



COUNTY OF SAN MATEO
Inter-Departmental Correspondence
Department of Housing



Date: March 17, 2014
Board Meeting Date: April 22, 2014
Special Notice / Hearing: None
Vote Required: Majority

To: Honorable Board of Supervisors
From: William Lowell, Director
Subject: Agreement with MP Runnymede Associates

RECOMMENDATION:

Adopt a Resolution authorizing the Director of the Department of Housing to execute an agreement with MP Runnymede Associates to upgrade Runnymede Gardens Senior Housing for the term of April 23, 2014 through April 22, 2018, in an amount not to exceed \$340,500.

BACKGROUND:

Runnymede Gardens is an existing 78-unit affordable senior housing development located in East Palo Alto near its downtown. It is a three-story elevator building with balconies and patios. Constructed in 1980, the development was acquired in 2001 by MP Runnymede Associates; a tax credit limited partnership affiliated with the nonprofit housing developer MidPen Housing Corporation. While the development underwent rehabilitation as part of the 2001 acquisition, all the windows and sliding doors are original. Now 34 years old, they are worn, some deteriorating, and all not meeting current energy efficiency standards.

DISCUSSION:

MidPen Housing applied for Community Development Block Grant (CDBG) funds through the County's FY 2013-14 Notice of Funding Availability process for CDBG, HOME, and ESG funds. In May 2013, the Board of Supervisors approved \$340,500 CDBG funds for this project as part of the HUD Action Plan for CDBG, HOME, and ESG funds. Total project costs to undertake the energy efficiency measures and associated water proofing are estimated at \$600,500. The balance of the funds to do the work will be provided by the project's replacement reserves and funds from operations.

The Resolution and agreement have been reviewed and approved by County Counsel. Contractor's required insurance coverage meets Risk Management's parameters. Contractor has assured compliance with the County's Contractor Employee Jury service

ordinance as well as other contract provisions that are required by County ordinance and administrative memoranda, including but not limited to hold harmless, non-discrimination, and equal benefits.

The Department of Housing is also asking the Board to authorize the Director of the Department of Housing or the Director's designee to execute contract amendments modifying the County's maximum fiscal obligation by no more than \$25,000 (in aggregate) and/or modifying the contract term and/or services so long as the modified term or services is/are within the current or revised fiscal provisions.

Approval of this agreement contributes to the Shared Vision 2025 outcome of a Livable Community by prolonging the life and sustainability of 78 units of a very important housing resource in East Palo Alto.

PERFORMANCE MEASURE(S):

| Measure | FY 2012-13 Actual | FY 2013-14 Projected |
|---|--------------------------|-----------------------------|
| Preservation and long-term sustainability of existing affordable housing. | 12 | 127* |

* Dept. of Housing overall; includes 78 units of the subject action.

FISCAL IMPACT:

There is no Net County Cost. The activity is funded from the County's annual allocation of federal Community Development Block Grant Program funds. The project is included in the Department of Housing's FY 2013-14 budget.