



COUNTY OF SAN MATEO
Members Memorandum
County Manager's Office



DATE: April 29, 2013
BOARD MEETING DATE: May 7, 2013
SPECIAL NOTICE/HEARING: None
VOTE REQUIRED: Majority

TO: Honorable Board of Supervisors
FROM: John L. Maltbie, County Manager
SUBJECT: Measure A funding for Affordable Housing

RECOMMENDATION:

Do not use Measure A funds for general affordable housing solutions.

BACKGROUND:

On April 9, 2013, your Board directed staff to use the unrestricted County General Funds received from the one-time distribution of liquidated Low-Moderate Income Housing Trust Funds (LMTF) of the former redevelopment agencies to help fund affordable housing projects and the construction and/or renovation of emergency shelters. The County expects to receive about \$13.4 million in LMTF funds. Based on the formula approved on April 9th, the Board allocated 25% or about \$3 million of the LMTF funds to shelters and the balance, just over \$10 million, to affordable housing projects.

The Department of Housing is developing an award process for the LMTF money based on criteria established by your Board. The criteria for the housing projects includes occupancy within two to five years, leveraging the County funds and providing housing to one or more target populations including the families and individuals currently or at risk of homelessness, former inmates, emancipated foster youth and those with mental illnesses. The expectation is that the LMTF funds will all be distributed by June 30, 2014.

DISCUSSION:

While there is great need for more affordable housing throughout San Mateo County, the \$13.2 million in LMTF money is a significant contribution. Because the use of LMTF money is unrestricted, there are no constraints on how the Board can use these funds. By choosing to devote 100% of the LMTF funds to affordable housing projects and expansion of shelter beds, your Board demonstrated a significant commitment to assisting County residents with housing needs.

RECOMMEDATION

Given the \$13.2 million Board commitment of LMHF to shelters and affordable housing projects, it is recommended that no additional Measure A funds be appropriated in FY 2013 – 15 for affordable housing.

FISCAL IMPACT:

This recommendation has no fiscal impact on the General Fund. As noted above, the County will allocate LMHF funds to affordable housing which would not create additional costs for the County General Fund with the possible exception of limited administrative costs. The amount of those costs will be determined by the allocation plan developed by the Department of Housing, which will be brought back to your Board as part of the Recommended Budget.

Measure A Funds recommended in this Report:

Proposal	FY 2013/14	FY 2014/15
Affordable Housing	0	0

Cumulative Measure A Funds tentatively approved to Date:

Proposal	FY 2013/14	FY 2014/15
Parks Department (Note – One-time capital projects not included in FY 14/15 funding)	\$5,266,208	1,766,208