

County of Santa Clara
Office of the County Executive
Office of Affordable Housing



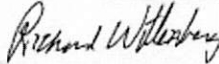
CE07 121702

Prepared by: Susan Phillips
Acting Director, Office
of Affordable Housing

Submitted by: Jane Decker
Deputy County Executive

DATE: December 17, 2002

TO: Board of Supervisors

FROM: 
Richard Wittenberg
County Executive

SUBJECT: Accept Report and Specify Actions on Office of Affordable Housing Staffing and Use of Redevelopment Set-Aside Funds

RECOMMENDED ACTION

Consider recommendations relating to Office of Affordable Housing and use of redevelopment set-aside funds.

Possible action:

- a. Accept report on Office of Affordable Housing status and funding.
- b. Direct Administration to proceed with staffing initiatives identified as Phase 1 actions and work with the Employee Services Agency to return to the Board in January, 2003

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- with recommended actions necessary to implement this direction.
- c. Authorize Administration to proceed with physical consolidation of Office of Affordable Housing staff in leased space at 1735 N. First Street.
 - d. Direct the Administration to report back in January with level of initial redevelopment set-aside funds required for use by Office of Affordable Housing for three-year operating expenses, including housing initiatives.

FISCAL IMPLICATIONS

There is no impact on the General Fund as a result of this action. Although no requests for appropriations are included in this transmittal, the Board is being asked to set direction for action on salary ordinance amendments and appropriation modifications which will be brought to the Board for action in January.

CONTRACT HISTORY

N/A

REASONS FOR RECOMMENDATION

The Administration's response outlines recommendations regarding the phasing of staffing for the new Office of Affordable Housing (OAH) and presents a series of options for moving forward to implement the Board's direction with regard to funding affordable housing initiatives. The Administration is asking the Board to identify a preferred strategy for funding and to direct the Administration to report back in January with the salary ordinance amendments and appropriations modifications necessary to implement the Board's direction on these issues.

Recommendations on Staffing for the Office of Affordable Housing

As previously reported to the Board, the Administration has been awaiting receipt of a staffing analysis performed by the Enterprise Foundation under a Department of Housing and Urban Development (HUD) technical assistance grant. A final report was received in early December and is included in this report as Attachment 1. The Administration has reviewed the Enterprise Foundation's analysis and is recommending that the Board move forward with a limited number of staffing actions in a phased approach to allow the organization to assimilate

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new functions and determine how existing staff can be effectively utilized.

Phase 1 Staffing Recommendations

- Approve, in concept, establishment of Director, Office of Affordable Housing, position.

This is the pivotal position for the new organization. The Director will implement the vision for the office through strategies designed to create and move forward a legislative agenda to support affordable housing development, coordinate the use of County funds to achieve the Board's direction on housing development, work with other local agencies and affordable housing developers to set measurable goals for affordable housing development in the county and develop an organizational culture to achieve successful outcomes.

Because the success of the new organization depends largely on more effective utilization of staffing and targeting of existing resources to meet the increased expectations identified by the Board and the community, this action should be taken immediately. The Employee Services Agency has indicated, if recruiting begins in January, the Director could be in place by late April, 2003. The cost of this position can be recovered through a combination of HUD administrative cost reimbursements, MCC/Housing Bond Trust Fund resources and redevelopment set-aside funds. With Board concurrence of this action, the Administration will work with the Employee Services Agency to prepare a new job description and salary ordinance for Board action in January.

- Approve, in concept, add/delete action for the existing, vacant Office Management Coordinator position in the Housing and Community Development Division to an appropriate office manager position.

With Board concurrence of this action, the Administration will work with the Employee Services Agency to implement this administrative add/delete action. This vacant position is already funded; however, a review of the position's changed functions in the new organization suggests the need for a different position code at a roughly comparable salary. Development of written policies and procedures, coordination of office-wide procurement and administrative processes, development and management of an organized filing system and more effective utilization of administrative staff time are critical operational areas which require the re-establishment of this function. This position has been held vacant, pending completion of the Enterprise Foundation staff analysis and is

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expected to require minimal additional funds. The cost of this position can be recovered through a combination of HUD administrative cost reimbursements, MCC/Housing Bond Trust Fund resources and redevelopment set-aside funds.

