



COUNTY OF SAN MATEO
Inter-Departmental Correspondence
County Manager



Date: December 9, 2016

Board Meeting Date: December 13, 2016

Special Notice / Hearing: None

Vote Required: Majority

To: Honorable Board of Supervisors

From: John L. Maltbie, County Manager

Subject: County Manager's Report #24

RECOMMENDATION:

Accept this informational report.

BACKGROUND:

This final report of 2016 will provide you with updates on a variety of County initiatives during the past year, focusing on Public Safety, Health and Human Services, Community Services and Performance. This report of the year also includes legislative accomplishments in 2016 and an update on major capital projects.

DISCUSSION:

Major County Initiatives

The County undertook several weighty policy initiatives in 2016, several aimed at providing housing opportunities across all socio-economic levels and all committed to improving the quality of life for residents in San Mateo County. Highlights include:

Home for All

The Home For All initiative is the continuation of the work developed by the 54-member Closing the Jobs/Housing Task Force which itself grew from the Board's 2015 study session on affordable housing. At the task force's final meeting in June, Home for All commenced with a 14-point work plan and the goal of having the County and its 20 cities adopt a resolution committing them to continue working on housing. The Home For All Steering Council and staff are convening educational meetings for schools and public agencies on the existing housing crisis and engaging businesses to become involved on behalf of their employees and the surrounding communities. Efforts to maintain and create housing also included creation of the \$10 million Affordable Rental Housing Preservation Fund and helping pursue the passage of a revenue measure, ultimately Measure K.

Living Wage Ordinance/Poverty Reduction

In addition to available and affordable housing, the County and stakeholders understand that a living wage is a critical component to poverty reduction and the ability to live in San Mateo County with an acceptable quality of life. A Living Wage Ordinance (LWO),

applying only to County service contractors and incrementally increasing up to \$17 per hour in 2019, was a major undertaking in 2016 toward this goal.

At the direction of your Board at the end of 2015, a subcommittee of Supervisors Carole Groom and Dave Pine created a workgroup composed of representatives from 11 nonprofits, one large Health System for-profit contractor and the Labor Council to study LWO options and those existing in other jurisdictions. The workgroup met six times before presenting the proposed ordinance your Board ultimately adopted on a 4-0 vote. The initiative involved 25 people including county staff and contractor representatives. The County Manager's Office and Office of Sustainability are leading the outreach to impacted County contractors through Core agency and THRIVE meetings. For new contracts, the effective compliance date is April 1, 2017 and contract amendments must comply as of Jan. 1, 2017.

Measure A/Measure K

The County Manager's Office and its Communications Team ramped up public education and outreach of how Measure A tax dollars have benefited County residents through projects, services and programs. The effort included a dedicated website that focuses on narrative rather than simply data to tell the stories of Measure A; working with recipient partners to visibly brand projects funded through Measure A; and using social media, traditional media and district-specific websites to both illustrate allocations and thank voters for their commitment.

In August, your Board unanimously decided to ask voters to reconfirm that commitment by passing Measure K, a November ballot item seeking a 20-year extension of the existing half-cent sales tax. County voters agreed with an impressive 70 percent in favor. While Measure K cannot be promised to any use prior to Board action, you have indicated a desire to use the funds when appropriate for affordable housing in addition to other critical local needs. Beginning in January, both the original tax and the extension collectively will be referred to internally and externally as Measure K.

Homelessness System Redesign

As part of the Board of Supervisors' commitment to end homelessness in our community by 2020, the County and Human Services Agency developed and is now implementing a five-year Strategic Plan. The plan draws on best practices, given the current housing shortage and prioritizing short and long-term housing assistance for those individual who are unsheltered or at most risk of becoming so. Begun in 2015, the process of re-engineering how we address homelessness included a community input piece that concluded in January, a series of facilitated meetings with stakeholders and the community to design specific strategies and analyzing available data on homelessness to assess the performance of existing projects and programs. Homeless service providers, city leaders, law enforcement, federal agencies, County partners and community-based organizations provided critical feedback that positioned the new system for success.

The Strategic Plan is based on key guiding principles including a client-centered "Housing First" approach, which focuses on returning households to safe and secure housing while addressing other issues. Additionally, this system employs data-driven decision-making and applies national best practices while accounting for specific strengths and challenges in our county.

The Big Lift

The Big Lift, the County's collaborative and childhood literacy initiative with partners Silicon Valley Community Foundation and County Office of Education, boosts early learning, creates new preschool spaces and improves the quality of existing spaces. Funded significantly by Measure A, the initiative is making significant strides in reaching the Board's priority of improving childhood literacy rates — a priority grounded in studies that show that third grade is a critical point at which children begin reading to learn and data indicating that 43 percent of San Mateo County children are not proficient by that grade.

The Big Lift continued to strengthen and expand its impact on county students in seven school districts in 2016. Last year, 968 children attended quality preschool; in 2016, attendance increased to 2,000. This past summer, 753 students participated in the Inspiring Summers program. As a result, students saw on average a one month gain in reading level versus the two-month average loss typically seen over summer, for a total gain of three months. An anticipated 1,600 children will attend in 2017. The county is now home to 172 Little Libraries that have distributed 5,000 books. Taken together, these statistics add up to proof that thanks to this bold social venture, we are on the path toward meeting The Big Lift's goal of having 80 percent of children reading proficiently by third-grade.

Peninsula Clean Energy

Peninsula Clean Energy (PCE) is now officially San Mateo County's official public, locally-controlled electricity provider, offering lower rates and two electricity options with differing percentages of sustainable energy. The County also benefits by lowering its carbon emissions. Thanks to PCE, the County is on course by next year to exceed a statewide mandate for 50 percent renewable energy sources by 2030.

