

County of Santa Clara


Office of the County Executive

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February 15, 2002

TO: Supervisor Don Gage, Chair
Supervisor Pete McHugh, Vice Chair
Housing, Land Use, Environment and Transportation Committee

FROM:  Jane Decker
Deputy County Executive

SUBJECT: Status Report on Housing Task Force Recommendations Referral to Administration

1. Analysis of the use of up to 30% of Redevelopment Settlement (RDA) revenue for affordable housing purposes and the advantages of a partnership with the Housing Trust of Santa Clara County for the expenditure of the revenue.

Attached is a table prepared by the Department of Finance which updates the RDA settlement revenue projections and demonstrates the effect of diverting 10%, 20% and 30% of the delegated revenue (which has to be spent for capital projects) to affordable housing. The chart shows known revenues over a four period because revenues after that are subject to City of San Jose bonding activity and there may be gaps in the flow of funding to the County. Per Board direction, County Counsel is preparing an opinion on the legal uses of the RDA delegated revenues, including the ability to use the revenue for housing staff. 

County Executive staff are meeting with the Housing Trust, the Housing Authority, and a non profit developer to determine options and advantages of County partnerships. ✓

2. Analysis of the creation of an affordable housing unit in the County Executive's Office.

Research

County Executive staff are meeting with County departments currently engaged in housing. They include, in addition to the County Executive's Office, the Planning Department which includes CDBG, the Social Services Agency, and Health and Hospital. GSA will be consulted also since they are involved in projects which may include housing.

A survey of other counties housing efforts and organization is also being completed at this time

need

It is clear that there are benefits of consolidating or coordinating many of the existing County housing programs. Ongoing communication and interaction among the departments engaged in housing activities could create opportunities to use resources in ways that are not contemplated now. It is possible that this could happen without consolidation through regular meetings of the housing players such as has been demonstrated in the human services areas. However, what we're learning from our meetings with departments is that a bolder, more directed kind of activity is needed to create new affordable housing opportunities that would include special needs housing. A centralized unit with an active Director would have a countywide perspective. He /she could be involved at high levels of the organization to identify opportunities to include housing as part of other County projects and in negotiations with other jurisdictions. Existing housing and service dollars currently used by departments could be leveraged and expanded in ways departments, with a lack of resources and big picture perspective, do not have the ability to do.

analysis & staffing

An analysis of staffing needs to create the above described function is underway. Important in our analysis is determining whether there are existing resources to fund a Housing Director and staff. That will continue to be a focus in the next month before a final report is prepared.

A final report addressing the two Board referrals will be provided to the committee in March and then be forwarded on to the Board of Supervisors.

cc: Richard Wittenberg

There are currently Board referrals to consider the use of "delegated" RDA funds for both the County's capital program (along with bond debt) and to consider spending a portion (up to 30%) for housing programs. The following matrix shows various housing allocation percentages between 10% and 30%. It is assumed that all such expenditures would be made out of delegated funds only.

In Million

Year		2001 (1)	2002	2003	2004 (2)	Total
Projected Delegated Funds		\$ 8.19	\$ 14.48	\$18.31	\$20.15	\$61.13
Proposed Housing Allocation	@10%	0.82	1.45	1.83	2.02	6.11
	@20%	1.64	2.90	3.66	4.04	12.24
	@30%	2.46	4.35	5.49	6.06	18.36
Remaining after Housing	@10%	7.37	13.03	16.48	18.13	55.02
	@20%	6.55	11.58	14.65	16.11	48.89
	@30%	5.73	10.13	12.82	14.09	42.77

Note 1: Delegated amounts received for 2001 have not been appropriated and are reserved.

Note 2: Beyond FY 2004 future delegated funds will come from Redevelopment Agency bond sales, which we estimate will occur on a sporadic basis. Should the County of Santa Clara fund ongoing housing programs, then there will be interruptions in the flow of funds to these programs in 2005 and beyond from this source. If subsequent debt is issued by the Agency, then delegated proceeds, while sporadic, will come in larger increments.