- Approve, in concept, addition of one administrative position to support the Director.

With Board concurrence of this action, the Administration will work with the Employee Services Agency to determine the appropriate level for this position and to prepare the necessary salary ordinance amendment for action by the Board in January. This is a new position and represents a new cost to the organization. The cost of this position can be recovered through a combination of HUD administrative cost reimbursements, MCC/Housing Bond Trust Fund resources and redevelopment set-aside funds. It is the intention of the Administration to hold this position vacant until the new Director has been hired.

- Approve, in concept, Addition of one analyst position to coordinate implementation of HUD's HOME program, a need identified by a recent HUD compliance review.

The Enterprise Foundation report recommends the addition of two new analyst positions — one to support the Director and to provide overall OAH analytical support and another one to provide support to the HOME program. Only the HOME analyst position is being recommended here. No new costs are associated with this position, as the cost of the HOME position will be fully reimbursed by administrative cost reimbursement associated with HOME. With Board concurrence of this action, the Administration will work with the Employee Services Agency to determine the appropriate level for this position and to prepare the necessary salary ordinance amendment for action by the Board in January. We hope to fill the position by an internal transfer of existing County staff.

Once the Director has been able to review current staff functions and assignments, the need for an additional analyst position to provide analytical support for the Director and the office can be evaluated. It may be possible to redirect the efforts of existing staff so as to obviate the need for a second analyst position.

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- Approve, in concept, addition of one analyst position to coordinate implementation of the County's MCC/Housing Bond Trust Fund activities.

This function is currently performed by a contractor and the costs are fully covered by the Housing Bond Trust Fund (Fund 0208). With the consolidation of this contracted program into the new Office of Affordable Housing, the Administration believes that the ongoing workload of this function should be handled by County staff. The full cost of this position will continue to be funded by the Housing Bond Trust Fund. With Board concurrence of this action, the Administration will work with the Employee Services Agency to determine the appropriate level for this position and to prepare the necessary salary ordinance amendment for Board action in January.

- The Enterprise Foundation report recognizes that, in order for the County to be successful in creating housing, the OAH needs someone experienced in putting housing deals together. This includes bringing parties together, investigating options to use surplus land and identifying funding opportunities. This role requires specialized knowledge and experience that is not currently available in the Office of Affordable Housing. Initially, the Administration plans to fill this critical need through contract assistance; however, the long-term plan is to bring the position in-house, perhaps as a deputy to the OAH Director. The cost of this position can be recovered through a combination of HUD administrative cost reimbursements, MCC/Housing Bond Trust Fund resources and redevelopment set-aside funds. No action by the Board is requested at this time.

Phase 2 Staffing Recommendation

- Add one position in the accounting unit to provide staffing necessary for centralized support for all OAH divisions.

The cost of this position will be partly offset by reimbursements currently made to the Controller's Office for one-third Accountant III (supporting the Housing Bond Trust Fund 0208) and overhead costs charged by the County Executive's Office accounting unit. The remaining cost of this position will be covered by administrative cost reimbursement through HUD programs. The Administration proposes to work with the Employee Services Agency to determine the appropriate level for this position and to include this

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position action in the FY2004 Recommended Budget.

Recommendations on Consolidation of the Office of Affordable Housing

While the three units comprising the Office of Affordable Housing have been consolidated budgetarily, physical relocation of the staff who are currently located in the County Executive's Office (Homeless Concerns Office, MCC/Housing Bond Trust Fund) has been delayed, pending final Board action on appropriation of redevelopment set-aside funds. With Board concurrence on use of these funds to support the ongoing costs associated with the consolidation of OAH staff at one site, OAH staff and the Santa Clara County Housing Trust contract position will be relocated to 1735 N. First Street, to a suite recently vacated by the Office of the County Counsel. The County's lease for this suite extends through 2007; the current monthly lease cost is \$4,118. Additional costs associated with moving, purchase and/or lease of furniture and equipment (computers, printers, telephones, faxes, copier) is estimated at \$18,000 in one-time costs and an additional cost for furniture. This move could occur by using redevelopment set-aside funds to cover the new costs. With Board concurrence of this action, the move will be implemented as soon as possible and an appropriation modification action will be brought to the Board for approval in January.

