



County of San Mateo

Inter-Departmental Correspondence

Department: HOUSING

File #: 16-537

Board Meeting Date: 9/12/2017

Special Notice / Hearing: None
Vote Required: Majority

To: Honorable Board of Supervisors

From: Ken Cole, Director, Department of Housing

Subject: Execution of Cooperation Agreement between San Mateo County and Non-Entitlement cities for participation in the Urban County for Fiscal Years 2018, 2019 and 2020 and subsequent three-year periods.

RECOMMENDATION:

Adopt a resolution authorizing execution of cooperation agreements between San Mateo County and non-entitlement cities for participation in the Urban County for fiscal years 2018, 2019, and 2020 and subsequent three-year periods.

BACKGROUND:

The County of San Mateo (the County) receives funding allocations from the U.S. Department of Housing and Urban Development (HUD) under three programs: Community Development Block Grant (CDBG), HOME Investment Partnership Program (HOME), and Emergency Solutions Grant (ESG) Program. To maximize funding allocations in these programs, the County has been designated as an Urban County by HUD. To maintain Urban County status, the County must requalify with HUD every three-years and enter into a cooperation agreement with all non-entitlement cities to solicit their cooperation and co-participation in the Urban County housing and community development programs.

DISCUSSION:

The County with participation of small, non-entitlement cities, qualifies as an Urban County under the CDBG Program guidelines and therefore is an "entitlement jurisdiction." As such the County is entitled to receive annual allocations of funding under the federal CDBG Program. The San Mateo Urban County also receives funding under the HOME and ESG Programs.

The four largest cities in the County, including Daly City, South San Francisco, San Mateo and Redwood City, have populations of over 50,000 and receive a direct allocation of CDBG funds from HUD. The smaller cities in the County are considered "non-entitlement" jurisdictions and do not receive a direct allocation of funding from HUD. Through participation in the Urban County, non-entitlement jurisdictions can access CDBG, HOME and ESG funds.

In August 2017, HUD notified San Mateo County of the need to make significant changes to the

existing Cooperation Agreement between the County and the non-entitlement cities to requalify as an Urban County. There are two specific changes to the existing Urban County Cooperation Agreement as set forth in HUD Notice CPD-17-03. 1) The inclusion of the Emergency Solutions Grant (“ESG”) program as a covered component of Cooperation Agreement. 2) The addition of language referring to the provision obligating the County and participating cities to take all actions necessary to comply with affirmatively furthering fair housing. The Department of Housing has elected to enter into new Cooperation Agreements with each non-entitlement jurisdiction to ensure that all HUD requirements for the Urban County Cooperation Agreements are met. An unsigned copy of the Cooperation Agreement as reviewed and approved by County Counsel, is attached to this memo for informational purposes only. Upon approval of the Board of Supervisors and the participating, non-entitlement jurisdictions, the Cooperation Agreement will be executed by all parties. The deadline for submitting fully executed agreements to HUD is September 21, 2017.

The Board is being asked to authorize the Department of Housing’s execution of new Cooperation Agreements with the following non-entitlement cities: Atherton, Belmont, Brisbane, Burlingame, Colma, East Palo Alto, Foster City, Half-Moon Bay, Hillsborough, Menlo Park, Millbrae, Pacifica, Portola Valley, San Bruno, San Carlos and Woodside to obtain recertification as an Urban County and jointly participate in the housing and community development programs as part of the “Urban County”.

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

Approval of this action contributes to the Shared Vision 2025 outcome of a Livable Community by enabling the County’s receipt of federal funding critical to supporting activities designed to help vulnerable residents secure and maintain affordable housing and access services that contribute to a sustainable quality of life.

PERFORMANCE MEASURE:

HUD Approval of San Mateo County Urban County Requalification

FISCAL IMPACT:

There is no net County cost.