



COUNTY OF SAN MATEO
Inter-Departmental Correspondence
Department of Housing



Date: April 10, 2014
Board Meeting Date: April 22, 2014
Special Notice / Hearing: None
Vote Required: Majority

To: Honorable Board of Supervisors

From: William Lowell, Director, Department of Housing

Subject: Allocation of Affordable Housing Funds of Former Redevelopment Agencies to Support Shelter Expansion and Improvement Projects

RECOMMENDATION:

Adopt a Resolution:

- A) Approving funding commitments for the following shelter expansion and renovation projects: \$252,111 for the Safe Harbor Shelter, \$2,200,000 for the Maple Street Shelter, and \$490,673 for the Project WeHope Shelter, using County funds derived from the liquidation of Low and Moderate Income Housing funds formerly held by redevelopment agencies in San Mateo County; and
- B) Authorizing the Director of the Department of Housing or the Director's designee to execute contracts for the three shelter expansion and renovation projects

BACKGROUND:

On April 9, 2013, the San Mateo County Board of Supervisors approved an allocation of approximately \$13.4 million of unrestricted general funds for affordable housing purposes. These funds, hereafter referred to as the County's Affordable Housing Fund or "AHF", were derived from a one-time distribution of Housing Trust Funds held by the former redevelopment agencies in San Mateo County. The Department of Housing was tasked with developing an allocation process and bringing funding recommendations back to the Board for action.

The Board of Supervisors specified that approximately \$3 million of the total allocation, would go toward homeless shelter construction and improvements, while approximately \$2 million of the total would go toward acquisition or acquisition/rehab of small-scale

residential properties by non-profit organizations in order to provide transitional or permanent housing for special needs populations anywhere within the County.

In order to facilitate the allocation process, the Department of Housing implemented an "over-the-counter" application process for shelter-related and small-scale acquisition housing projects serving special needs populations. Altogether, five such applications were received through the "over-the-counter" process ending March 31, 2014. The small-scale acquisition/rehab proposals are addressed in a separate action.

DISCUSSION:

Three applications, representing a total of \$2,942,784 in funding requests, were received for shelter expansion/renovation projects. Applications were jointly reviewed by Department of Housing and County Human Service Agency (HSA) staff, and by a special Advisory Committee comprised of representatives of Behavioral Health and Recovery Services, HSA Center on Homelessness, Department of Housing, National Alliance on Mental Illness, and a Continuum of Care representative. The Advisory Committee held a public hearing on January 15, 2014, to consider the Samaritan House funding request for Safe Harbor Shelter renovations and held another public hearing on April 9, 2014, to consider the additional shelter and small-site acquisition housing funding proposals received after the first public hearing.

The table below summarizes the over-the-counter shelter expansion/renovation project funding requests, along with staff and Advisory Committee funding recommendations. The three projects will comprise a total of 330 emergency and transitional shelter beds after all expansion and renovation work is completed (Safe Harbor renovation of 90 existing beds; Maple Street renovation and expansion to 140 beds; and Project WeHOPE expansion of up to 100 beds). The attached chart contains project details as well as funding conditions and milestones necessary to be completed prior to contract execution. Failure to meet milestones will negate the funding commitment and the uncommitted funds would remain in the AHF for future Board approved actions.

Project	Applicant	Requested Amount	Staff Funding Recommendations	Advisory Committee Recommendation
Safe Harbor Shelter	Samaritan House	\$252,111	\$252,111	\$252,111
Maple Street Shelter	InnVision Shelter Network	\$2,200,000	\$2,200,000	\$2,200,000
Project WeHope Shelter	Project WeHope	\$490,673	\$490,673	\$490,673
TOTAL		\$2,942,784	\$2,942,784	\$2,942,784

The Department of Housing also requests the Board 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.

The Resolution has been reviewed and approved as to form by County Counsel.

Approval of this resolution contributes to the Shared Vision 2025 outcome of a Livable Community by increasing the overall supply of transitional and permanent affordable housing.

PERFORMANCE MEASURE(S):

Measure	FY 2013-14 Actual	FY 2014-15 Projected
Cumulative total of shelter/transitional housing beds created and/or renovated as a result of AHF funding	90	330

FISCAL IMPACT:

The proposed fund award process will be limited to utilization of General Funds from the Affordable Housing Trust Fund which currently contains approximately \$13,400,000. Of this total amount, approximately \$3,000,000 has been designated for Shelter Renovation and Expansion projects and the subject contracts will be completely funded by this allocation.