Opportunities for Locating and Developing Affordable Housing — Surplus, Vacant and Underutilized Property

The County has already made progress in designating key parcels of underutilized County land for housing opportunities, as part of ongoing economic development projects managed by the County Executive's Office and as part of the capital development plan.

- As part of the Fairgrounds Revitalization Project, the County, in cooperation with the City of San Jose and the Housing Authority, has proposed to increase housing opportunities by 560 units. Sixty townhomes for sale at entry-level market rate are proposed for development, along with two hundred rental apartments for seniors and another three hundred multi-family rental apartments. As proposed, it is estimated that roughly 90% of the project will be affordable to low and very low income residents.
- Mixed-use development of the employee parking lot at North First and West Hedding Streets may provide a significant opportunity for development of affordable housing along a transit corridor. Depending on the timing of this development proposal, bond

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funds made available through the passage of Proposition 46 may be a potential source of funding to increase affordability of the housing portion of the development.

- As reported at the Board's October Capital Workshop, three parcels in Milpitas near the Elmwood Correctional Facility are being planned for commercial and residential development coordinated by the County Executive's Office. The Request for Proposals (RFP) for commercial development has already been issued. The RFP for residential development is in the final stages of development and is expected to be issued shortly.
- The Garland Avenue/Fairoaks parcel in Sunnyvale was also the subject of Board action at the October workshop. It was assumed that housing could be developed in conjunction with a clinic expansion. A new site plan is being developed to determine the feasibility of developing housing after the clinic expansion, per Board direction.

Other surplus parcels of County-owned land offer additional opportunities. In February, the Board was provided an off-agenda report which identified twenty-two parcels of vacant and/or surplus land. In addition to the Milpitas and Fairoaks parcels that are discussed above, this included a wide range of parcel sizes and locations. Some parcels were reviewed and determined to be too small for independent housing development consistent with zoning codes or too remote for development as affordable housing sites. The most promising sites were recently reviewed with General Services Agency and Roads and Airports Department staff. Updated information is being provided to the Board off-agenda regarding parcels which are currently under negotiation for disposal.

A number of sites on this list appear to be appropriately situated for housing. These, as well as underutilized parcels which have not been identified as surplus, are being reviewed by cities, by non-profit developers and by the County for their potential as development sites for affordable housing. These sites include:

- A 2.5 acre parcel of excess right-of-way at the southeast corner of San Tomas Expressway and Monroe Street in Santa Clara.
- Three small parcels located on Warren Avenue in Morgan Hill.
- A 1.2 acre parcel at Almaden Expressway and Camden Avenue in San Jose which is currently used for parking.
- A 1.13 acre parcel on the northeast side of San Felipe Road, south of Silverland Court in San Jose, which is currently leased for use as landscaping.

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- A 1.7 acre parcel on the east side of Old Almaden Road, south of Route 87 in San Jose.
- County property at Capri Drive in Los Gatos, which is currently used for Court and Clinic activities.

Many of these sites are non-General Fund assets. Should any sites previously purchased with funds carrying special restrictions on use (e.g., Parks Fund, Roads Fund) be offered for housing development, it may be necessary to sell or otherwise transfer these properties at fair market value. The Administration is working with County Counsel to verify the specifics of these restrictions and is working the Roads and Airports Department to research the source of funds used originally to purchase the sites that are identified as Roads Fund properties.

These sites and vacant or surplus property controlled by other local agencies may offer an opportunity for the County to partner with other local jurisdictions, non-profit organizations and housing developers to provide affordable housing specifically geared to address some of the "special needs" populations which rely on County services, as well as to provide affordable housing generally. The Administration has begun this process by commissioning preparation of a database of all vacant parcels in the County controlled by public agencies. Review of these sites for potential housing opportunities will be an important focus for the contract currently under development by the Administration to evaluate sites for housing development and to secure expertise in pulling together alternative sources of financing to create workable partnerships for housing development.

Other non-County sites also offer opportunities for collaborative housing development. These include such projects as housing development and service provision proposed through the Opportunity Center of the Midpeninsula that has been proposed in Palo Alto. The housing elements of local cities also identify potential sites for the development of affordable housing. In some cases, these sites may be appropriately situated to address County client needs and County funding collaboration may enhance the opportunities for development of special needs housing.

