

**COUNTY OF SAN MATEO
HUMAN SERVICES AGENCY
OFFICE OF HOUSING**

Date: May 7, 2001
Hearing Date: May 22 2001

TO: Honorable Board of Supervisors

FROM: Maureen Borland, Director Human Services Agency
Steve Cervantes, Director, Office of Housing



**RE: RESOLUTION APPROVING FUNDING FOR AFFORDABLE HOUSING
PROJECTS FOR FY 2001-2002 FROM THE SAN MATEO COUNTY HOME
CONSORTIUM'S HOME PROGRAM FUNDS**

RECOMMENDATION

- 1) Conduct a Public Hearing
- 2) Adopt a resolution approving funding for affordable housing projects for FY 2001-2002 from the San Mateo County HOME Consortium s HOME Program funds including pre-commitment of FY 2002-2003 HOME funds in the amount of \$300 000.

Background

Each year the San Mateo County HOME Consortium, consisting of the two entitlement cities of Daly City and South San Francisco, and the Urban County including 18 participating cities, receives an allotment of Federal funds from the HOME Investment Partnership Act to increase the supply of affordable housing within the County. The new funding available for FY 2001-2002 is \$2,262 000. Of the new funding allocation, 10 percent is set aside for program management. An additional \$830 500 is available from Program Income and reallocated funds from prior years making \$3,092 500 available to fund projects for this coming fiscal year

On February 1, 2001 the Office of Housing, in the name of the Consortium, issued the HOME Program Request for Proposals. Applications were submitted on March 8 which added up to over \$6 Million in funding requests. On April 24, 2001, the HOME Program Review Committee (HPRC) held a public meeting to review the applications. The applicants were all given the opportunity to present their projects. At the end of the public hearing the HPRC reviewed the staff recommendations and formulated their recommendations for funding

Discussion

The HPRC has made the following recommendation that the Board of Supervisors approve the following funding allocations:

1) City of East Palo Alto Homebuyer Assistance Program	\$126 300
2) City of Daly City Mission Street/ El Camino Real Rental Housing	\$400 000
3) City of South San Francisco Willow Gardens Acq/Rehab	\$500,000
4) EPA CAN DO Nugent Square	\$400 000
5) Mid-Peninsula Housing Coalition Arroyo San Carlos	\$700,000
6) Mid-Peninsula Housing Coalition Moss Beach Senior Housing	\$300,000
7) Shelter Network First Step for Families	\$150 000
8) City of San Carlos South Plaza Rental Housing	\$290 000
9) Program Management	<u>\$226,200</u>
	\$3,092 500

The HPRC is also recommending a pre-commitment of \$300,000 from FY 2002 HOME funds for the Nugent Square project.

Details of the projects and funding recommendations are set forth in the summary attached table

The program management amount of \$226,200 will be distributed as follows:

Daly City	\$22,620
South San Francisco	\$22 620
San Mateo County	\$180 960

The resolution has been reviewed and approved by County Counsel.

FISCAL IMPACT

The affordable housing projects recommended for funding will receive their allocations from the HOME Investment Partnership Act program, in addition to other federal housing financing programs various city redevelopment agency contributions, tax credits and private lender participation. No County General Funds are involved.

