

ORDINANCE NO. _____ (N.S.)

AN ORDINANCE AMENDING SECTION 232.5 OF ARTICLE XV OF THE SAN DIEGO
COUNTY CODE OF ADMINISTRATIVE ORDINANCES RELATING TO THE
INNOVATIVE HOUSING TRUST FUND

The Board of Supervisors of the County of San Diego ordains as follows:

Section 1. Section 232.5 of Article XV of the San Diego County Code of Administrative Ordinances is hereby amended to read in its entirety as follows:

SEC 232.5. INNOVATIVE HOUSING TRUST FUND.

There is hereby established the Innovative Housing Trust Fund ("Trust Fund") to be administered by the Deputy Chief Administrative Officer. Expenses incidental to the evaluation, acquisition, sale, leasing, improving, subsidizing, construction, or otherwise fostering the creation, rehabilitation, or improvement of affordable housing for persons with low incomes, or permanent or transitional housing for homeless persons or persons at risk of homelessness, may be paid for from this Trust Fund. The funds held in the Trust Fund shall not be used or budgeted other than for the purposes set forth in this section. The following costs that are related or incidental to the functions and responsibilities listed above that may be paid for from the Trust Fund include:

- (a) Procurement of necessary services and supplies directly related to the creation, rehabilitation, or improvement of an affordable housing development;
- (b) Payment for permits or other regulatory fees and fines;
- (c) Providing loans with a minimum 55-year affordability period, at or below market rate, for affordable housing developments, credit enhancement opportunities, or the repayment of loans;
- (d) Acquisition, improvement, or rehabilitation of real property, or improvements thereon;
- (e) Construction of major or minor facilities; and
- (f) Procurement of technological studies, inspections, environmental reviews and site management services.
- (g) Payment of County staff time related to the administration of affordable housing initiatives.

When evaluating projects to be funded by the Trust Fund, preference may be given to those projects designed to serve special needs populations including, but not limited to, low income persons experiencing homelessness, those at risk of homelessness, veterans, persons with disabilities, seniors, transitional age youth, and families, or as reflected in the County of San Diego Consortium Consolidated Plan, as it may be amended from time to time.

Preference should be given to projects that leverage other forms of resources, including capital financing, housing subsidies and complementary support services.

Preference shall be given to projects located in the unincorporated area of the County of San Diego.

Preference shall be given to projects located on County owned land declared surplus for future affordable housing development.

This Trust Fund shall survive for a period of no less than five (5) years. The adequacy of the Trust Fund with respect to the need for affordable housing, both during and beyond the initial five (5) year period, shall be reassessed and the information presented to the Board at least once every five (5) years. Monies from this fund shall be invested by the County Treasurer such that earnings are consistent with prudent investment practices and all earnings accrue to the Trust Fund. Monies from this Trust Fund may be loaned to any of the County family of funds for a period not to exceed 180 days with interest to accrue at the higher of the Treasurer's pool rate or the overnight investment rate.

Section 2. The amendments contained in Section 1 of this Ordinance shall apply to the expenditure of any funds added to the Trust Fund on or after June 30, 2019. Funds added to the Trust Fund prior to June 30, 2019 may be expended consistent either with this Ordinance or with the version of Section 232.5 adopted by Ordinance No. 10614 (N.S.)

Section 3. This ordinance shall take effect and be in force thirty days after its passage, and before the expiration of fifteen days after its passage, a summary hereof shall be published once with the names of the members of this Board voting for and against it in the same newspaper of general circulation published in San Diego County.

APPROVED AS TO FORM AND LEGALITY
CLAUDIA G. SILVA, COUNTY COUNSEL

BY: Jane Rhee, Senior Deputy County Counsel