Use of Redevelopment Set-Aside Funds and Other Dedicated Funds to Leverage Affordable Housing Development

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In June, the Board set aside 30% of Redevelopment Settlement Agreement delegated funds to provide a source of funding for affordable housing initiatives. To date, the County has received approximately \$34 million in Redevelopment Settlement Agreement delegated funds, and a total of \$61 million is expected through 2004. The 30% set-aside represents approximately \$8 million of current receipts, with a total of \$18 million anticipated over this four-year period.

In addition to these funds, the Office of Affordable Housing maintains and administers a variety of special funds and program allocations. Most are administered through the Housing and Community Development Program, through the annual funding cycle. One is administered through the MCC/Housing Bond program. Others represent small funds which rely on repayment of prior loans or in-lieu payments made previously by developers. These current sources of funding are described in Attachment 2.

Coordinated Strategy for Applying Funds

An effective strategy to address countywide affordable housing needs must marshal all available funding sources to target provision of affordable housing and operating support for County housing activities. The Administration has identified a number of opportunities to leverage the County funds described above. These are described briefly in Attachment 3. In addition to these funding sources, other opportunities are certainly available. More investigation is needed to review the alternatives and identify the approaches that would be most productive. A short-term contract with a knowledgeable housing consultant is being developed to secure this expertise.

Opportunities for Use of Redevelopment Set-Aside Funds

As indicated elsewhere in this report, some level of redevelopment set-aside funding is required to provide operating support for the County to play a proactive role in the housing field. New General Fund resources are not available for this enhanced effort. Depending on the level of funding which is made available, set-aside funding can be used to augment existing sources of funding which support County housing activities or can be used to leverage other housing activities associated with County programs or other programs operated by jurisdictions and organizations within Santa Clara County.

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The key to the use of these funds is to use them in a way which helps the County change the way business has previously been done—to become proactive in identifying housing opportunities and in structuring funding deals to make projects possible, rather than reacting to proposals which are submitted through an annual process. The Enterprise Foundation report suggests three specific strategies for using new resources to establish special-purpose funding sources for specific housing needs. Detailed descriptions appear in Attachment 1.

- **Special Needs Housing Fund:** The Enterprise Foundation recommends earmarking a specific funding allocation (\$4 million per year) to address the need for construction of group homes as well as set-aside units for special needs populations in other affordable housing projects. Per unit subsidies are proposed, based on the housing unit size.
- **Pre-Development Fund:** Establishment of a pre-development fund (\$250,000 per year) is proposed as a revolving loan fund, which would provide seed money in the form of \$50,000 loans to cover such costs as land options or escrow accounts, professional fees and project development staff salaries.
- **Land Acquisition Fund:** A land acquisition revolving fund is proposed (\$1.5 million per year) to provide 1-year loans (with potential for two additional 1-year extensions) to developers so that land purchases can be made quickly and property secured for affordable housing.

Other possible uses of these funds include the following:

- Funds can be used to assist the Santa Clara County Housing Trust to achieve the needed match for Proposition 46 funding.
- Funds can be provided for additional emergency rent and mortgage assistance, to prevent homelessness resulting from non-payment of rent or mortgage costs or the inability of potential renters to provide security deposits.
- Funds can be made available to address funding requests through the CDBG process that exceed the County's HUD allocations.
- Requests for Proposals (RFPs) can be developed and issued to offer funding for affordable housing development which addresses the needs of County special needs populations.
- Funds can be made available, through an RFP process, to non-profits seeking funds for projects which will be submitted for Proposition 46 funding.
- Funds can be made available to increase the level of affordability of housing units included in County mixed-use development projects (e.g., Hedding Street project).

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- The County can partner with local jurisdictions to purchase surplus public land for housing purposes. The County might require dedication of a certain percentage of affordable housing units for County special needs clients as a condition of this partnership.

The ability of the County to pursue any of these options will depend on the level of redevelopment set-aside funding which the Board chooses to appropriate for these activities. The Administration can provide more specific recommendations when a level of appropriation is finalized.

