

CITY OF DAVIS
2021-2022 HOME INVESTMENT PARTNERSHIPS PROGRAM APPLICATION

PART ONE:

Organization Name: Mutual Housing California and Yolo Mutual Housing Association

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PART TWO:

Proposed Project Location: 3333 F Street, Davis CA

Total Proposal Request: \$924,000 (Hot Water Heaters, HVAC, & Roofs)

Minimum Request: \$585,000 (Hot Water Heaters and HVAC)

Is the applicant claiming status as a Non-Profit Community Housing Development Organization (CHDO)? (Applicants will be required to provide qualifying documentation)

X Yes No

HOME Eligible Activities Category: Rehabilitation of low-income multifamily housing

(See List A)

Low Income Benefit: 18 units set aside for households @ 50% AMI and below

18 units set aside for households @ 60% AMI and below

(See List B)

City Council Identified Critical Needs: (See List C)

- 1) Serve clients who are very low and extremely low income (50% of median income and below.)
- 2) Benefit clients who are under-served

Beneficiary Information:

36 households Total number of **unduplicated** beneficiaries in proposed project

36 households Number of **unduplicated** beneficiaries in proposed project to be served with

HOME funds

100% Percentage of the **HOME** beneficiaries with low income

\$25,666 Cost (\$) per **HOME** beneficiary (HOME Request/HOME Beneficiaries) (\$924,000/36 units)

PART THREE: Scope of Proposal

a. **Need/Target Group** (Describe the need for the activity and the group being served)

Twin Pines Mutual Housing Community is a 20+ year old apartment community in the Northwest corner of the City of Davis. This community provides 36 apartments for households earning less than 60% Area Median Income. The community is need of capital improvements that will increase the health, safety and comfort of the residents and lower their utility bills.

b. Project Description/Benefit (Activity Summary: Describe the activities of the proposed budget and benefit)

Mutual Housing California/Yolo Mutual Housing Association typically restructures their affordable housing communities once they reach 15+ years to ensure long-term financial sustainability and to keep up with necessary capital improvements and replacements. A complete rehab financed with allocations of low income housing tax credits and a tax exempt bond like those used for the renovation of Owendale Mutual Housing Community in 2018 has typically been a viable approach for accomplishing this. In 2021, however, this kind of full rehab at the Twin Pines community would not be competitive under recently revised state tax credit and bond scoring systems (which now favor new construction over rehabilitation). As an alternative, we are refinancing the first loan to a lower interest rate that will free up cash flow to do some replacements and capital improvements. The project reserves are also available, but not nearly enough for the needed capital improvements. City of Davis HOME funds would help supplement the funding needed for health, safety, comfort and energy efficiency improvements. The refinancing is not contingent on receiving HOME funds.

HOME Funds at Twin Pines would be used for the following rehabilitation projects, in order of priority:

- 1) Replace Hot Water Heaters
- 2) Replace HVAC Systems
- 3) Replace Roof on buildings and carport structures

The Hot Water Heaters and HVAC systems are over 20 years old, inefficient and occasionally breaking down requiring emergency replacements. HOME Funds would be used to replace these aging systems for the entire property at one time. The roof is in serviceable condition but will need to be replaced in the near future. Any additional HOME funds available this year, would be used to replace as many of the roofs as possible after replacing Hot Water Heaters and HVAC systems. The remaining roofs could be replaced in future years or by using project cash flow or replacement reserve funds.

