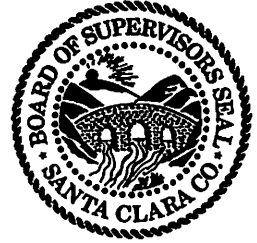


County of Santa Clara

FY 2000 Inventory Item #18

Office of the Board of Supervisors

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May 27, 1999

TO: Richard Wittenberger, County Executive

FROM: Donald F. Gage *D.F. Gage*
Supervisor, District 1

James T. Beall, Jr. *James T. Beall, Jr.*
Supervisor, District 4

SUBJECT: Housing Trust Fund

RECOMMENDED ACTION

It is requested that the Board of Supervisors consider a one time \$1,000,000 augmentation to the Housing Trust Fund (HTF). These funds will be used as leverage toward low interest down payment loans for first time homebuyers, gap financing for affordable rental housing projects and funds to assist homeless shelters and transitional housing.

BACKGROUND FOR RECOMMENDATION

On May 20, 1997 (FY'98) the Board accepted a report from Hausrath Economics Group identifying General Fund money as a potential funding source for a Housing Trust Fund. At that time the Board made the decision to set aside \$1,000,000 as potential seed money. During the budget hearings of FY'99 the Board again set aside \$1,000,000 for the Housing Trust Fund, with the caveat that it be matched. The Redevelopment Agency for the City of San Jose is the matching donor of the second \$1,000,000. At the Board meeting of April 27, 1999 the Board executed a Trust Agreement with Community Foundation Silicon Valley as the fiscal and administrative agent for the Housing Trust Fund, transferring the original \$1,000,000 donation. This contribution to the HTF demonstrates the county's leadership and commitment to housing, and will encourage other donors to participate.

A campaign goal of \$20,000,000 million, to be raised within 24 months from the initiation of the capital campaign, has been identified by the Steering Committee. A feasibility study currently underway may modify the campaign goal, depending on the outcome of the consultants' assessment of the ability of the HTF to draw contributions from the corporate sector, foundations, other government entities and the general public.

Board of Supervisors:

Donald F. Gage
District 1

Blanca Alvarado
District 2

Pete McHugh
District 3

James T. Beall, Jr.
District 4

S. Joseph Simitjan
District 5

Housing Trust Fund
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The shortage of affordable housing for working families threatens the economic vitality of Silicon Valley. Through our leadership and participation in the Housing Trust Fund we further the goal the County expressed in the FY 2000 budget statement, pursuing strategies to address the scarcity of housing.