



M E M O R A N D U M
COMMUNITY DEVELOPMENT RESOURCE AGENCY
ADMINISTRATION
County of Placer

TO: Honorable Board of Supervisors DATE: May 19, 2020
FROM: Steve Pedretti, Director, Community Development Resource Agency
BY: Michele Kingsbury, Principal Management Analyst
SUBJECT: BOLD Fees and Grant Funding Opportunities that support affordable housing

ACTION REQUESTED

1. Approve the transfer of \$4,240 of BOLD fees received to the Placer Housing Trust, a 501(c)(3) not for profit corporation subject to a funding agreement as approved by County Counsel and verification of 501(C)(3) status and direct staff to submit a letter of support to California Foundation for Stronger Communities to support the Placer Housing Trust to receive charitable contributions derived from projects in Placer County.

BACKGROUND

August 14, 2018, the Board of Supervisors updated the Bond Screening Committee Rules and Procedures to allow for participation in the California Municipal Finance Authority (CMFA) Bond Opportunities for Land Development program (BOLD) which finances certain public facilities and development impact fees through the formation of community facilities districts and the levy of special taxes within such community facilities districts under the Mello-Roos Community Facilities Act of 1982 (Act). Several west Placer County development projects have submitted applications to the BOLD program, and one development project has been funded through the BOLD program already. Other jurisdictions in the area also participate in the BOLD program including the City of Roseville.

CMFA shares a portion of all issuance fees directly with its member communities. In addition, a grant from a portion of the issuance fee is made to the California Foundation for Stronger Communities (CFSC) to fund charities designated by the member communities. Issuance fees shared with each local agency reflect the local agency's staff time involved with the bond sale. Accordingly, they are unrestricted general fund dollars, which may reimburse the County staff for its time. The County recently received a check in the amount of \$4,240 from CMFA representing a portion of its issuance fees from certain projects in Placer County. These fees are above and beyond application fees received which are used to cover staff time costs to process BOLD applications pursuant to the Bond Screening Committee Rules and Procedures for BOLD program cost recovery. Since staff time costs have already been covered through application fees for these recently funded projects, County staff is proposing to transfer the \$4,240 to the Placer Housing Trust, a recently established 501(c)(3) nonprofit corporation that was formed to address unincorporated Placer County affordable housing challenges and assist when possible in the implementation of County General Plan policies. Transfer of fees would be subject to a funding agreement approved by County Counsel and verification of 501(c)(3) status.

For smaller projects, the BOLD application fee fully covers staff time costs to implement the BOLD program and therefore, staff will return to the Board if there are additional opportunities to direct these CMFA funds to support the Placer Housing Trust. For larger projects, staff will retain both the County's portion of the CMFA issuance fee and the application fee to cover costs associated with the implementation of the BOLD program.

CMFA also provides grants from its issuance fees to its California Foundation for Stronger Communities to fund charities designated by the member communities. As noted on August 14, 2016, the Board may seek to designate these charitable contributions to specific County programs. As the issuance fees are largely derived from residential projects in Placer County, staff recommends submitting a letter of support for the Placer Housing Trust to receive these grant funds. Development and support of affordable housing is high

on the federal, state and local levels and affordable housing development will be essential to the COVID – 19 recovery. In addition, the Placer Housing Trust will assist Placer County in implementing its affordable housing plan and other General Plan policies. Therefore, staff is supportive of recommending Placer Housing Trust receive these grants from CMFA's charitable arm.

FISCAL IMPACT

Chapter XI of the Bond Screening Committee Rules and Procedures describes the BOLD program. Section 5 of that Chapter describes the cost recovery mechanism for processing and participation in the BOLD program. There is no impact to the County's General Fund from this action.

RECOMMENDATION

Approve the transfer of \$4,240 of BOLD fees received to the Placer Housing Trust, a 501(c)(3) not for profit corporation subject to a funding agreement as approved by County Counsel and verification of 501(C)(3) status and direct staff to submit a letter of support to California Foundation for Stronger Communities to support the Placer Housing Trust to receive charitable contributions derived from projects in Placer County.