Subject to feasibility of final pricing, our intention is to replace the existing gas Hot Water Heaters and gas HVAC systems with energy efficient, all electric equipment. All electric equipment will help lower resident utility bills, improve indoor air quality, and increase safety by eliminating dangers from explosions and carbon monoxide poisoning. Switching to these electric appliances would also eliminate the greenhouse gas emissions needed to produce the natural gas for the old appliances.

c. Outreach (Describe the outreach your organization will provide for the CDBG-funded project, as well as provide a list of the languages currently included in your organizational outreach)

Mutual Housing California will conduct outreach to the existing residents of Twin Pines to keep them informed of the improvement project, what they can expect during the process, and scheduling. All notices will be distributed in English and Spanish as needed for effective communication with resident families. As units become vacant, Mutual Housing utilizes a wait list for new applicants and conducts affirmative fair marketing activities as appropriate with advertising in both English and Spanish.

d. Organizational Capacity (Summarize your organizational capacity for the proposed project)

The mission of Mutual Housing California is to develop, operate, and advocate for sustainable housing that builds strong communities through resident participation and leadership development. Mutual Housing California has developed and currently operates 18 Mutual Housing communities that are home to 3,000 low and very low income residents in Sacramento and Yolo counties, including more than 1,200 children.

Mutual Housing California has extensive experience with affordable housing development, property management, asset management, community organizing, and accounting in the Sacramento region, including multiple properties in Davis and Yolo County. Mutual Housing Management, a wholly controlled affiliate of Mutual Housing California, provides full property management services. Mutual Housing California's community organizing team is comprised of multicultural, multilingual staff led by specialists in supportive housing services and leadership development.

Mutual Housing has a strong commitment to sustainable building practices in all of its development activities, including rehabilitation of multifamily properties. Over the past ten years, we have completed construction of New Harmony as a new solar community and retrofitted our other four Davis communities with solar panels. When completed in 2013, the 69-unit New Harmony Mutual Housing Community received the highest Build it Green rating in the Sacramento region. Mutual Housing at Spring Lake, a 62-unit community completed in early 2015, was the first rental housing in the nation to be certified as Zero Net Energy by the U.S. Department of Energy. The rehabilitation of the 87-unit Norwood Mutual Housing Community in Sacramento was the first multifamily rehabilitation project in the Sacramento region to obtain a GreenRated certification from Build It Green. The rehabilitations of our 35-unit Glen Ellen and 54-unit Greenway mutual housing communities in Sacramento also obtained Build It Green certifications in 2015. All of our housing development staff are certified by the Build It Green organization as Green Building Professionals.

Recent development efforts in the City of Davis include:

- Adelante, a Mutual Housing Community. Started new construction of 38-unit development on Fifth Street in October 2020. Project financing includes City of Davis HOME funds.
- Owendale Mutual Housing Community on Albany Ave. Green renovation completed in 2018. Project financing included City of Davis HOME funds.
- New Harmony Mutual Housing Community on Cowell Blvd. New construction of 69 affordable units completed in 2013. Project financing included City of Davis HOME and Redevelopment funds.

e. Partnerships and Other Resources (List other agencies you collaborate with and indicate whether or not your proposed project is duplicative of other projects operated by local public or non-profit organizations)

Twin Pines Mutual Housing Community is one of several affordable housing communities in the City of Davis providing a much-needed resource for lower income households. There is a large unmet demand for quality, energy efficient affordable housing. This project continues to help meet that demand.

Mutual Housing partners with local organizations to help provide housing and services at Twin Pines including Yolo Food Bank Emergency Food Assistance Program (EFAP), Yolo County Housing for rental assistance, Short Term Emergency Aid Committee (STEAC), and St Vincent de Paul Society of Davis.

f. Impacts of COVID-19 for your 1) clients 2) services 3) agency and how you are addressing it for each. (Describe how COVID-19 is impacting 1-3 above and what you are doing to continue services (or not) in the same way or differently)

The Property Management Office and Community Room have been closed to residents to help stop the spread of COVID-19. Staff is available by appointment, via phone or e-mail for necessary services. Maintenance services are continuing for more urgent needs.

Our resident services have both shifted and expanded to meet the increased needs of residents, many of whom have experienced financial hardships due to job losses and/or increased childcare costs. Our two main areas of focus have been financial and food assistance.