BACKGROUND

On October 8, 2002, the Board of Supervisors directed the Administration to report back to the Board with specific recommendations regarding staffing in the Office of Affordable Housing and recommendations and a process for allocating funding (including redevelopment settlement agreement funds previously set aside for housing) to support increased provision of affordable housing in Santa Clara County. The Board also directed the Administration to identify ways in which these funds could be leveraged to achieve a greater result. The Administration's response to this direction is detailed above.

Housing Task Force Recommendations

The Board also directed the Administration to report on the status of implementation of the Housing Task Force recommendations. Progress in this area is described below.

The Administration reported back to the Board in June with an implementation plan for the Housing Task Force Recommendations and a priority list for Office of Affordable Housing activities. Progress in each of the six primary clusters of recommendations is described briefly below.

Create an Office of Affordable Housing

This was accomplished in July and will be fully realized with the physical consolidation of OAH staff and the hiring of a permanent OAH Director.

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Establish Special Needs Housing as a County Priority

The Board has indicated this is a priority, recognizing that the availability of housing to address the needs of County clients throughout a continuum of care is essential to cost-effective long-term success of treatment and support programs. A listing of "special needs" populations developed by the County's Supportive Housing Initiative is included here as Attachment 5.

Specific housing needs associated with County clients include the following:

- Additional residential treatment facilities are required to provide an adequate source of these facilities to serve County clients.
- Transitional supportive housing, which provides a stable, monitored living environment for clients who have successfully completed the first phase of intensive treatment, is required in order to move clients toward successful independent living situations.
- Permanent supportive housing for a variety of County clients is needed in order to keep these individuals in as independent a living environment as possible and to keep some clients from becoming homeless or remaining in custody situations due to lack of suitable housing in community settings. Support services provided on-site can range from support for the physical needs of clients who have been discharged from hospitalization but require continuing care, as well as for disabled and elderly clients who require some assistance with daily living.
- Permanent housing is needed for clients who have completed County-based treatment services, but who are at risk of returning to previous behaviors and returning to the County service stream due to stresses caused by the lack of available housing. In this regard, County treatment clients face the same barriers to finding housing as do other County residents who are seeking affordable housing. In addition, they may face social stigma associated with their situation, which may exacerbate challenges in finding housing. Coordinated County discharge planning or housing locator services may help to place these clients, as would additional housing which is earmarked for County clients.
- Development of a Safe House for short-term, interim housing placement is needed to protect vulnerable adults who must be removed from their homes and placed under protective service until alternate placement is possible, until they can be returned home.

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Rental subsidies or affordable housing for working poor families is needed has been proven essential to increasing the stability of low-income families and allowing them to maintain employment and sustain economic self-sufficiency.

- Potential Resource Families (families who provide foster care, adoptive and relative caregiver services) face a variety of State and Federal licensure and certification standards which may prevent their participation in programs designed to provide out-of-home placement. Housing assistance, such as homebuying or home modification assistance could provide financial assistance needed by these families to meet housing standards required for program participation.
- Youth leaving the foster care system due to aging-out require specialized supportive transitional living programs which increase their self-sufficiency and prevent homelessness.

The Deputy County Executive and the Acting OAH Director have met with SSA and H&HS representatives to discuss housing opportunities for their clients; further discussions in the context of deal development will be possible once this expertise is available to the OAH. It is clear that statistics generated previously on the extent of the housing need must be updated. The OAH will be working with County operating departments to update these figures as part of the next phase of action.

Locating and developing housing for some of these populations will offer the greatest challenge to the County as affordable housing initiatives are pursued. In their interviews with the Enterprise Foundation, some local cities indicated their support for special needs housing development, but indicated that they were looking for coordinated County leadership in order to identify regional needs and determine appropriate sites and strategies for implementation.

Create a County Housing Commission

Establishment of a Housing Commission will require action at the elected official level. However, in the interim, the Administration is assessing whether it is possible to consolidate the three advisory committees which work with OAH programs—the Housing Bond Advisory Committee and the Council and Citizen Advisory Committees for the CDBG Program—to streamline committee support requirements of existing staff. Additional investigation will be required to determine how program requirements can be met by a reconfigured advisory body.

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County Assume Leadership in Regional, State and Federal Housing Policy Advocacy

County staff continue to participate actively in established housing forums. With the expected Board approval to hire a permanent Director for the OAH, this activity can be more effectively focused and additional opportunities for County leadership pursued. The proposed job description for the director which is included in the Enterprise Foundation report (Attachment 1) highlights the qualities of housing expertise and advocacy which will be critical for successful County leadership in regional housing activities.

