

Memo

To: Members, Board of Supervisors
From: ^{RJG} Rose Jacobs Gibson and ^{Rich Gordon} Rich Gordon
Date: 05/07/03
Re: Housing Endowment and Trust of San Mateo County

RECOMMENDATION:

It is recommended that the Board of Supervisors approve the Joint Powers Agreement joining the Housing Endowment and Trust of San Mateo County. It is further recommended that the Board of Supervisors re-allocate \$75,000 in funds previously set aside for consultation assistance in forming the Joint Powers Agreement to now be used for administrative costs of the Housing Endowment and Trust.

BACKGROUND:

In February 2002 the Board of Supervisors approved the development of a Housing Trust Fund for San Mateo County. At that time the Board set aside \$3 million from reserves to be used as the initial capitalization for a trust fund. The Board also appointed Supervisors Rose Jacobs Gibson and Richard Gordon as a sub-committee to develop the trust fund.

Supervisors Jacobs Gibson and Gordon convened a broad cross section of individuals to serve as the Development Group for the Housing Trust Fund. Last fall the Board of Supervisors accepted a final report from the Development Group. That report called for the development of a Housing Endowment (Housing Endowment and Trust Fund or HEAT) for San Mateo County. It recommended that the focus of the endowment be on funding activities that build housing units. It also recommended that a goal of \$100 million be raised in a ten year period, but left the specific techniques for raising these funds to the governing body of the Housing Endowment and Trust Fund. Finally, it recommended that the governing model for HEAT be that of a joint powers authority.

Following the Board's acceptance of the Development Group's report, a small group of elected officials and staff worked on the drafting of the JPA document to create the trust. County Counsel took the lead in the preparation of the JPA and shared drafts with several city attorneys.

ACTION REQUESTED:

The JPA agreement is now ready for adoption by the Board of Supervisors. The agreement has already been adopted by the City of San Carlos (April 28), the City of San Mateo (May 5), and the City of East Palo Alto (May 6). It will be heard by several other cities in the very near future and will be presented to all cities by the end of this year. Adoption of the JPA agreement by the Board of Supervisors would be another step in implementing the decision reached in February 2002 to form a housing trust fund.

ALIGNMENT WITH COUNTY VISION:

Adoption of the JPA agreement forming the Housing Endowment and Trust of San Mateo County would further the commitment to "offer a full range of housing choices" and the goal to see that "housing exists for people at all income levels and for all generations of families".

FISCAL IMPACT:

Participation in the Housing and Endowment and Trust will require an annual commitment to support the administrative costs of the JPA. These costs are to be shared among the member agencies based on population. Although the JPA would have authority to hire staff, to avoid building another housing organization and to keep costs low, it is anticipated contracts will be used with existing organizations to provide staffing and support.

Once the JPA is formed the HEAT Board will establish the final budget and approve the contribution level from each member agency. For the first year, it is recommended that San Mateo County allocate \$75,000 for administrative support.

When the Board of Supervisors authorized the creation of a housing trust, funds were set aside in the budget of Human Services Agency for consultant costs to help in the establishment of the trust. The Human Services Agency utilized only a minimal amount of the allocated funds. It is recommended that half of the previously allocated funds, an amount of \$75,000, be re-allocated as San Mateo County's initial contribution to the start-up of the JPA. The balance of the previously allocated funds would revert to the Human Services Agency for other uses.

SUMMARY OF RECOMMENDATION:

1. Approve the Joint Powers Agreement for the Housing Endowment and Trust for San Mateo County.
2. Re-allocate \$75,000 of funds to be used for JPA administrative expenses.

Attachment: JPA Document

Cc: John Maltbie, Tom Casey, Maureen Borland