FARM LABOR HOUSING GUIDELINES
PILOT PROGRAM PHASE III

The County of San Mateo Department of Housing (DOH) is pleased to announce Phase III of the Farm Labor Housing Pilot Program. The Program will facilitate the creation of new farmworker housing, the rehabilitation or repair of existing farmworker housing, and the replacement of existing dilapidated mobile home units to be used as farmworker housing.

Through the Program, the County will build partnerships with and provide resources to farmers and agricultural landowners in an effort to improve the quality of housing and expand housing opportunities for very low-income farmworkers who are engaged in full-time agricultural work in San Mateo County during the agricultural season.

The Farm Labor Housing Pilot Program has two components:

(1) **Rebuilding Together Home Repair Services.** Rebuilding Together Peninsula (RTP)’s Safe at Home Program provides free home repair services to low-income, qualified residents in San Mateo County. The County has provided funding to RTP to pay for up to ten (10) Safe at Home projects each year. Applications should be submitted directly to RTP Associate Director Cari Pang Chen at 650-366-6597 or cari@RTpeninsula.org.

(2) **Department of Housing Farm Labor Housing Pilot Program Loans.** DOH is also providing loans to qualified applicants to help fund the construction of new farmworker housing units or the rehabilitation or replacement of existing deteriorated farmworker housing units. DOH is offering two loan programs for qualifying projects: (1) a standard loan at a 3% interest rate, and (2) a no-interest forgivable loan. The eligibility criteria, loan parameters, requirements for borrower and additional conditions and information are detailed below.

### Eligibility Criteria:

- The housing units must be located in San Mateo County.

- The housing units must be rented to farmworkers, or farmworkers and their families, who meet the following criteria (“Eligible Farmworkers”):
  - They are very low-income (earning under 50% of Area Median Income or AMI).
    - In 2017, 50% AMI for a household of one is $46,100 and for a household of four is $65,800. The AMI income thresholds may be adjusted over time.
  - They are employed in full-time agricultural work in San Mateo County during the agricultural season.
  - Rent and any other housing-related expenses for the housing units, such as utilities, must not increase for a period of one year after occupancy begins and must not exceed 30% of the farmworker’s gross income for the duration of the loan.

### Loan Parameters:

- A forgivable no-interest loan is available for housing units that will be rented to Eligible Farmworkers at very low rent (e.g. $2.00-$4.00 per day worked).
• A standard loan with a 3% interest rate is available for project units that will be rented to Eligible Farmworkers at higher levels of rent (e.g., more than $4.00 per day worked, but less than 30% of the farmworker’s gross income).
• The applicant is required to contribute 20% of the value of the County loan to the project.
• For rehabilitation or replacement units, the maximum loan amount is $100,000 for each unit.
• For construction of new units, the maximum loan amount is $150,000 for each unit.
• Each applicant can apply for a loan for a maximum of two units.
• Assuming satisfaction of all Program and contractual conditions, the County will forgive the no-interest loan over 10 years ($100,000 loan) or 15 years ($150,000 loan).
• Assuming satisfaction of all Program and contractual conditions, the applicant will be required to pay back the standard loan with a 3% interest rate over 10 years ($100,000 loan) or 15 years ($150,000 loan). Prepayment is prohibited for these loans.
• The County will require repayment of the loan principal if the unit is used for any use other than housing for Eligible Farmworkers or if the property is sold during the life of the loan period, unless a specific exception is approved in writing by DOH.
• A deed of trust secured by the property will be required.

Requirements for Borrower:

• Rent and any other housing-related expenses for renovation or replacement of currently occupied units may not increase from the date a loan program application is submitted to one year after the date of initial occupancy of the housing unit.
• Rent and other housing-related expenses for new units must be reviewed and approved by the County prior to execution of the loan agreement for new units and may not increase from the date of execution of the loan agreement to one year following the date of initial occupancy of the new units.
• Following the first year of occupancy, rent may be increased by a maximum of 1% per year for the duration of the loan term.
• For the duration of the loan term, rent and other housing-related expenses must remain less than 30% of the farmworker’s gross income.
• DOH will monitor compliance with these conditions annually. Participating owners are required to provide information reasonably requested by DOH to verify compliance.

Additional Conditions and Information:

• Participation in the Program is subject to availability of funding and execution of a loan agreement with the County.
• All new units constructed and all units rehabilitated or replaced with funding from this Program must be used as housing for Eligible Farmworkers for the duration of the loan term.
• All projects must comply with any applicable permit requirements.
• An interested property owner can initiate consultation with DOH by submitting a completed application.
• Upon submission of a completed application, DOH will schedule an initial meeting and site visit with the applicant, the Planning and Building Department, the Environmental Health Services Division, and Cal Fire.
• DOH will determine eligibility after receipt of a completed application and completion of the initial meeting and site visit.
• DOH will disburse loan funds on a reimbursement basis, up to the maximum amount of the loan, upon receipt of a satisfactory request for reimbursement. Requests for reimbursement shall include copies of invoices paid, canceled checks, or other proof that the invoices have been paid. Reimbursement will be for 80% of the invoiced request, to reflect the 20% match requirement. Reimbursement requests will be processed within ten business (10) days from the date of receipt of a satisfactory request.

Terms and conditions may change, please check the DOH website housing.smcmdgov.org before applying.

For more information about this program, please contact Ellie Dallman, Office of Supervisor Don Horsley at 650.599.1016 or edallman@smcgov.org or Heather Peters at hpeters@smchousing.org (preferred) or 650.802.5039.