County Take Leadership to Identify New Local Source of Revenue for Housing

The Board set aside redevelopment funding for housing in June. Staff is identifying other revenues as described above and is participating in discussions with other local government officials about how to generate new revenue for housing.

County Work with Public Jurisdictions to Establish Policies on Use of Surplus Public Land for Housing

The first step in the process—extracting data on publicly-controlled vacant parcels using Assessor's data—has been completed. The expected hiring of a consultant to assist with evaluating property for housing and negotiating deals for coordinated action on affordable housing development is the next step in this process. Research on best practices and the feasibility of establishing a land bank for affordable housing is under consideration for funding through a HUD technical assistance grant (Phase 2 of proposed Enterprise Foundation work).

CONSEQUENCES OF NEGATIVE ACTION

If action is not taken on these recommendations, the Administration will be unable to proceed with the consolidation of functions in the new Office of Affordable Housing and no additional County funds will be available to support increased provision of affordable housing.

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STEPS FOLLOWING APPROVAL

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No action by the Clerk of the Board is required.

ATTACHMENTS

- Attachment 1: Enterprise Foundation Report (Miscellaneous)
- Attachment 2: OAH Current Funding Sources (Miscellaneous)
- Attachment 3: Funding Opportunities (Miscellaneous)
- Attachment 4: Proposition 46 Overview (Miscellaneous)
- Attachment 5: Special Needs Populations (Miscellaneous)

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County of Santa Clara

Office of the Board of Supervisors

County Government Center, East Wing
70 West Hedding Street, 10th Floor
San Jose, California 95110
(408) 299-2323
FAX 298-8460 TDD 993-8272



THIS RELATES TO:
12/17/02 (Item 43)
Supplemental Information #2

James T. Beall, Jr.
Supervisor, Fourth District

To: Board of Supervisors

From: Supervisor James T. Beall, Jr. *Jim Beall*
District 4

Supervisor Liz Kniss *Liz Kniss*
District 5

Date: December 16, 2002

Subject: Agenda Item #43 – Report on Office of Affordable Housing Staffing and
Use of Redevelopment Set-Aside Funds.

I respectfully propose the following actions be approved by the Board of Supervisors:

- A. Accept report on the Office of Affordable Housing status and funding.
- B. Direct the Administration to proceed with staffing initiatives identified as Phase 1 actions and work with the Employee Services Agency to return to the Board on January 14th, 2003 with recommended actions necessary to implement this direction. At this time, Phase 1 should only include staffing recommendations for the position of Director, Office of Affordable Housing and one analyst position.
- C. Authorize the Administration to proceed with the physical consolidation of the Office of Affordable Housing staff in leased space at 1735 N. First Street.
- D. Direct the Administration to report back on January 14th, 2003 with level of initial redevelopment set-aside funds required for use by the Office of Affordable Housing for a three-year operating plan, including housing initiatives, as directed by the Board on June 10th, 2002.

- E.*** Finalize dedication of Redevelopment Set-Aside Funds for affordable housing. Staff will report back on January 14th, 2003 with a year one funding plan. The balance will remain set-aside for affordable housing.

Attachment 2
Office of Affordable Housing – Current Funding Sources

The following are non-General Fund sources of support for current Office of Affordable Housing programs and activities.

- Housing Bond Trust Fund (Fund 0208)

This fund was established in 1991 with administrative fees and revenues from the Housing Bond and Mortgage Credit Certificate Program. Application fees from Mortgage Credit Certificates (MCCs) and Reissued MCCs (RMCCs), fees to lenders who participate in the MCC and RMCC programs, and issuance and administrative fees for housing bonds provide operating funds to support the contract-based MCC program and administration of tax-exempt bonds. Almost \$2.5 million has been disbursed from the Housing Bond Trust Fund to affordable housing projects as loans in \$100,000 increments. It is estimated that the balance of the Housing Bond Trust Fund will reach approximately \$450,000 at the conclusion of FY2003.

