



CITY OF SAN MATEO

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Agenda Report

Agenda Number: 6

Section Name: {{section.name}}

Account Number: 22-3133

File ID: {{item.tracking_number}}

TO: City Council
FROM: Alex Khojikian, City Manager
PREPARED BY: Community Development Department
MEETING DATE: March 03, 2025
SUBJECT:
San Mateo County HOME Consortium Agreement — Amendment

RECOMMENDATION:

Approve a Second Amendment to the Cooperation Agreement of the San Mateo County Home Investment Partnership Consortium to extend the term for Program Years 2026, 2027, and 2028, with automatic renewals every three years, and to add the City of Redwood City to the Home Investment Partnership Consortium and authorize the City Manager to execute the agreement.

BACKGROUND:

The City of San Mateo (City) has participated in the United States Department of Housing and Urban Development (HUD) Home Investment Partnership Program (HOME), which provides funds to assist with housing for very low-income persons, since the program's inception in 1992. In the initial years of the HOME program, the City participated in a HOME consortium with the County of San Mateo, City of Daly City, and City of South San Francisco to pool HOME allocations and share resources. Soon after, the Cities of San Mateo and Daly City dropped out of this arrangement in favor of receiving an individual allocation, with the expectation that this would result in an increase in overall HOME funding to the County.

As the amount of HOME funds provided to the City significantly decreased over several years, the City chose to rejoin the HOME Consortium, which then consisted of the County of San Mateo and City of South San Francisco. An amendment to the existing San Mateo County HOME Consortium Cooperation Agreement (Cooperation Agreement) was executed in June 2015 to allow the City to join. Under this arrangement, the County of San Mateo (County), acts as lead HOME agency and bears the administrative responsibilities of the HOME program. The participating cities have a seat on the Housing and Community Development Committee, which advises County staff on the distribution of HOME funds each year.

The City of Redwood City is now joining the HOME Consortium, which requires a second amendment to the Cooperation Agreement. The Second Amendment to the Cooperation Agreement is included as Attachment 1. In addition to adding the City of Redwood City, the Second Amendment extends the term of the Cooperation Agreement through Federal Fiscal Year 2028 and provides for an allocation to HOME Consortium members of .063 percent of the HOME Consortium's total annual allocation, plus ten dollars for each HOME-assisted unit that each HOME Consortium member monitors. This is a change from the previous allocation of 1 percent per year to HOME Consortium members.

BUDGET IMPACT:

Any HOME funds that the City would have directly received from HUD are already allocated to the County to be pooled with the other HOME Consortium members' funds, as provided in the Cooperation Agreement. While the addition of City of Redwood City reduces the City's percentage share of its total annual allocation for HOME administration (from 1 percent to .063 percent plus \$10,000 per HOME-funded unit), this is offset by the addition of the City of Redwood City's HOME program allocation to the HOME Consortium – approximately \$200,000-\$300,000 per year. As a point of reference,

the City's typical program administration allocation is approximately \$10,000.

ENVIRONMENTAL DETERMINATION:

This agreement is not a project subject to CEQA, because it can be seen with certainty that it will not cause a physical change in the environment. (Public Resources Code Section 21065.)

NOTICE PROVIDED

All meeting noticing requirements were met.

ATTACHMENTS

Att 1 – HOME Consortium Cooperation Agreement Amendment No. 2

STAFF CONTACT

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