



County of San Mateo

Inter-Departmental Correspondence

Department: HUMAN RESOURCES

File #: 16-731

Board Meeting Date: 11/21/2017

Special Notice / Hearing: None
Vote Required: Majority

To: Honorable Board of Supervisors
From: John L. Maltbie, County Manager
Subject: Employees of the Month for November 2017

RECOMMENDATION:

Honor Heather Peters and Raymond Hodges as Employees of the Month for November 2017 and authorize the President of the Board to sign the commendation.

BACKGROUND:

The Employee of the Month program was established in December 1984 to recognize and honor County employees who consistently demonstrate an outstanding level of performance.

Our Employees of the Month for November 2017 are Heather Peters and Raymond Hodges, Housing/Community Development Specialist IIIs, in the Department of Housing.

DISCUSSION:

Heather Peters and Raymond Hodges have been working with the County for over two years. In their positions of Housing/Community Development Specialists they were challenged with proposed changes to the Low Income Housing Tax Credit ("LIHTC") program. This tax credit is the country's largest source of funding for affordable housing production and preservation.

The program recognizes that costs of developing housing vary widely depending on location. In 2016 HUD abruptly changed its formula. The new formula relied on outdated statistics which resulted in adverse impacts to many areas in San Mateo County.

Heather recognized the threat posed by HUD's change in methodology and immediately engaged with state regulators who identified a potential \$45 million dollar loss in tax credits statewide if the new rules had applied to projects in California's 2015 pipeline. Congresswoman Speier's Office obtained HUD's calculations for over 20,000 zip codes nationwide and Heather and Raymond crunched the data with their colleagues in San Francisco and Marin Counties. In coordination with Congresswoman Speier, Leader Pelosi and Ranking Member Waters letters were sent to the Secretary of HUD highlighting these absurdities which led to a six month delay in implementation of

the new rules.

In March of 2016, Department of Housing staff met with high-ranking HUD officials who agreed to revisit their calculations, but only if voluminous rent data was gathered for all three counties by the end of June. Heather and Raymond worked with the two Bay Area Counties with DOH taking the administrative lead.

Heather and Raymond's work demonstrated that HUD's Census-based calculation of our Fair Market Rents significantly underestimated recent rent increases in the Bay Area.

Their work restores the 30% funding boost for Low Income Housing Tax Credit projects in San Mateo County, and also helps the housing authority to increase utilization rates by allowing higher rents for Section 8 housing in the County. Additionally, recent funding allocations by HUD for Moving to Work (MTW) housing authorities, resulted in an additional \$20.6 million dollars budgeted for rental vouchers to low-income households. This work is one of many examples of San Mateo County staff collaborating regionally to craft innovative solutions to some of the most complex housing issues in the nation.

Heather's and Raymond's "brainy" and "deep in the weeds" analysis of the Low Income Housing Tax Credit program is a significant example of the excellent results produced by county employees in general and specifically the many efforts of the staff of the Department of Housing. Their work in this regard has also been recognized by their peers throughout the State of California. Most importantly thousands of low income households will experience the direct benefit of higher rental subsidies thanks to their good work.

Our County is fortunate to have Heather Peters and Raymond Hodges as outstanding employees.