



## C O U N T Y   A D M I N I S T R A T O R

SUSAN S. MURANISHI  
COUNTY ADMINISTRATOR

July 27, 2025

Honorable Board of Supervisors  
County of Alameda  
1221 Oak Street, Suite 536  
Oakland, CA 94612

Dear Board Members:

**SUBJECT: ADOPT THE MEASURE W FRAMEWORK INCLUDING MEASURE W GUIDING PRINCIPLES, FUND DESIGNATIONS, OVERSIGHT STRUCTURES, AND APPROVE RELATED ALLOCATIONS**

Dear Board Members:

**RECOMMENDATIONS:**

- A. Adopt the attached **Measure W Guiding Principles**, structured to ensure equitable, effective, and accountable use of funding;
- B. Allocate **Measure W Revenues** as follows:
  - **One-Time Accrued Escrow Funds** : \$810 million (as of June 30, 2025)
  - **Ongoing Projected Revenues**: \$1.02 billion (July 2025 through June 2031), \$170 million projected annually;
- C. Designate Two **Measure W Funds**:
  - **Home Together Fund**, administered by Alameda County Health, aligned with the *Home Together Plan*
  - **Essential County Services Fund**, administered by the corresponding county agency or department, aligned with safety net and other countywide priority services;
- D. Adopt the proposed implementation plan for the **Essential County Services Fund** (Attachment A) and direct staff to develop a recommended funding framework and program priorities for review and consideration by the Board at the 9/30/25 Work Session; and
- E. Establish a **Prudent Reserve** of \$170 million from one-time accrued funds as an interest-bearing designation to hedge against economic uncertainty and revenue vulnerability; Guidelines for use of the Prudent Reserve include:
  - Interest earnings should be accessed first and only if the actual year-end accrued Measure W sales tax receipts are below budget, during a declared emergency or an

- economic crisis that would require reductions in programs and services funded by Measure W;
- Board approved use of the prudent reserve corpus (\$170 million) prior to the expiration of Measure W will be considered a loan and require a repayment plan;
- F. Establish a **fixed percentage allocation of Measure W** sales tax revenues received between July 1, 2025, and June 30, 2031 (estimated at \$170 million per year or \$1.02 billion), as follows:
- **80% to the Home Together Fund** (\$136.0 million annually)
  - **20% to the Essential County Services Fund** (\$34 million annually);
- G. Adopt a policy that actual annual Measure W accrued sales tax revenue received in excess of the \$170 million annual base budget will be allocated to the Home Together Fund at year end by the Auditor-Controller;
- H. Reaffirm prior Board direction on allocations from one-time Measure W accrued funds:
- **Home Together Fund:** \$395 million as approved by the Board in December 2024
  - **Essential Services Fund:** \$6.5 million as approved by the Board in June 2025
    - \$4.5 million for Food Procurement, Meal Preparation/Delivery, and Recovery;
    - \$2.0 million for Senior Services through the Social Services Agency's (SSA's) Area Agency on Aging (AAA);
- I. Apply the same fixed percentage allocation to the remaining one-time Measure W accrued funds (\$238.5 million) as follows:
- **80% to the Home Together Fund** (\$190.8 million)
  - **20% to the Essential County Services Fund** (\$47.7 million);
- J. Designate the Measure A and Measure C Oversight Committee as the **Measure W Citizens Oversight Committee**, charged with reviewing expenditures against the adopted Guiding Principles in accordance with Measure W ordinance "lookback" requirements;
- K. Authorize the Auditor-Controller to establish Measure W as a special revenue fund and adjust the FY 2025-2026 Final Budget by increasing appropriations by \$980 million, with offsetting Measure W general tax revenue (\$810.0 million accrued receipts plus \$170.0 million projection for FY 2025-26).

