



Permanent Local Housing Allocation (PLHA)  
Plan Amendment  
September 16, 2022

## ***PLHA Plan Amendment – 2022***

### ***Describe the manner in which allocated funds will be used for eligible activities***

The County of San Mateo plans to use the funds in a very similar fashion as in its initial Plan: 1) In alignment with PLHA Activity, 301(a)(1), a little less than half of the funds each year will be directed toward the predevelopment, development, acquisition, rehabilitation, and/or preservation of housing that is affordable to extremely low income through moderate income households through the County's annual Affordable Housing Fund (AHF) process; 2) In alignment with PLHA Activity, 301(a)(6), assist persons who are experiencing or at risk of experiencing homelessness with rental assistance; and 3) Also in alignment with PLHA Activity, 301(a)(6), assisting persons who are experiencing or at risk of experiencing homelessness by providing needed financial support for the County's emergency shelters (including the Navigation Center) and Core service providers. This includes both operational support as well as support for their intensive case management services that address the root causes of a household's barriers to housing. The main difference between this amended Plan and the initial Plan is the explicit distinction between shelter operations and case management services (in the initial Plan, these two activities had been combined into an "Emergency Shelter" category). In addition, in this Amended Plan, rapid re-housing services will no longer be included as they will be largely funded via different sources and County Departments.

### **Description of how the County of San Mateo will prioritize investments that increase the supply of housing for households with incomes <+ 60% AMI (Area Median Income)**

The County of San Mateo's Affordable Housing Fund (AHF) funds new construction of multifamily affordable rental housing projects, multifamily re-syndication-rehabilitation projects for existing deed-restricted multifamily affordable rental housing developments, and new construction of multifamily affordable first-time homeownership projects. An explicit goal of the AHF is to “Target AHF funds to very low- and extremely low-income affordable housing units.” The scoring rubric used for the AHF ensures that projects are competitive. In general, awards are made as loans secured with 55-year affordability covenants. Loan terms are outlined in the County's LOAN TERMS, UNDERWRITING GUIDELINES, and POLICIES document, located at: <https://www.smcgov.org/media/125946/download?inline=>

### **Provide a description of how the Plan is consistent with the programs set forth in the Local Government Housing Element**

The County of San Mateo's Housing Element plan expressly identifies shortfalls in the production of affordable, multifamily rental buildings and a resulting lack of availability for this type of dwelling. Investing PLHA funds in the County's AHF projects contributes both to increasing the supply of units through new construction as well as specifically increasing the availability of units affordable to households with incomes below the median. The Housing Element also identifies the needs of persons at risk of homelessness, primarily due to high housing costs. The Element identified cost burden as the primary cause of that risk so

supporting households during periods of financial stress with rental assistance being one of the preferred strategies. The Housing Element also identified services for the rising proportion of chronically homeless individuals as another key need. This amended Plan, therefore, will increase the County's support for the operations of and intensive case management provided by Core and emergency shelters that primarily serve that population.

### **Activities details- Rental housing**

#### **Detailed and complete description of how allocated funds will be used for each proposed Affordable rental housing activity.**

As aforementioned, the County of San Mateo's Affordable Housing Fund (AHF) funds new construction of multifamily affordable rental housing projects, multifamily re-syndication-rehabilitation projects for existing deed-restricted multifamily affordable rental housing developments, and new construction of multifamily affordable first-time homeownership projects. An explicit goal of the AHF is to "Target AHF funds to very low- and extremely low-income affordable housing units." The scoring rubric used for the AHF ensures that projects are competitive. In general, awards are made as loans secured with 55-year affordability covenants. Loan terms are outlined in the County's LOAN TERMS, UNDERWRITING GUIDELINES, and POLICIES document, located at: <https://www.smcgov.org/media/125946/download?inline=>

#### **Description of major steps/actions and a proposed schedule for the implementation and completion of the activity**

PLHA funds will be included in the County's annual Affordable Housing Fund's (AHF) Notice of Funding Availability (NOFA) process. The County has completed the AHF NOFA process annually for the past eight years and successfully awarded more than \$150 million dollars in funds from various sources. The first two years of PLHA funds were committed to a project sourced through this process. The County recently released its AHF 10.0 NOFA and funding – likely including PLHA funds - will be made in the fall of 2022.

