



## JAMIE LANE – CITY OF COTATI – PROJECT DESCRIPTION

Housing Land Trust of Sonoma County (HLT) is a private, nonprofit organization established in 2002. The mission of the Housing Land Trust of Sonoma County is to provide home ownership opportunities to low- and moderate-income families while ensuring permanent housing affordability through the use of a land trust model. Our mission is based upon the belief that (1) all working families deserve a home of their own, and (2) communities with homeowners from a broad socio-economic range are the strongest and most vibrant.

An innovative method in partnership: The utilization of infill sites is a viable solution under this innovative model. Working in conjunction with our local jurisdictions, in this case the City of Cotati, the County of Sonoma, Sonoma State University, as well as private donors, we will deliver a prototype using the MH Advantage home. The MH Advantage Home is a new product that is approved and can be financed by Fannie Mae, as stated in the Duty to Serve Policy. This prototype is a model that will have a high impact in disaster areas and high cost areas struggling to house, recruit and retain our workforce.

Purpose: Nonprofits have long been challenged to accept land with the assumption that the elimination of costs to acquire said land is sufficient to make a project economically viable. Since the 2017 and 2018 fires in Sonoma County, this assumption has weakened, as the cost of construction and labor have sky rocketed, becoming more competitive and scarcer. We are experiencing not only the cost increase but recognizing the impact of the Great Recession, when the construction workforce had to shift professional direction and retrain for jobs that were available outside of the nonexistent construction industry. We are scrambling to train a new workforce in our County but in the meantime the severe competition is adding to the challenge of securing a construction team. As a result, we have explored alternate solutions that will result in getting a home on the ground in a short period of time and with cost efficiency that will be affordable to the workforce. Before the fires, we had a housing shortage of 2,000 homes. That shortage has increased by 5,000. This effort is one of several that HLT is leading to get families into secure and permanently affordable housing.

HLT is partnering with the City of Cotati to create 5 homes that will be for sale to the workforce and will remain affordable in perpetuity through the implementation of the Community Land Trust Model. The goal is for this project to be replicated in neighboring jurisdictions with the same team and same methodology in infills around the Sonoma County.

There are several steps that will achieve the desired goal of making the home affordable to the workforce earning between 80% to 120% of Area Median Income. The following are the steps and the status of each step:

Land – The land is an infill property that is secured by the City of Cotati. There are no issues with it; the studies and requirements have been conducted and met with success.

Entitlement Team – The team is in place and is comprised of well-established professionals in the field, the City Staff and HLT Staff. We are working in partnership with the one goal: to get it

through the approval process and begin construction. The entitlement packet has been submitted for approval to the City of Cotati.

Funds to cover costs of entitlement and team: A grant has been secured and drawn down from the County of Sonoma and City of Cotati to pay for the entitlement process/team. The team is also volunteering time, as is HLT Staff and City Staff; the City Manager is the lead on the City side and HLT is facilitating the process and pulling all the pieces together to get to the finish line on this project.

Site Work – The site work required to prepare the lots to a pad-ready state will be done by a contractor who is a known and experienced entity and has successfully completed comparable projects (100% affordable, small HLT project that was our prototype in 2003). The strategy we are implementing as the entitlement team is to incorporate the contractors & builders early in the process, and plan for the transition from entitlement into construction documents. This will help to ensure that change orders do not burden and derail the project.

MH Advantage Home – Renew Now Homes is a builder that has experience in delivering the MH Advantage homes in Sonoma County. The homes are in Coffey Park, Santa Rosa and have met with Fannie Mae’s approval vis a vis the Duty to Serve Policy. Mark Westphal is the Principal at Renew Now Homes, he was introduced to Dev Goetschius, Executive Director at HLT by the Fannie Mae team, who came to Coffey Park for a site visit. The homes themselves will be affordable to the qualified buyer with targeted income levels.

The solution we are implementing ties in with several goals and several partners: HLT is a Community Land Trust that has benefited from a partnership with CalHFA, Fannie Mae, our local cities in Sonoma County, our County Government, Sonoma State University and our private donors. This project will be delivered in collaboration with each of these partners. It is our hope, including our State Government, to create a prototype that will be replicated locally, regionally and nationally. We have the policies in place and the political will. Let us couple this with the approach of sharing the burden of stewarding and financing each step of the project, to see this as an opportunity to serve the public in a meaningful way – this housing will improve the quality of life and alter the trajectory of future generations.

Replicating the model:

The project in Cotati is a prototype; the City of Petaluma is also invested in this prototype and involved in replicating this model to create a total of 22 homes for its workforce on infill property. The City has committed to identifying land and to funding. The same team, methodology and products will be employed. HLT is working with Fannie Mae to replicate this model in disaster areas such as Butte County, Houston, New Orleans – in short, in places where we need one more way to create housing efficiently and in perpetuity.