



Office of the Mayor

CONSENT CALENDAR

June 1, 2021

To: Members of the City Council

From: Mayor Jesse Arreguín and Councilmember Sophie Hahn

Subject: Budget Referral: \$200,000 to the Bay Area Community Land Trust for capacity building to support the Small Sites Program

RECOMMENDATION

Refer to the Fiscal Year 2022 Budget process an allocation of \$200,000 to the Bay Area Community Land Trust (BACLT) for capacity building for the purpose of adding staffing to complete small property purchases for conversion from rental to deed restricted affordable housing or limited-equity cooperatives. Funds would be appropriated from Measure U-1 tax receipts with \$165,000 designated for staff capacity building and \$40,000 for a consultant to engage in strategic planning and project management.

BACKGROUND

The Small Sites Program was created in 2018 and the City Council has allocated \$3.5 Million from Measure U1 revenues and the Housing Trust Fund to help initially capitalize the fund and support projects. Additionally the City Council has provided \$50,000 to Bay Area Community Land Trust to be used for capacity building to support their ability to complete acquisition/cooperative conversion projects. In March 2020, the City Council voted to accept the Housing Advisory Commission's (HAC) recommendations for the allocation of U1 General Fund revenues including the following amendments: 1. Addition of \$100K in FY 2022 and FY 2023 in organizational capacity building (BACLT); and 2. Add \$150K in 2021-2023 for new programs under the category of development of new housing programs.

BACLT provides invaluable experience in organizing and educating tenants and working with City staff and neighborhood organizations to locate buildings with long-term tenants. They oversee inspections of the buildings to determine condition and cost of renovations; secure financing and provide project management and construction expertise. They provide a valuable service and institutional knowledge to a process otherwise unfamiliar to a City agency.

As the City staff continues to implement City Council policies related to affordable housing it is important that organizations, who contract with the city to support affordable housing can scale up to meet demand. In the past, City coordinated with and funded capacity building for non-profit housing developers such as SAHA and RCD which allowed those organizations to grow to be self-sustaining. The objective is to generate developer and project and property management fees in order for BACLT to join SAHA and RCD as self-sustaining organizations. Moving forward with a strategic plan will ensure this result.

Budget Referral: Allocate \$200,000 to the
Bay Area Community Land Trust to continue
funding for capacity building to support the Small Sites Program

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FINANCIAL IMPLICATIONS

\$200,000 from General Fund Revenues from Measure U-1 tax receipts

ENVIRONMENTAL SUSTAINABILITY

Converting existing rental housing to deed restricted affordable housing is the most cost-effective way to provide low to moderate income housing while promoting social equity, preventing displacement and gentrification and preserving existing housing stock.

CONTACT

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