



Housing

Measure E

Proposed Changes to Allocations

April 12, 2022
Item 8.1

Jacky Morales-Ferrand
Director
Housing Department

Jim Shannon
Budget Director
City Manager's Office

Purpose of Measure E

1) Production of Affordable Housing

2) Homeless Prevention

Add:

3) Homeless Services



Policy Change: Category Descriptions

Extremely Low-Income	<ul style="list-style-type: none"> • Predevelopment, acquisition, construction, operating costs/reserves, permanent financing • Acquisition/rehab, preservation • Limited commercial space (ex: childcare facilities) • For-sale and rental housing programs • Minimum 20-year restriction
Low-Income	<ul style="list-style-type: none"> • Same as above
Moderate-Income	<ul style="list-style-type: none"> • Same as above
Homeless Prevention and Rental Assistance	<ul style="list-style-type: none"> • Homeless prevention, gender-based violence programs, legal services, rental assistance, casemanagement
Homeless Services	<ul style="list-style-type: none"> • Outreach teams/encampment services, safe parking, employment programs, case management • Interim housing construction and operations



Policy Change: Allocation Percentages

Spending Category	Current %	Proposed %	2021-2022 (\$90M)	2022-2023 (\$65M)
Extremely Low-Income Households	45%	40%	\$35.2M	\$24.7M
Low-Income Households	35%	30%	\$26.4M	\$18.5M
Moderate-Income Households	10%	5%	\$4.4M	\$3M
Homeless Prevention	10%	10%	\$8.8M	\$6.17M
Homeless Support Programs	N/A	15%	\$13.2M	\$9.2M

Impact on Funding for Interim Housing

15% Homeless Support - \$6.2 million available ongoing to support Interim Housing

In addition to other Federal and State funding sources, additional contributions will be necessary from a combination of American Rescue Plan and General Fund sources

Model Scenarios	<i>Estimated</i> American Rescue Plan Fund Contributions	<i>Estimated</i> General Fund
Current Sites (Operations)	\$0	\$4 million 2029-2030
Current Sites + Pending Project HomeKey (Operations)	\$10 million 2022-2023	\$2 - \$12 million 2025-2026 to 2029-2030
Current Sites + Pending Project HomeKey + Four New EIH Sites (Construction and Operations)	\$20 million 2022-2023	\$20 million 2022-2023 \$5 - \$32 million 2023-2024 to 2029-2030

Next Steps

Feb 4, 2022

Initiation of the 60-day public hearing period

Feb 15, 2022

First public hearing

Apr 12, 2022

Second public hearing

Action to make changes to City Council Policy 1-18, **2/3 vote**

April 14, 2022

Review of the Measure E Spending Plan by the Housing and Community Development Commission (*as Measure E Oversight Committee*)

May 2, 2022

Proposed 2022-2023 Budget Release (including allocation changes to Measure E)

May 3, 2022

Update current year Spending Plan and budget



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