

County of Santa Clara


Office of Supportive Housing

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October 4, 2019

TO: Honorable Members of the Board of Supervisors
Jeffrey V. Smith, County Executive

FROM: Ky Le, Office of Supportive Housing (OSH) ^{DS} 

SUBJECT: Efforts to Acquire Rather than Lease or Rent Properties Used for Housing

Under advisement from the February 26, 2019 Board of Supervisors meeting (Item No. 57), Administration has implemented procedures to provide the County with more options to purchase properties that are or would otherwise be rented or leased as part of temporary and/or permanent housing programs for homeless individuals and families. This report applies to activities overseen by the Office of Supportive Housing (OSH). Administration is determining applicability to similar programs overseen by other County departments.

OSH offers three types of programs that are applicable to the Board's direction. First, through community-based organizations (CBOs), OSH administers various tenant-based rental subsidy programs. Program participants receive supportive services and rental assistance for a set or indefinite period of time. The individuals and families also receive help locating apartments or homes to rent. The leases are between the property owners and the program participants. Through the program administrators, OSH requested that participating property owners notify the County if they, at any time, had any interest in selling their properties. All property owners will be informed by October 31, 2019.

Second, OSH contracts with CBOs to directly lease homes or small multi-family residential properties. Under these programs, individuals and families may reside in the apartment or home temporarily without a lease as a form of emergency shelter; or, the individuals and families may reside in the apartment or home after signing a lease or sub-lease with the CBO. For example, Community Solutions may rent a house to provide individuals escaping intimate partner violence with transitional housing services.

On September 30, 2019, OSH: 1) directed its contractors to formally inquire whether property owners were interested in selling their property to the County; 2) directed all CBOs to provide OSH with the expiration date of all current leases; and, 3) directed CBOs to meet with OSH staff to discuss alternatives to renewing leases at least 90 days before leases expire.

Third, OSH contracts with CBOs to operate emergency shelter, temporary housing, and permanent housing programs in properties owned by the CBOs. Typically, the CBO's properties have significant restrictions because the CBOs acquired and/or rehabilitated the properties using loans or grants from local, State and Federal programs. OSH staff are completing analyses of the properties owned by the CBOs to determine if there would be economic or programmatic benefits to having the County acquire the properties. OSH's goal is to complete the analyses and the conversations with the CBOs by the end of FY 2019-20.

OSH's Housing and Community Development team, in coordination with the Fleet and Facilities Department's (FAF) Real Estate team, will assess each opportunity presented by the property owners participating in the first two programs and by the CBOs that own properties that are being used as emergency shelter, temporary housing, or permanent housing. All potential acquisitions must be approved by the Board. OSH staff are also working with the County Counsel's Office and FAF to determine whether the County's service agreements and rental assistance contracts could contain a standard provision that institutionalizes the policies or options described above.

Cc: Chief Board Aides
Miguel Marquez, Chief Operating Officer
James Williams, County Counsel
Megan Doyle, Clerk of the Board
Jackie Maclean, Deputy Director, Office of Supportive Housing