

GRANTEE: Anderson Valley Health Center

PROJECT NAME: Anderson Valley Affordable Housing Initiative

GRANT AMOUNT: \$400,000

GRANT NUMBER: B-22-CP-CA-0103

TOTAL COST OF THE PROJECT: \$923,045

PROJECT PURPOSE:

The Anderson Valley Housing Association (AVHA) and the Anderson Valley Health Center (AVHC) are collaborating to provide affordable housing in the Anderson Valley. AVHA and AVHC have a longstanding commitment to the health and well-being of Valley residents and are successful in their respective missions. AVHC supported AVHA to purchase a multi-family property at 12400 & 12420 Anderson Valley Way in order to preserve affordable housing for approximately 20 residents at 200% of poverty level or below.

BUDGET SUMMARY:

The \$400,000 committed by Congressman Huffman through the congressional appropriations act will be used to pay off a promissory note secured by AVHA in order to purchase the units. The property was in very high demand and there are very seldom multi-family units for sale in Anderson Valley as we are incredibly rural and without municipal water or septic systems. Therefore, when the opportunity came up to purchase the property in June 2022, AVHC supported AVHA with a loan for the acquisition of the property. Both agencies are committed to writing additional grants needed to support the project and making in-kind donations of \$25,000 each towards the project.

AVHC loaned AVHA \$400,000 to use towards acquisition costs of the apartment complex and AVHC is applying for the \$400,000 Community Project Funding (CPF) to remove the lien on the property and turn it over to the AVHA for full ownership. The purchase was made in June 2022 following a visit from Congressman Huffman in May 2022. The purchase was made possible through an additional loan secured through Redwood Credit Union in the amount of \$494,000. The total budget is \$923,045. The Anderson Valley Housing Association and the Health Center are currently seeking additional funding for this project. Both agencies have committed a share of cost totaling \$25,000 per agency.

PROJECT SCOPE:

With over 30 vineyards in our rural and remote area of Anderson Valley, we must improve housing opportunities in order to attract long-term residents and employees. Poor housing leads to poor health outcomes which contributes to higher healthcare costs and strains the local resources such as the all-volunteer Anderson Valley Ambulance. When workers can no longer afford to live in the valley they move and businesses have to invest in retraining and the community loses valuable contributing members. Supporting people at or below 200% poverty level with affordable housing enables people to climb out of poverty and ultimately become

successful. Our goal as partner agencies is to see our local families remain in our community and have upward mobility through secure housing and healthcare.

In recognition that housing is a human right and is integral to successful health outcomes, the two agencies are pursuing a partnership that provides affordable, stable housing and essential health services in one place. A real estate agent presented a unique opportunity on April 2022 to purchase a property that has 5 units to the AVHA. These types of multi-family properties are exceedingly rare in Anderson Valley, particularly when they have water and septic capacity. Most properties that could be converted to multi-family housing, do not have septic or water capacity for full-time residential living. After looking at other potential projects that would not have been suitable for permanent housing, AVHA decided to purchase the property following notification that funds had been earmarked for this project from congressman Huffman's office in March 2022. It was only possible for AVHA to purchase the property through securing two private loans, one from AVHC in the amount of \$400,000 for the initial down payment and the other with a local bank, the Redwood Credit Union, in the amount of \$494,000. The total cost of the project is \$923,045.

Affordable housing is essential and without it, our local businesses struggle to find qualified workers. Currently there are only two affordable housing projects in the valley both managed by AVHA and serving just 24 residents. Many low-income housing grants are aimed at projects that are large scale, serve many residents and are aimed at urban environments or are within city limits. With over 30 vineyards in the valley, jobs are available but housing for farm-workers is sub-standard and contributes to ongoing health issues related to overcrowding, poor infection control (as in the case of Covid-19) and poor sanitation. This project represents a unique opportunity as it is not a start to finish brick and mortar project. AVHA is poised to manage the property as they are currently successfully operating two other low income housing sites serving 24 residents. Four of the units at the new apartment complex have been reserved for individuals at 200% of poverty level or below and farm workers that work in our local agricultural businesses. One of the units is used as a property manager's unit and the three apartments will be rented at or below market rate. Existing tenants who do not meet the income requirement of 200% poverty level and below, will be phased out as they move out of each apartment. Criteria will be based on current Federal Poverty guidelines. The AVHC and AVHA are committed to serving farm workers and other low-income residents at their homes with health education, Covid-19 services and other essential services.