

GV WIRE

At \$480,000 Per Unit, Affordable Housing Coming to Madera

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By: David Taub

Even with a \$25 million price tag, a new housing complex that broke ground this week in Madera is considered affordable housing.

The project is situated along Highway 99 near South Madera Avenue will offer 52 units. That averages to more than \$480,000 a unit.

“Unfortunately, whenever you hear low-income housing in the state of California, I think all that means are the people that are able to rent the housing (are low income),”

said Madera County Supervisor Rob Poythress, a self-described fiscal conservative. “But really, the cost is just atrocious.”

Even with the increased costs compared to market-rate housing — which Poythress says is because of state mandates like guaranteed labor rates and building standards — he’s glad its coming to his area.

“It’s going to be a big, big deal to help people get back on their feet,” Poythress said.

Non-Profit/Private Partnership

Of the 52 units, 16 will be set aside as transitional housing for the homeless, administered by the Madera County behavioral health department. The remaining units, a combination of one, two, and three-bedroom apartments will be reserved for those meeting certain income guidelines, namely 60% below the median income.

Rents will range from \$168-\$1,012 a month, scaled to the tenants’ income level. The project is expected to be completed by December 2021.

The non-profit Self-Help Enterprises is the lead agency building the community called Sugar Pine Village.

Tom Collishaw, CEO of Self-Help Enterprise, says a majority of the \$25 million comes from several state and regional programs. At least \$3 million will go for subsidies to keep rent affordable.



Self-Help Enterprises CEO Tom Collishaw (right) shows Congressman Jim Costa plans for Sugar Pine Village in Madera

“You get multiple generations of families that can take the opportunity to live in an affordable unit, because that’s what this will serve,” Collishaw said. “Because we’re in it for 55 years by by covenant and because we’re mission driven nonprofit, we’re basically in it in perpetuity.”

UnitedHealthcare will provide \$11.2 million in private financing in the form of selling tax credits. In essence, companies can buy up credits to offset their tax burden through the Low-Income Housing Tax Credit program.

Sugar Pine Village will include support services for transient residents, including health counselors, after-school programs and fitness classes.

The Cost of Doing Business

Collishaw acknowledges the price tag, but says the money will be spent appropriately.

“It’s also a prevailing wage project. And in addition, it’s a pretty difficult-to-develop site. It’s right next to the 99. We have a large sound wall to build. We’ve got to do onsite storm water drainage. So when you take all these things into account, you get to a much more reasonable question of how much per unit it costs,” Collisahw said.

Kevin Kandalraft, CEO of UnitedHealthcare Community Plan of California, says housing leads to improved health.

“This is a chance for us to take that challenge head on and create housing, work with local community groups to bring these types of solutions to there and get people housed and get them engaged in healthier lifestyles and taking care of their immediate needs,” Kandalraft said.