PCE is a community choice energy program (CCE) that gives residents a choice of where their energy comes. PCE includes the County and all 20 cities which formed a Joint Powers Authority to administer the program. In crafting the county's CCE, staff including members of the Office of Sustainability and Supervisor Dave Pine's district, looked to existing programs elsewhere like Marin which began after Community Choice Aggregation was established by the California Legislature. The County is now serving as a model for others like Santa Clara County which is scheduled to launch its first phase in the spring.

In San Mateo County, residents began automatic enrollment in PCE in a series of phases over the span of a year beginning this past fall with 70,000 initial customers. The second enrollment group of residents, large businesses and agriculture is scheduled for April 2017.

Students With Amazing Goals

Students with Amazing Goals (SWAG) is an East Palo Alto and Belle Haven educational initiative funded through a State Edward Byrne Memorial Justice Assistance Grant and County Measure K. The program targets high school youth who are on probation, at risk of being on probation, falling behind on credits or at risk of not graduating high school. Using a holistic approach to promote and develop life skills that will help guide them to success, the effort is a collaboration between the County, including Probation and Human Services, Sequoia Union High School District, and Live in Peace, an East Palo Alto community based organization which serves as the lead

provider. The collaborative also engages other service providers as partners.

In 2016, SWAG served 128 youth during its first year of operation. Data provided by the Sequoia Union High School District showed the program had an overall positive effect in its first year of operation, including a 10 percent increase in grade point average and a 57 percent increase in credits earned among youth enrolled in a district high school in 2015 and 2016.

However, the partners encountered more intense challenges than expected, for both the youth and the program in 2016, and worked diligently to refine the approach and services, developing a new Program Supports and Interventions Strategy based on its learnings through the first year of operation. This strategy focuses on five key Program Areas that support the holistic approach to services, and drills down to specific programs and interventions to be provided in each. In addition, alcohol and other drug issues, and mental health challenges emerged as pressing needs among many of the youth. The County has entered into a contract with HealthRight 360 to join the partnership. They are currently awaiting state certification of their East Palo Alto site, and services will begin in early 2017.

Middlefield Junction

The County and Redwood City this year kicked off a partnership to develop a master plan for the Fair Oaks Community Center and adjacent properties at 2500, 2510, 2600 and 2700 Middlefield Road with the collaborative goal of creating a complex that supports and promotes a well community and provide affordable housing. The 2700 Middlefield site is a former recycling facility demolished in 2015; the others are the existing library and Human Services Agency offices. The new redevelopment initiative is in the early planning stages with the executive and steering committees finalizing their visions and highest priorities for the outcome. The selected master planner Van Meter, William and Pollack will help engage with the community through several opportunities to design Middlefield Junction as a center of diverse programming and living options in North Fair Oaks.

Planning, financing and design are anticipated in 2017-2018 with potential start of construction in 2019-2020 and occupancy three years later.

Legislative Accomplishments

This year saw the successful passage of four County-sponsored bills:

- Senate Bill 598, authored by Sen. Jerry Hill, which exempts all-volunteer fire departments from sales tax liability based on gross receipts;
- Assembly Bill 901, authored by Assemblymember Rich Gordon, which revised the information recycling and composting operations are required to submit to the state;
- Assembly Bill 1424, authored by Assemblymember Kevin Mullin, that allows a consumer of mental health services who has also obtained County employment to serve on the County's Mental Health Commission;
- Assembly Bill 1362, also authored by Gordon, which adds an alternative method of appointing trustees to the San Mateo County Mosquito and Vector Control District.

The County also successfully opposed Senate Bill 1157, authored by Sen. Holly Mitchell and vetoed by the Governor, which would have mandated counties provide in-person visitation for all inmates held in county jail. While the County is supportive of the need for and benefits of in-person visitation, approval of this measure would have constituted an unfunded state mandate.

Capital Project Updates

The Capital Projects Budget is approximately \$120 million for Fiscal Year 2016-17. Highlights of the larger projects in process include:

- **Regional Operations Center:** This project entails constructing a new Emergency Operations Center, Data Center and Public Safety Communications offices on the County Center campus. The County is in continuing discussions with McCarthy regarding the project scope and cost for the new, state-of-the-art facility which will house dispatch, emergency services and data servers. Clearing of the site is complete; groundbreaking and excavation for the foundations are anticipated in early 2017.
- **Cordilleras Mental Health Facility Replacement:** This project provides for the replacement of the aging cordillera facility with a new state-of-the-art mental health campus. The Request For Proposal process is underway with two design-build teams remaining and the contract expected to be awarded in January 2017. The Health System has also successfully reached an agreement with state and federal partners on funding reimbursement issues.
- **Animal Shelter Replacement:** This project will replace the antiquated shelter at Coyote Point in San Mateo. Both proposals received were well over the County's \$21.9 million budget. The two teams submitted proposals for a modified scope within that budget but they do not necessarily allow for a new fully functional facility. Staff and stakeholders including Health Services and the Peninsula Humane Society are working with the selected design-build team, F&H Construction, to refine the scope that meets the needs within the financial parameters.
- **Maple Street Homeless Shelter:** This project will replace the current homeless shelter and possibly include facilities to provide other community services and possibly low-income housing. All bids to renovate and expand the existing shelter were substantially over the estimated \$4.53 budget. The team is currently evaluating options for reducing construction costs and considering constructing a new facility rather than updating the current building. The project also includes Board-awarded funds toward demolishing the former women's jail which sits adjacent.
- **Skylonda Fire Station:** The replacement of Skylonda Fire Station No. 58 is well underway with 14 caissons drilled and filled in with concrete, the elevator pit excavated and poured and underground utilities currently being installed. The \$8.5 million project is anticipated to be substantially completed in May 2017.