Financial assistance: we have always worked with residents to refer them to rental assistance and other financial resources on a case-by-case basis. Since the start of the pandemic, however, we have increased awareness of these resources by publishing an online COVID-19 assistance guide and increasing the rent-related literature we flyer door-to-door, text to residents, and post in community spaces. This includes tracking and promoting new grants (financial assistance opportunities) as they come available.

Food assistance: since the beginning of the pandemic, the scope of our food security work has shifted dramatically. We have always kept information on hand regarding local food distributions and referred residents to those resources case-by-case as well as posting the information in common areas and occasionally distributing flyers door-to-door. Since the start of the pandemic, we have brought food into the community and distributed it to residents about once per month, while also maintaining a flow of information regarding other distributions. We have been able to distribute fresh produce courtesy of the Natomas Unified School District, nonperishables courtesy of Real Life Church, and nonperishables courtesy of the Yolo Food Bank EFAP distributions at other MHC properties. The structure of our distributions has shifted depending on current COVID-risk conditions but have always been held outside with plenty of PPE and social distancing required.

PERFORMANCE MEASUREMENTS AND SCHEDULE

ACTIVITY (What the program does to fulfill its mission)	INDICATOR (The direct products of program activities) SERVICE #s	OUTCOME (Benefits that result from the program)	COMPLETION DATE (When the specific task is completed)
First Priority: Replacement of Hot Water Heaters	New, energy efficient hot water heaters installed	Increased resident comfort, less disruption due to untimely repairs, lower utility bills	December 2021
Second Priority: Replacement of HVAC Systems	New, energy efficient HVAC systems installed	Increased resident comfort, less disruption due to untimely repairs, lower utility bills	December 2021
Third Priority: Replacement of Roof	New roof installed	Avoiding costly repairs and future leaks	May 2022

CITY OF DAVIS
CAPITAL PROJECT BUDGET SUMMARY*
Twin Pines Mutual Housing Community
Program Year 2021-2022

Budget Category	CDBG/HOME Portion				Other Funds For Project (Non-CDBG/HOME)					
	Salaries & Wages	Fringe Benefits	Total Salary + Fringe	Direct Project Related Costs	Other Federal Funds	State Funds	Local Funds	Private Funds (List Source)	Other (List Source)	Totals
Project Development and Management Staff										
Salaries/Wages (Specify each position)										
1			0.00							\$0.00
2			0.00							\$0.00
3			0.00							\$0.00
4			0.00							\$0.00
Land Acquisition			0.00							\$0.00
Design										
Architect			0.00							\$0.00
Engineer Fees			0.00							\$0.00
Materials			0.00							\$0.00
Other: (Specify)			0.00							\$0.00
Other: (Specify)			0.00							\$0.00
Other: (Specify)			0.00							\$0.00
Other: (Specify)			0.00							\$0.00
Final Development										
Materials			0.00							\$0.00
Soft Costs			0.00							\$0.00
Carrying Costs			0.00							\$0.00
Fees			0.00							\$0.00
Permits			0.00							\$0.00
Other: (Specify)			0.00							\$0.00
Other: (Specify)			0.00							\$0.00
Other: (Specify)			0.00							\$0.00
Renovation or Construction (Specify Each)										
Electrical			\$0							\$0
Plumbing			\$0	\$209,000					\$11,000	\$220,000
Heating			\$0	\$365,000						\$365,000
Interior Rehabilitation			\$0							\$0
Exterior Rehabilitation			\$0							\$0
Grounds			\$0							\$0
Improvements			\$0							\$0
Framing			\$0							\$0
Other: (Specify) ROOF			\$0	\$350,000						\$350,000
TOTAL PROJECT BUDGET	\$0	\$0	\$0	\$924,000	\$0	\$0	\$0	\$0	\$11,000	\$935,000

*Please revise this form and annotate budget items as needed
All applicants are requested to submit a copy of their organization's Operating Budget.