- CDBG Program – Community Development Block Grant (Fund 0035)

This is an HUD formula-based program providing block grant funding to carry out a wide range of community activities, including providing safe and secure housing, revitalizing neighborhoods, supporting economic development and improving community facilities and services. The County administers CDBG funds for the Urban County – “non-entitlement” jurisdictions within the County whose populations total fewer than 50,000. These jurisdictions are Morgan Hill, Saratoga, Monte Sereno, Campbell, Los Gatos, Los Altos, Los Altos Hills and Cupertino. Because Cupertino has met the population threshold to become an entitlement jurisdiction, it is expected to leave the Urban County group in the upcoming cycle. This funding source allows 20% of the allocation to support administrative costs. Use of CDBG funds is not restricted to housing programs. The Urban County allocation for the current year was \$2,584,000; of this, the County’s share was \$801,846 -- \$190,046 for project allocations which are obligated by Board action annually, \$200,000 in funding set aside for rehabilitation program services and \$411,800 to cover County administrative costs.

- HOME Program (Fund 0038)

This is a HUD formula-based program providing grant funding for housing rehabilitation targeted to low and very low-income residents. Administration of this fund is similar to the CDBG fund and allocations are approved by the Board in the same funding process. This funding source allows 10% of the allocation to support administrative costs. Use of these funds is restricted to housing programs. The Urban County allocation for the current year was \$1,043,000, which includes County administrative costs.

- **ESG – Emergency Shelter Grant (Fund 0034)**

This is a HUD formula-based program for rehabilitation or conversion of buildings into homeless shelters and funding of certain social services, homeless prevention activities, operating expenses and administrative costs. Program administration is handled through the HCD Program. The County allocation for the current year was \$91,000, which includes County administrative costs.

- **Shelter Plus Care (Fund 0032)**

This is a HUD program to provide rental assistance and continuum service support for people with disabilities. Program administration is handled through the Housing Authority, with County program coordination through the Homeless Concerns Program. This program allows 8% of the allocation to support administrative costs, which is shared between the Housing Authority (6%) and the County (2%).

- **Revolving Loan Program – Single Family (Fund 0036)**

This fund was established to capture loan repayments from the CDBG program. Loan proceeds are used for single family housing rehabilitation and is administered by the HCD Program. Loans are reviewed and approved by a County loan committee, comprised of staff from the Finance Agency, General Services Agency and County Executive's Office. This funding allows 20% of the allocation to support administrative costs. The fund balance (as of June, 2002) totaled \$766,507.

- **Revolving Loan Program – Multi-Family (Fund 0029)**

Like the Single Family Revolving Loan Program, this fund was also established to capture loan repayments from the CDBG program. The program has been closed by HUD; however, the County has the flexibility to continue to use the program funds as matching funds under the HOME program rules and/or as a match for any CDBG eligible activities. The fund balance (as of June, 2002) totaled \$516,437.

- **CALDAP Earthquake Loan (Fund 0252)**

This was a State program to rehabilitate owner-occupied and rental properties damaged in the Loma Prieta earthquake. The program is now closed. The fund balance represents reimbursements to the HCD Program for expenses incurred in Loma Prieta staff response. Use of these funds is not restricted. The fund balance (as of June, 2002) totaled \$311,568.

- **Low and Moderate Income Housing Fund (0209)**

This fund was established in 1979, when the Board approved the Density Bonus Program. This program permitted a 10% increase in density for subdivisions in which 10% or more of the units are devoted to low or moderate income housing. The additional "affordable" lots can be sold at fair market value and the proceeds deposited in the Low and Moderate Income Housing Fund. In 1999, it was reported to the Board that activity in this program had ceased, after roughly ten subdivisions participated in the program. Historically, these funds have been allocated by the Board to supplement CDBG-funded projects for housing and housing services. The fund balance (as of June, 2002) totaled \$497,242.

- **Stanford Affordable Housing Trust Fund (Fund 289)**

This is a recently-established fund, relating to the General Use Permit for Stanford University. The GUP requires that, for every 11,763 square feet of academic development, one affordable housing unit be developed or a cash in lieu fee of \$15 per square foot of development be paid into this fund. The June 2002 fund balance totaled \$85,772; another \$50,720 will be deposited into this fund prior to the end of FY2003. These funds must be used for affordable housing projects located within 6 miles of the Stanford Campus.