**SAN MATEO COUNTY HOME CONSORTIUM PROGRAM
SUMMARY OF PROPOSED HOME ACTION PLAN - FY 2001-2002**

SPONSOR	PROJECT DESCRIPTION	LOCATION	REQUEST HOME	STAFF REC.	HPRC REC	NOTES
1. City of East Palo Alto	Homeowner Rehabilitation Assistance Program	City-Wide	\$200,000	\$0	\$0	County's existing CDBG program is adequately funded to provide these services
2 City of East Palo Alto	Homebuyer Assistance Programs • BMR units • Existing Housing • Employee Assistance	City wide	\$950,000	\$0	\$126,300	Conditioned upon EPA providing at least a \$ for \$ match
3 City of Daly City	Mission Street/El Camino Real Corridor Multifamily Rental Housing	No specific property identified	\$400,000	\$400,000	\$400,000	City controls entitlements and is willing to use Eminent Domain to acquire land if necessary
4 City of South San Francisco	Willow Gardens	Intersection of Nora Way, Susie Way, Sandra Ct & Brusco Way	\$800,000	\$500,000	\$500,000	\$869,555 allocated to this project from FY 96/97 thru 99/00 used to acquire 16 units New funds could be leveraged to acquire 8 more
5 EPA CAN DO	Nugent Square (39 units), EPA	University Ave between Weeks and Sacramento	\$755,000	\$350,000	\$400,000	Total funds from current allocation includes \$205,000 pre-committed last year
6 Mid Peninsula Housing Coalition	Arroyo San Carlos, San Carlos 124 Studio Apartments (11 HOME)	El Camino Real, south of San Carlos train station	\$817,740	\$628,445	\$700,000	Project rec'd commitment of \$380,000 CDBG
7 Mid Peninsula Housing Coalition	Moss Beach Senior Housing 73 1BR	1700 Etheldore Street Moss Beach	\$935,066	\$400,000	\$300,000	Project rec'd pre commitment of \$300,000 CDBG
8 Shelter Network	First Step for Families, SM 15 units transitional housing	319 325 villa Terrace San Mateo	\$500,000	\$200,000	\$150,000	Project is premature, sponsor strongly encouraged to apply for the additional funds next year after entitlements have been obtained from City planning, contingent upon the City matching the Consortium funding
9 City of San Carlos	South Plaza Housing, San Carlos New construction 33 rental units (25 HOME units)	Parking plaza at Laurel, Olive & Walnut street San Carlos	\$287,855	\$287,855	\$290,000	Includes \$87,855 pre committed last year to replace funds made available by the sponsor from the \$200,000 allocated in 99/00, project ready to proceed
11 Community Working Group, Inc	Opportunity Center of the Mid Peninsula, Palo Alto new construction of 55 rental housing units (41 transitional, 14 permanent)	33 39 Encina Way Palo Alto	\$400,000	\$100,000	\$0	Project outside County limits
TOTAL			\$6,045,661	\$2,866,300	\$2,866,300	

**SAN MATEO COUNTY HOME CONSORTIUM PROGRAM
SUMMARY OF PROPOSED HOME ACTION PLAN - FY 2001-2002**

SPONSOR	PROJECT DESCRIPTION	LOCATION	REQUEST HOME	STAFF REC.	HPRC REC	NOTES
San Mateo County	HOME Program Admin		\$226,200			10% by regulation to be shared with entitlement cities (\$22,620 each)

**SAN MATEO COUNTY HOME CONSORTIUM PROGRAM
RECOMMENDATION FOR PRE-COMMITMENT OF FY 2002-2003 HOME FUNDS**

5 EPA CAN DO	Nugent Square (39 units), EPA	University Ave between Weeks and Sacramento	\$755,000	\$350,000	\$300,000	Recommended for \$400,000 from current application
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Funds Available for Projects/Programs

New Grant	\$2,262,000
less 10% Admin	(\$226,200)
plus Reallocated funds from prior years ¹	\$814,500
plus Program Income	\$16,000
Total Funds Available ²	\$2,866,300

¹ \$500,000 surplus from Daly City Westline Drive Natural Disaster Relief Program
 \$300,000 - The Haven Mental Health Association project canceled
 \$ 8,000 - Fred Hansen Pacifica Duplex project canceled
 \$ 6,500 - surplus from Main Street Park II (Mid Peninsula Housing Coalition)

² \$205,000 - pre-committed to Nugent Square (included in the funding rec.)
 \$ 87,855 - pre committed to South Plaza Housing (included in the funding rec , This amount was actually given to the project in 99/00 but was made available by the sponsor to be lent to another project last year.

RESOLUTION NO. _____

BOARD OF SUPERVISORS, COUNTY OF SAN MATEO, STATE OF CALIFORNIA

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**RESOLUTION APPROVING FUNDING
FOR AFFORDABLE HOUSING PROJECTS FOR FY 2001-2002
FROM THE SAN MATEO COUNTY CONSORTIUM'S
HOME PROGRAM FUNDS**

RESOLVED, by the Board of Supervisors of the County of San Mateo, State of California, that
WHEREAS, the National Affordable Housing Act of 1990, Public Law 101-625, enacted November 28, 1990, provides for the distribution of federal funds through the HOME Investment Partnership Act to eligible public entities and consortia, and

WHEREAS, the County of San Mateo has formed a Consortium with the Cities of Daly City and South San Francisco for the purposes of receiving HOME Investment Partnership funds and increasing the supply of affordable housing in this County, and

WHEREAS, the Consortium and HUD have signed a HOME Investment Partnership Agreement for FY 2000 making funds available to the Consortium for financing a variety of affordable housing projects, and

WHEREAS, there has been presented to this Board of Supervisors for its consideration a recommendation from the HOME Program Review Committee for funding for affordable housing projects from the San Mateo County Consortium's FY 2001-2002 HOME Program allocation which includes pre-commitments from the FY 2002-2003 HOME Program allocation;

NOW, THEREFORE, IT IS HEREBY RESOLVED that this Board concurs with and approves the HOME Program Review Committee's recommendations for funding projects from the HOME Program allocation for FY 2001-2002 as well as the pre-commitments from FY 2002-2003 HOME funds

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