#### **Affordable Rental Housing Activity Table**

The table below outlines each proposed Affordable Rental Housing Activity to be funded with 2019-2023 PLHA allocations.

Funding Allocation Year	2019	2020	2021	2022	2023
§302(c)(4)(E)(i) Percentage of Funds Allocated for the Proposed Affordable Rental Housing Activity	45.0%	45.0%	45.0%	45.0%	45.0%
§302(c)(4)(E)(ii) Area Median Income Level Served	60%	60%	60%	60%	60%
§302(c)(4)(E)(ii) Unmet share of the RHNA at the AMI Level <b>Note: complete for year 2019 &amp; 2020 only</b>	63	63	63	63	63

**Note:** The period of affordability for the proposed affordable rental housing activity for each year will be 55 years.

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**Activities details- Services**

**Detailed and complete description of how allocated funds will be used for the proposed activity**

For 301(a)(6) activities, funds will go to supporting unsheltered households as well as those at risk of losing shelter. As outlined in the initial Plan, in the first two years, PLHA funds will be used to support an emergency shelter as well as a rental assistance project, which is assisting low-income individuals facing displacement due to an expiring affordable housing covenant. In subsequent years, PLHA funds will be incorporated into the County's annual Public Services/federal funds NOFA, Equity Innovation Fund NOFA, or other NOFA/procurement processes to support the County's emergency shelters (including the Navigation Center) and Core service providers. As initially planned, but not called out explicitly in the original PLHA

Plan, PLHA funds will assist with the shelters’ operating costs as well as the costs of delivering intensive case management services designed to address the underlying barriers to stable housing. Rapid rehousing will no longer be supported via PLHA funds and have been omitted from this amended plan. Note: Area Median Income for activity 301(a)(6) for 2019 should be 60% as approved in round 1.

**Services Activity Table**

The table below outlines each proposed Activity to be funded with 2019-2023 PLHA allocations.

Funding Allocation Year	2019	2019	2019	2020	2020	2020	2021	2021	2022	2022	2023	2023
Type of Activity for Persons Experiencing or At Risk of Homelessness	Rental Assistance (term of six months)	Supportive/Case Management Services	Emergency Shelter Operating	Rental Assistance (term of six months)	Supportive/Case Management Services	Emergency Shelter Operating	Supportive/Case Management Services	Emergency Shelter Operating	Supportive/Case Management Services	Emergency Shelter Operating	Supportive/Case Management Services	Navigation Center Operating
§302(c)(4)(E)(i) Percentage of Funds Allocated for the Proposed Activity	18.00%	14.00%	18.00%	16.00%	17.00%	17.00%	30.00%	20.00%	30.00%	20.00%	27.00%	23.00%
§302(c)(4)(E)(ii) Area Median Income Level Served	30%	30.00%	30.00%	30.00%	30.00%	30.00%	30.00%	30.00%	30.00%	30.00%	30%	30%
§302(c)(4)(E)(ii) Unmet share of the RHNA at AMI Level <i>Note: complete for year 2019 &amp; 2020 only</i>	85%	85%	85%	85%	85%	85%						
§302(c)(4)(E)(ii) Projected Number of Households Served	6	20	5	6	20	5	30	5	25	5	20	7

**Description of major steps/actions and a proposed schedule for the implementation and completion of the activity**

Every year, the County of San Mateo issues a variety of public NOFAs announcing federal, State (including PLAH funds) and local funding opportunities for organizations, which provide assistance to those experiencing or at risk of homelessness including rapid rehousing, rental assistance, supportive/case management service, and operating costs for shelters and navigation centers. In general, contracts commence on the first day of the fiscal year, (July 1) and provide the grantee with approximately 12 to 24 months to complete their planned activities.