

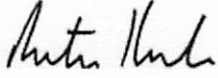
County of Santa Clara
Office of the County Executive
Administration



FGOC CE01 090204

DATE: September 2, 2004

TO: Supervisor Pete McHugh, Chairperson
Supervisor James T. Beall, Jr., Vice-Chairperson
Finance & Government Operations Committee

FROM: 
Peter Kutras Jr.
County Executive

SUBJECT: Approval of a Board Policy Regarding the Sale of Surplus Property

RECOMMENDED ACTION

It is recommended that the Finance and Government Operations Committee:

1. Approve the following amendment to the Board's Policy manual allocating 30% of the proceeds from the sale of surplus property owned by the general fund to support the Office of Affordable Housing and affordable housing projects. This recommendation does not alter our existing practice to utilize the remaining proceeds to support one-time or ongoing needs depending on the revenue stream as well as the asset development unit. This policy statement mirrors previous Board direction that allocates 30% of any delegated funds received from the City of San Jose Redevelopment

Agreement to affordable housing projects.

2. Direct County Counsel to prepare a resolution, for consideration by the full Board of Supervisors, to ammend the Board's current Policy Manual to include the proposed policy statement.

FISCAL IMPLICATIONS

This action will allocate 30% of any and all proceeds from surplus land owned by the county's general fund to support the Office of Affordable Housing and affordable housing projects. These funds would otherwise be deposited into the general fund and support discretionary one-time needs.

REASONS FOR RECOMMENDATION

During the development of the FY 2005 Recommended Budget, the Administration identified a strategy to support asset development and affordable housing efforts within the county. This strategy recommends that resources generated by the asset development team be reinvested to support the administration of both asset development and affordable housing programs. At this time, the Administration is recommending that the proceeds generated by the sale of surplus property owned by the general fund be included in this strategy to support the administration of our affordable housing program and to fund affordable housing projects.

BACKGROUND

The issue of increasing the affordable housing stock in Santa Clara County has been a high priority for the Board of Supervisors. After the agreement with the City of San Jose Redevelopment agency was finalized, the Board directed that 30% of the delegated funds provided by the agreement be allocated to affordable housing projects. At the same time the county established the Office of Affordable Housing to develop and administer these projects.

During the intervening timeframe, the Admininstration has pursued additional sources of funding for these projects and presented the strategy outlined above to support both asset development and affordable housing. The allocation of a portion of the proceeds from the sale of surplus property will provide additional resources to support the administration of this program and provide a supplementary revenue stream for affordable housing projects.