



COUNTY OF SAN MATEO
Inter-Departmental Correspondence
Department of Housing



Date: July 15, 2014
Board Meeting Date: August 5, 2014
Special Notice / Hearing: None
Vote Required: Majority

To: Honorable Board of Supervisors

From: William Lowell, Director, Department of Housing

Subject: Agreement for Waverly Place

RECOMMENDATION:

Adopt a Resolution authorizing the Director of the Department of Housing or the Director's designee to enter into a loan agreement with Mental Health Association of San Mateo County for the use of FY 2014-15 CDBG and HOME funds for the Waverly Place affordable housing project, in an amount not to exceed \$400,000.

BACKGROUND:

On May 6, 2014, the Board of Supervisors approved the distribution of FY2014-2015 CDBG and HOME funds, including \$300,000 from the Community Development Block Grant (CDBG) and \$100,000 from the HOME Investment Partnership (HOME), for a combined total of \$400,000, for the project known as "Waverly Place." The project also received a funding allocation from the County's Affordable Housing Fund, which will be provided pursuant to a separate loan agreement.

DISCUSSION:

Waverly Place is an affordable housing project being developed by Mental Health Association of San Mateo County (MHA) to serve adults with serious mental illness, targeted for individuals at or below 30% of area median income (AMI). MHA has purchased a .45 acre lot and will develop 16 permanent supportive housing units. Fifteen furnished units will be studio apartments for the target population, and the 16th unit will be provided for a resident manager. The site will include a two-story, wood frame building with interior courtyard, raised beds for gardening, a community room, laundry facilities on each floor, and on-site program and office space for meetings and staff. In addition to the CDBG and HOME funding for which approval is sought herein, the Board has previously approved an \$800,000 Affordable Housing Fund loan to MHA for this project, for a grand total of \$1.2 million in development funds for Waverly Place from County controlled funding pools.

Approval of these Agreements contributes to the Shared Vision 2025 outcome of a Livable Community in that constructing the project would help increase the County's supply of affordable housing.

The Resolution has been reviewed and approved by County Counsel. The subject loan agreements will be reviewed by County Counsel as to form and to ensure adequate insurance and compliance with County's Contractor Employee Jury service ordinance, as well as other required provisions, including but not limited to hold harmless, non-discrimination and equal benefits.

PERFORMANCE MEASURE(S):

Measure	FY 2014-15 Projected	FY 2015-16 Projected
Units of affordable housing developed, or under development, using Federal funding (Combined)	350	350

FISCAL IMPACT:

The proposed loan agreements are for amounts not to exceed \$400,000 for Waverly Place, and will be funded by the CDBG and HOME Programs. There is no Net County Cost.