arroyo Grande San Luis Obispo Nonprofit Housing Corporation</p> <p>63 affordable multi-family housing units</p>	<p>\$199,884</p>	<p>Arroyo Grande, South County funds and Open to All funds</p>
<p>Monterey Crossing Affordable Senior Housing San Luis Obispo San Luis Obispo Nonprofit Housing Corporation</p> <p>56 units for low-income seniors</p>	<p>\$228,641</p>	<p>San Luis Obispo, Central County funds</p>
<p>Total Fiscal Year 2024/25 funds</p>	<p>\$518,503</p>	

Refund Payments

Certain circumstances require that unspent Title 29 funds be repaid to the original contributing developers. Title 29 Section 29.05.010.d requires that unspent funding shall be refunded whenever the County targets an affordable housing development and determines that adequate funding is available to complete the project, but the project is never completed. Funds may be transferred to other eligible projects, but unspent funds must be returned to the developer if those funds have not been used within five years of when the developer paid the Title 29 fees.

There are no refunds to report during FY23/24.

Remaining Amounts for Future Projects

Title 29 funds must be allocated within the same housing market areas as the projects that paid Title 29 fees. Interest collected (Open to All) may be utilized in any area. Table 4 summarizes the remaining funding amounts available for each area of the county. A risk analysis was completed to determine the amount of funds that can be safely allocated in the 2025 Notice of Funding Availability (NOFA) for the 2025 Action Plan.

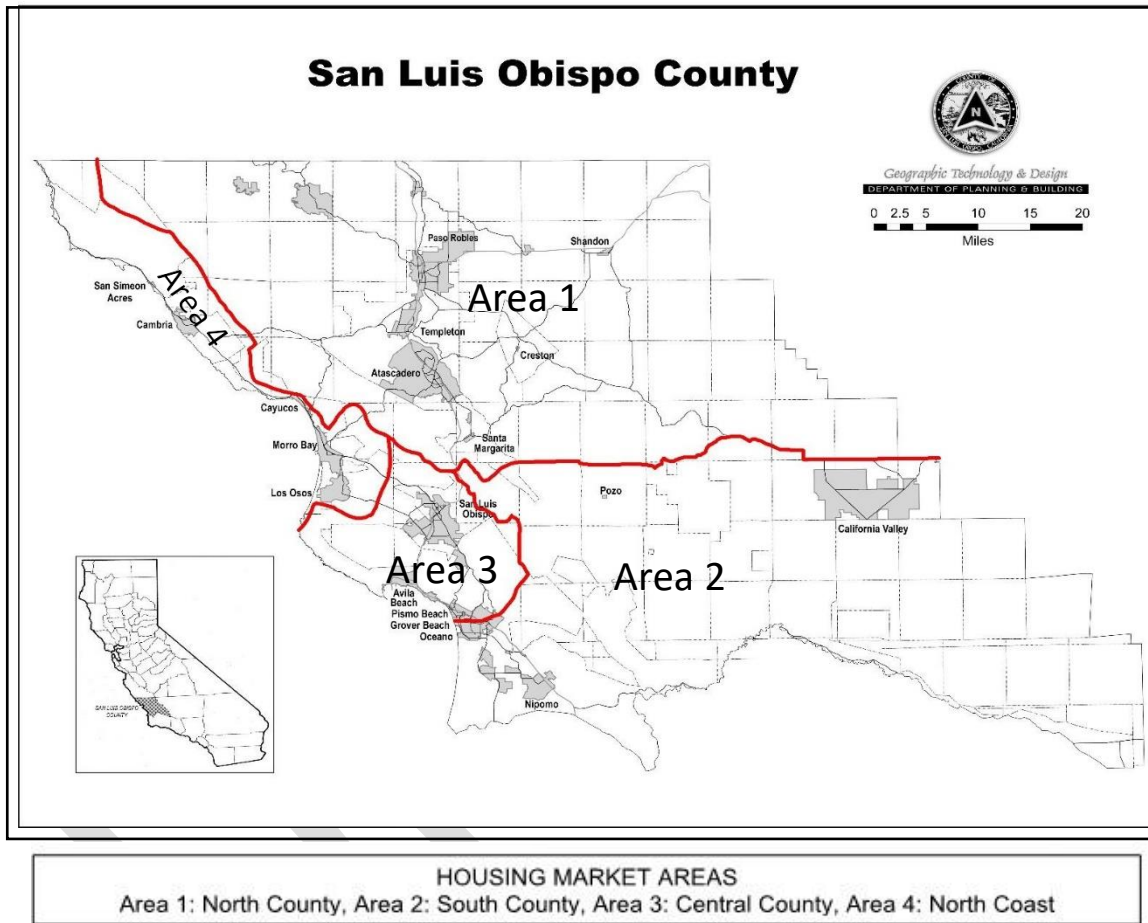
A financial risk assessment was completed by the Department of Social Services in collaboration with the Department of Planning and Building in July 2024. County Counsel has reviewed and concurred with the recommendations. Five permits were considered high risk (zero to one inspections) totaling \$21,323.42 at risk of refunds and five permits were considered medium risk (between three and seven inspections) totaling \$6,244.00 at risk of refunds. Staff analysis has determined that \$27,567.42 is at potential risk of refunds and should not be included in the 2025 Action Plan NOFA. This amount has been deducted from the remaining available funds.

Table 4: Remaining Amounts for Future Projects

Fund Source	Beginning Balance FY 23-24	FY 24-25 Allocations	Accrued Interest	High and Medium Risk Funds on Issued Permits	Remaining Available Funds
Open to All	\$63,078	\$43,594	\$32,668	\$0.00	\$52,152
North County	\$121,025	\$89,978	\$0.00	\$25,287	\$5,760
Central County	\$248,217	\$228,641	\$0.00	\$2,280	\$17,296
South County	\$156,291	\$156,290	\$0.00	\$0.00	\$1
North Coast	\$46,308	\$0.00	\$0.00	\$0.00	\$46,308
Total Amounts	\$634,919	\$518,503	\$32,668	\$27,567	\$121,518*

**Medium and High-Risk funds have been deducted from the Remaining Available Amount.*

Figure 1: Housing Market Area Map



Area 1: North County – includes Santa Margarita, Atascadero, Creston, Templeton, Paso Robles, and Shandon

Area 2: South County – includes Oceano, Nipomo, Woodlands, Pozo, and California Valley

Area 3: Central County – includes San Luis Obispo, Avila Beach, and Arroyo Grande

Area 4: North Coast – includes Los Osos, Morro Bay, Cayucos, Cambria, and San Simeon