



County of San Mateo

Inter-Departmental Correspondence

Department: GOVERNING BOARD

File #: 16-836

Board Meeting Date: 12/12/2017

Special Notice / Hearing: None
Vote Required: Majority

To: Honorable Board of Supervisors (sitting as the Board of Commissioners of the Housing Authority of the County of San Mateo)

From: Ken Cole, Executive Director

Subject: Moving to Work Annual Plan Amendment

RECOMMENDATION:

Acting as the Governing Board of Commissioners of the Housing Authority of the County of San Mateo, adopt a resolution authorizing the Executive Director of the Housing Authority of the County of San Mateo to amend its FY 2017-18 Moving to Work Annual Plan.

BACKGROUND:

In 2015, the Housing Authority of the County of San Mateo (HACSM) received approval from the Governing Board of Commissioners of HACSM and the Department of Housing and Urban Development ("HUD") in its Moving to Work ("MTW") Annual Plan to implement the Leasing Success Program, or activities that allowed for increased participation in the MTW program. The proposed program activities included: 1) contracting with organizations to assist program voucher holders with housing locator services, including shared housing, 2) creating a landlord incentive program, and 3) creating a security deposit assistance program. The budget requested at that time was \$750,000 for a three-year period ending June 30, 2018.

DISCUSSION:

Due to the persistent market challenges in San Mateo County, HACSM was experiencing a significant and ongoing decrease in its monthly utilization, meaning the percentage of vouchers being used was not high enough to meet HUD's standards of serving substantially the same number of households in FY 2015-16 and FY 2016-17. The Leasing Success Program has provided one of the biggest supports to low-income households searching for affordable housing.

In December 2015, HACSM contracted with Abode Services to assist with the housing locator services activity. Abode Services brought expertise in property management and assisting low-income households locate affordable housing in San Mateo County. From February 2016 to October 2017, HACSM referred 316 households to Abode Services with an approximate 60 percent success rate in locating units for program voucher holders; prior to the Leasing Success Program,

the success rate was under 50 percent.

HACSM also implemented three landlord incentives: the 'Landlord Continuity' bonus, the 'No Loss' bonus, and the 'New Owner' bonus. Since implementation in February 2016, 45 landlords received a 'Continuity Bonus' for re-renting their unit to another MTW participant, 117 new landlords joined the program, and 205 landlords received bonuses because of the 'No Loss' incentive.

While the Leasing Success Program has been a remarkable success, resulting in an increase in HACSM's voucher utilization rate to 95 percent, a threshold required by HUD for meeting the substantially serving the same percentage of households as before it entered into its MTW contract requirement, it has also been more expensive than HACSM originally projected.

In total, HACSM has expended \$743,355 of the \$750,000 in support of the Leasing Success Program activities. With the MTW Annual Plan amendment, HACSM is proposing to continue the Leasing Success Program and will use its MTW authority of block grant fungibility to support the costs for this ongoing activity. The purpose of the amendment to the FY 2017-18 Plan is to remove the \$750,000 budget limit language originally put in the Plan to allow the program to continue.

County Counsel has reviewed and approved the resolution as to form.

Approval of this Resolution contributes to the Shared Vision 2025 outcome of a Livable Community by assisting and serving low-income households in the community.

FISCAL IMPACT:

There is no Net County Cost associated with this action. All funds required to operate the program are provided by HUD, and the funds utilized for this action will be reserve funds for the voucher program.