



County of San Mateo

Inter-Departmental Correspondence

Department: BOARD OF SUPERVISORS
DISTRICT 4
File #: 19-274

Board Meeting Date: 4/9/2019

Special Notice / Hearing: None
Vote Required: Majority

To: Honorable Board of Supervisors
From: Michael P. Callagy, County Manager
Subject: Use of District-Discretionary **Measure K** Funds - Supervisorial District 4

RECOMMENDATION:

Measure K: Adopt a resolution authorizing a one-time grant of district-discretionary **Measure K** funds, not to exceed \$60,000, to the Multicultural Institute for capital improvements to the real property housing Multicultural Institute clients located in North Fair Oaks, and authorizing the County Manager, or his designee, to execute the grant agreement.

BACKGROUND:

Measure K is the half-cent general sales tax initially approved by San Mateo County voters in November 2012 and extended in November 2016 for a total of thirty years. The Board of Supervisors ("Board") and County staff have conducted study sessions and community outreach efforts to inform priorities for **Measure K** spending for FY 2017-19.

On May 16, 2017, the Board approved the FY 2017-19 Measure K allocation plan in which the County anticipates Measure K receipts of approximately \$81.6 million annually. The plan included \$7 million in one-time loans or grants each year during FY 2017-19, divided equally among the five supervisorial districts, for district-specific needs and projects. District 4 has submitted a request to use its district-discretionary **Measure K** funds as shown below and described in the Project Summary section of this memorandum:

District/Project	Amount
District 4 (Supervisor Warren Slocum) - Multicultural Institute: design plans and permit costs to convert garage to Accessory Dwelling Unit, remodel existing bathroom and kitchen, add a bathroom, replace roof, and add central heating	\$60,000

This item is consistent with the criteria for district-discretionary **Measure K** funds approved by the Board in December 2018.

PROJECT SUMMARY:

This is a request to authorize a grant to Multicultural Institute ("MI") and resulting grant agreement in an amount not to exceed \$60,000 to provide for capital improvements to the real property housing MI clients located at 533 Warrington Avenue in North Fair Oaks. The County Manager's Office will administer and manage the proposed agreement.

The Multicultural Institute is a non-profit organization founded in 1991 whose mission is to transition immigrants from poverty and isolation to prosperity and participation. The current housing crisis has negatively impacted the lives of the day laborers, clients of the Multicultural Institute, who are forced to pay high rents and live in overcrowded conditions, leaving little income to support their families.

To assist their clients with housing, the Multicultural Institute requested Measure K funds as a loan to purchase a home for their clients. On October 23, 2018, the Board of Supervisors approved a resolution authorizing a loan, using Measure K funds, to the Multicultural Institute in the amount of \$388,950 for the acquisition and renovation of real property located at 533 Warrington Avenue in North Fair Oaks, and directing the Director of the Department of Housing to execute said loan. At the time, this residential property housed 6 tenants.

The above-mentioned real property purchased by the Multicultural Institute needs capital improvements to address code and maintenance deficiencies. The scope of work needed includes: design plans and permit costs to convert the existing garage into an Accessory Dwelling Unit, remodeling the existing bathroom and kitchen, adding a new bathroom, adding a pitched roof with attic space to replace the existing flat roof, and installing central heating. This scope of work is estimated to cost \$126,450. The Multicultural Institute has raised \$66,000 from other sources. This Measure K grant would provide an additional \$60,000 for this work.

Scope of work and estimated costs for rehabilitation and renovation of Mutlicultural Institute's real property located at 533 Warrington Avenue in North Fair Oaks:

Convert garage to Accessory Dwelling Unit - Design and Permits	\$5,000
Remodel existing bathroom and kitchen	\$40,950
Build a new bathroom	\$19,000
Install central heating	\$16,500
<u>Build pitched roof with attic space</u>	<u>\$45,000</u>

Estimated Total:	\$126,450
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Total Measure K Request: Not to Exceed \$60,000

The release of funds will be contingent on the execution of an agreement providing for the County's confirmation of the expenditure of funds for the purposes stated herein. The County will disburse the funds to the following organization for the purposes described above:

Father Rigo Calocarivas, PhD
Founder and Executive Director
Multicultural Institute
533 Warrington Avenue
Redwood City, CA 94063
(510) 301-4075
rcr@mionline.org

PERFORMANCE MEASURES:

Description	Target
Design plans and permits to convert the existing garage into an Accessory Dwelling Unit, remodeling the existing bathroom and kitchen, adding a new bathroom, adding a pitched roof with attic space to replace the existing flat roof, and installing central heating	Complete

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

Funding for the Multicultural Institute capital improvements to their property in North Fair Oaks that houses MI clients contributes to the Shared Vision 2025 outcome of a Prosperous Community by supporting stable housing for a vulnerable population, particularly day laborers, who otherwise could not afford to live and work here.

FISCAL IMPACT:

There are sufficient **Measure K** funds for this specific FY 2018-2019 **Measure K** request. These funds are budgeted in the Non-Departmental Services FY 2018-19 Adopted Budget.