

## CHDO Roundtable GO bond program Recommendations

### ▪ GO Bond Funding Allocation Policy Proposal.

1. *For Rental and Homeownership:* Rather than explicitly moving homeownership fund allocations over to rental, the group decided that it made more sense to make homeownership and rental funds flexible after a discreet period of time. The funding clock would begin when the GO funds officially become available for rental and homeownership projects – typically October 1<sup>st</sup> of a given year, the beginning of the City's fiscal year. If the rental or homeownership GO funds had not been fully spent/committed by an established date after the funding clock begins, a portion of that year's unspent funding allocation would become available for either type of affordable housing project. Lastly, by applying this standard to both rental and homeownership, it allows us the flexibility to invest GO funds in projects that are needed and moving forward given market conditions. Right now, homeownership projects are harder to get done for all the obvious reasons; however, that may change in a few years. This approach gives us flexibility. Below are the proposed time periods and %s:
  - a. After 12 months, 50% of the uncommitted funds become flexible
  - b. After 18 months, the remaining uncommitted amounts become flexible
2. *For Council Priority:* When the GO bond funding allocations were originally being developed, the Council Priority category had not been considered. It was a City Council prerogative added at the end of the process. Given that these funds have largely remained uncommitted, we would urge Council and staff to consider three recommendations: 1) ensure that projects funded through this category be subjected to the same due diligence/review process as projects funded through other GO bond funding categories; 2) explore the possibility (legally speaking) of using a portion of these funds in a more targeted way to invest in innovation that has a broader systemic impact on affordability throughout the city; and 3) consider making these funds similarly flexible (as Rental & Homeownership) after a discreet period of time. Below are the proposed times and %s:
  - a. After 6 months, 50% of the uncommitted funds become flexible
  - b. After 12 months, the remaining amounts become flexible
3. *For Rapid Acquisition:*
  - a. We received mixed feedback from folks who've applied for funds – some said that they were not hearing back in a timely basis; while others had had a good experience. Additionally, the point was raised that much of the rationale behind the rapid acquisition has gone away because the funding for the rental and homeownership funds are no long strictly competitive; as such, it is relatively straightforward to get funds through those processes. As a consequence of these deliberations, we would urge Council and staff to consider two recommendations: 1) improve the marketing of funding in this category; and 2) make funding flexible after a discreet period of time. Specifically, after 12 months, 100% of the funds should become flexible.