



**COUNTY OF SAN MATEO**  
**Inter-Departmental Correspondence**

**Human Services Agency**  
**Office of Housing**

**DATE:** September 26, 2002

**BOARD MEETING DATE:** October 22, 2002

**TO:** Honorable Board of Supervisors

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

**SUBJECT:** Resolution authorizing the execution of an agreement with the  
Mental Health Association Of San Mateo County

**Recommendation**

Adopt a Resolution:

1. Authorizing the execution of an agreement with the Mental Health Association of San Mateo County to provide Community Development Block Grant and HOME funds to assist with the development of affordable housing in the amount of \$700,000 for the period of September 1, 2002 through June 30, 2006; and
2. Authorizing the Director of the Human Services Agency to execute subsequent amendments and minor modifications not to exceed \$25,000 per funding source.

**Background**

In 2000 the Mental Health Association of San Mateo County (MHA) was approved by HUD for a grant to assist with the development of affordable housing for mentally ill adults to be located on leased property at the Veterans Administration site in Menlo Park. Unfortunately, they were unable to negotiate a suitable long-term land lease and had to abandon the site. For the past two years, MHA has been searching for an appropriate site, which they located and purchased in Belmont in March 2002. HUD agreed to allow them to keep the earlier grant assistance provided under the Supportive Housing Program to be used at this new location. MHA has also received funding commitments from the Affordable Housing Program (AHP) of the Federal Home Loan Bank, from the Corporation for Supportive Housing and from the Mental Health Division of the County.

MHA is currently working with the City of Belmont Planning Department to obtain the necessary entitlements to proceed with their project. They are concurrently applying for

funding from the California Housing Finance Agency.

**Discussion**

MHA is proposing to construct 24 studio apartments plus a 1-BR manager's unit in Belmont near the San Carlos/Belmont border. The project will provide permanent independent living for adults with mental illness. MHA will provide on-site supportive services including occupational therapy assessment and training, independent living skills training and group activities. The site is ideal for this clientele. It is located within a ½ block of El Camino Real and a SamTrans shelter, adjacent to a Longs Drug Store and within six blocks of a major shopping center and train depot.

This agreement provides \$700,000 of County CDBG and HOME funds to assist with the design and construction of this development. The funds are being provided in the form of a deferred payment loan.

**Vision Alignment**

This action keeps the commitment to: Offer A Full Range Of Housing Choices and goal number 9: Housing exists for people at all income levels and for all generations of families. The agreement contributes to this commitment and goal by assisting with the development of 24 units for extremely low-income individuals with special needs.

**Fiscal Impact**

The total fiscal impact to the County is \$700,000, which is being provided by the CDBG and HOME programs. This project is included in the Office of Housing budget for FY 2002-03. There are no General Funds committed under this agreement.