



CITY COUNCIL FINANCE COMMITTEE

**Tuesday, September 8, 2020
8:30 a.m. to 9:30 a.m.**

**Meeting held via Conference Call
(669) 900-9128
Meeting ID: 827 4711 2183**

1. Public comment
2. Xantrion contract
3. Affordable housing trust fund
4. FY19/20 preliminary year-end and FY 20/21 budget update
5. Future topics
6. Adjourn

Any records relating to an agenda item, received by a majority or more of the board or commission less than 72 hours before the meeting, shall be available online. Sign Language interpreters may be requested by calling (415) 485-3066 (voice), emailing Lindsay.lara@cityofsanrafael.org or using the California Telecommunications Relay Service by dialing "711", at least 72 hours in advance of the meeting.



SAN RAFAEL

DIGITAL SERVICE &
OPEN GOVERNMENT

MEMORANDUM

To: Finance Committee
From: Rebecca Woodbury, director of Digital Service & Open Government
Date: September 1, 2020
Re: Xantrion contract renewal

In October last year, the City Council [approved a one-year agreement with Xantrion](#), a managed service provider of information technology services. Xantrion began providing services on November 1, 2020. During this time, Xantrion has helped the City improve its security posture, streamline day-to-day tech support, improve customer service, and standardize user management and purchasing.

The cost of the one-year agreement was \$977,000. This cost structure was developed based on our best estimate of the number of devices (computers, servers, firewalls/routers, switches, etc.) owned by the City at the time. Since then we have improved our inventory practices and we have better numbers now than we did back then. We have also added some devices to our inventory. Below shows our device estimate from October 2019 compared to the numbers we have now.

Devices	Monthly cost	Oct 2019 Estimate	Aug 2020 Inventory
Desktops	\$100	300	333
Laptops	\$130	40	48
PC (thin clients)	\$35	40	40
Police MDT	\$135	20	20
Laptops			
Windows Servers	\$220	49	81
Firewalls & Routers	\$200	12	17
Switches	\$50	45	60
ESX Hosts	\$200	12	12
SAN	\$135	3	3
WAPs	\$20	54	100
Device Subtotal		\$61,615	\$75,995

Backups	\$4,000	\$4,000	\$4,000
Security	\$15,750	\$15,750	\$15,750
Monthly Cost		\$81,365	\$95,745
Annual Cost		\$976,380	\$1,148,940

Based on our current pricing model, the cost of the agreement would increase by \$172,560 to \$1,148,940. However, due to the City's budgetary constraints, Xantrion is instead proposing a 2% CPI increase to the current contract cost, bringing the cost of the agreement to \$995,000. Over the next year, we plan to work with Xantrion to reduce the number of devices. We believe we can reduce the number of computers by implementing a one device per user policy (an employee can have a laptop or a desktop, but not both) and reduce the number of servers.

The proposed renewal is for one year, beginning November 1, 2020 and ending October 1, 2021.

MEMORANDUM

TO: Finance Subcommittee
FROM: Ethan Guy, Principal Analyst
DATE: September 8, 2020
SUBJECT: Affordable Housing Trust Fund Updates

The purpose of this memorandum is to provide an update on applications for funding to the Affordable Housing Trust Fund.

Notice of Funding Availability (NOFA)

On June 5, 2020, the City announced the availability of one million six-hundred thousand dollars (\$1,600,000) of initial funding to spur the creation of affordable family rental housing. The City reserved the right to award funds above or below this amount. The application deadline for this NOFA was June 19, 2020 by 5:00pm. Staff received four applications totaling \$3.25 million in funding requests:

Project Name	Applicant	Type	Units	Total Project Costs	Financing Gap	NOFA Request
190 Mill St.	Homeward Bound of Marin	New Construction	32	\$32,866,387	\$2,000,000	\$750,000
Whistlestop	EDEN Housing	New Construction	67	\$48,460,816	\$4,828,452	\$1,000,000
5 F Street	San Francisco Community Land Trust	Acquisition	8	\$2,756,374	\$500,000	\$500,000
Centertown	BRIDGE Housing	Rehabilitation	60	\$32,846,481	\$1,000,000	\$1,000,000
		Total	167	\$116,930,058	\$8,328,452	\$3,250,000

Funding Recommendations

After review of the applications, staff recommends moving forward with the following projects at the listed funding levels:

- 190 Mill Street: Funding Recommendation- \$750,000
- Whistlestop: Funding Recommendation- \$800,000

These two projects are recommended for funding because they are both new construction projects--which was indicated as a funding priority by City Council. Additionally, both projects are affordable for very low and extremely low income households and both provide substantial services—190 Mill Street provides permanent support housing and Whistlestop provides senior housing.

Due to upcoming state funding applications being leveraged by both 190 Mill Street and Whistlestop, Staff provided a Conditional Offer letters to the applicants to increase their competitiveness. These offer letters are conditional on City Council approval.

While staff did not recommend funding for the 5 F Street project, their application was considered competitive. Acquisition of these units would immediately increase the City's affordable housing stock, by protecting existing units and their tenants. If additional funding becomes available, staff recommends revisiting potential funding for this project.

Staff did not recommend moving forward with funding for the Centertown project as this project does not provide new affordable unit, rather the application is funding rehabilitation of existing affordable units. Additionally, staff is currently working with the application on restructuring existing redevelopment loans on this property to increase the projects competitiveness for bond financing.