

PERSONNEL AND ANIMAL WELFARE COMMITTEE REPORT relative to authority to accept a donation from the California Community Foundation in support of increasing multi-family affordable housing production.

Recommendations for Council action, SUBJECT TO THE APPROVAL OF THE MAYOR:

1. AUTHORIZE the General Manager, Housing and Community Investment Department (HCID), or designee, to:

- a. Accept from the California Community Foundation (CCF) donation funds in the amount of \$300,000 which will be provided incrementally over a three-year period, to be utilized to partially fund two new HCID staff positions for the multi-family bond program.
- b. Prepare Controller instructions for any necessary technical adjustments consistent with the Mayor and City Council action on this matter, subject to the approval of the City Administrative Officer (CAO), and authorize the Controller to implement these instructions.

2. AUTHORIZE the Controller to:

Deposit \$300,000, which will be provided incrementally over a three-year period (\$100,000 in Fiscal Year [FY] 2016-17; \$150,000 in FY 2017-18; and \$50,000 in FY 2018-19), into the Municipal Housing Finance Fund No. 815 and appropriate upon receipt of the funds as follows:

<u>FY</u>	<u>Fund/Department/Account</u>	<u>Name</u>	<u>Amount</u>
2016-17	815/43/43N143	Housing and Community Investment	\$75,367
	815/43/43N299	Reimbursement of General Fund Costs	<u>24,633</u>
		Total:	\$100,000
	100/43/1010	Salaries General	\$59,513
	100/43/6010	Office and Administrative	12,124
	100/43/6030	Leasing	<u>3,730</u>
		Total:	\$75,367

3. AUTHORIZE the City Clerk to place on the agenda on the first regular Council meeting on **July 1, 2017**, or shortly thereafter, the following instructions:

Authorize, subject to the approval of the Mayor, the Controller to appropriate upon receipt of the funds as follows:

<u>FY</u>	<u>Fund/Department/Account</u>	<u>Name</u>	<u>Amount</u>
2017-18	815/43/TBD	Housing and Community Investment	\$130,074
	815/43/TBD	Reimbursement of General Fund Costs	<u>19,926</u>

Total: \$150,000

100/43/1010	Salaries General	\$127,155
100/43/6030	Leasing	<u>2,919</u>
	Total	\$130,074

4. AUTHORIZE the City Clerk to place on the agenda on the first regular Council meeting on **July 1, 2018**, or shortly thereafter, the following instructions:

Authorize, subject to the approval of the Mayor, the Controller to appropriate upon receipt of the funds as follows:

<u>FY</u>	<u>Fund/Department/Account</u>	<u>Name</u>	<u>Amount</u>
2018-19	815/43/TBD	Housing and Community Investment	\$38,545
	815/43/TBD	Reimbursement of General Fund Costs	<u>11,455</u>
		Total	\$50,000
	100/43/1010	Salaries General	\$37,057
	100/43/6030	Leasing	<u>1,488</u>
		Total	\$38,545

5. RESOLVE the following positions for the Multi-Family Bond Program in the HCID are APPROVED and CONFIRMED from April 1, 2017 through June 30, 2017 to perform the duties detailed in the February 9, 2017 HCID report, attached to the Council file and subject to position allocation by the Personnel Department and pay grade determination by the City Administrative Officer (CAO):

No.	Class	Title
1	1571-1	Financial Development Officer I
1	9184-2	Management Analyst II

Fiscal Impact Statement: The CAO reports that there will be no impact to the General Fund at this time. The recommendations contained in the March 23, 2017 CAO report, attached to the Council file, are in compliance with the City's Financial Policies in that funding for two positions, a Financial Development Officer I and Management Analyst II, will come from a \$300,000 donation from the CCF and HOME Investment Partnerships Program delivery funds. In compliance with the City's Financial Policies and recent actions by the Council (Council File No. 16-1322), the request for a Housing Planning/Economic Analyst and General Fund support should be considered during the 2017-18 budget process.

Community Impact Statement: None submitted.

(Housing Committee waived consideration of the above matter)

Summary:

On April 5, 2017, your Committee considered a February 9, 2017 HCID and March 23, 2017

CAO reports relative to authority to accept a donation from the California Community Foundation in support of increasing multi-family affordable housing production. According to the CAO, the HCID is requesting authority to accept a donation in the amount of \$300,000 from the CCF, over a three-year period and resolution authority for three staff, one Financial Development Officer I and one Management Analyst II in HCID's multi-family bond program, and one Housing Planning/Economic Analyst to coordinate a more streamlined and efficient multi-family affordable housing production approval process.

The HCID proposes to use the CCF donation and HOME program delivery funds to fund the positions, including benefits and overhead. However, the HCID is requesting approximately \$12,000 as a General Fund match in the current FY to fully fund all three positions, and will request General Fund appropriations in future years, as outlined in the February 9, 2017 HCID report. The CAO concurs with HCID's request to accept the \$300,000 donation from the CCF. However, the CAO only supports new resolution authority for two staff members that can be fully supported by Special Funds, the Financial Development Officer I and one Management Analyst II in HCID's multi-family bond program. Further, the CAO notes that on January 6, 2017 that there is a potential deficit of \$245 million in FY 2016-17 (Council File No. 16-1322), and the City's Financial Policies states that General Fund requests for new or expanded programs should be considered during the course of the annual budget process. The HCID has already submitted a request for the Housing Planning/Economic Analyst for FY 2017-18, therefore, we recommend that this requested position be considered during the 2017-18 budget process.

After further consideration and having provided an opportunity for public comment, the Committee moved to recommend approval of the recommendations contained in the March 23, 2017 CAO report and detailed above. This matter is now submitted to Council for its consideration.

Respectfully Submitted,

PERSONNEL AND ANIMAL WELFARE COMMITTEE

<u>MEMBER</u>	<u>VOTE</u>
KORETZ:	YES
RYU:	YES
HARRIS-DAWSON:	YES
ARL	

4/5/17

-NOT OFFICIAL UNTIL COUNCIL ACTS-