## **BACKGROUND**

In November 2020, Alameda County voters narrowly approved Measure W—a 10-year, half-cent sales tax initiative—by a margin of 50.09%. Framed as a general revenue measure, the ballot language emphasized the County's intent to fund essential services such as housing and support for individuals experiencing homelessness, mental health care, job training, and social safety net programs. Tax collection began in July 2021, with proceeds held in escrow pending the outcome of litigation. After a prolonged legal challenge, the courts upheld Measure W in April 2025, affirming its validity and enabling the release of funds for implementation.

Your Board created the Office of Homeless Care and Coordination on December 17, 2019 (Item No. 13.1), renamed Housing and Homelessness Services (H&H) in 2024, to coordinate and

consolidate the County's homelessness response. On May 10, 2022 (Item No. 15), your Board adopted the Home Together Plan as the County's roadmap for making meaningful reductions in homelessness, and the Home Together Plan was subsequently endorsed by cities and the Continuum of Care. On September 19, 2023, your Board underscored the urgent need for housing and services by declaring a local State of Emergency on Homelessness (Item No. 123). On December 17, 2024 (Item No. 19.5) your Board designated \$395M in Measure W funds, upon availability, to expand interim and permanent housing, increase prevention efforts, and add related staffing.

On July 4, 2025, the President of the United States signed into law H.R.1, which cuts more than \$800 billion from health and social services programs over the next decade, imposes stringent eligibility requirements, and reduces access to services based on immigration status. Combined with anticipated restructuring at several federal agencies, federal funding cuts mean significant impact on state and local health, social services, housing, and general services programs. The outlook for state and local budgets remains vulnerable to economic shifts and federal policy.

On July 22, 2025 your Board provided direction to staff on a proposed Measure W allocation framework to advance the County's Vision 2036 by making investments in the Home Together Plan, establishing a prudent reserve, and ensuring pathways to continuity of Essential County Services.

#### **DISCUSSION/SUMMARY:**

Measure W represents a generational investment in homelessness solutions and essential services. Alameda County currently invests \$125.0 million annually in homelessness services, and Measure W provides a critical opportunity to expand, align, and sustain these efforts over the remaining six-year term.

The recommended actions ensure that funds are administered with integrity, impact, and alignment to countywide Vision 2036 goals. Adoption of the Measure W Guiding Principles provides a consistent framework to evaluate expenditures, align efforts across jurisdictions, and ensure transparency and community accountability.

The recommended fund designations and allocations reflect a strategic balance of one-time needs and ongoing operational sustainability. The prudent reserve safeguards services against economic fluctuations, while targeted allocations allow for timely execution of Board-directed programs.

The Citizens Oversight Committee, using the Measure A/C structure, will ensure compliance with Measure W's lookback requirements and maintain public trust through annual reporting. County agencies and departments will continue to work with their respective advisory boards, commissions, and community engagement processes to incorporate feedback for programming purposes.

#### **Prudent Reserve (\$170M from Accrued Revenue)**

A Prudent Reserve of \$170 million will be established using one-time accrued Measure W sales tax funds. This reserve is designated as an interest-bearing fund intended to serve as a hedge against economic uncertainty and revenue vulnerability. The purpose of the Prudent Reserve is to

provide financial stability and safeguard programs and services funded by Measure W during times of fiscal stress.

The prudent reserve interest earnings should only be accessed under limited conditions: if actual year-end Measure W revenue collections fall below final budget projections, during a declared emergency, or in the event of an economic crisis that would otherwise necessitate cuts to Measure W-funded services.

Use of the reserve's principal (the \$170 million corpus) requires formal approval by the Board of Supervisors. Any such use will be considered a loan and must be accompanied by a detailed plan for repayment and restoration of the reserve.

### **Essential County Services Fund (20% of Accrued and Annual Revenue)**

The **Essential County Services Fund (ECSF)** is a cornerstone of the Measure W investment strategy, advancing equity, resilience, and inclusive prosperity across Alameda County. This Fund is specifically dedicated to addressing systemic inequities and unmet needs in **unincorporated and underserved communities**, supporting populations vulnerable to **state and federal policy shifts**, and ensuring **continuity of essential County services** in the face of emerging challenges.

#### **Purpose and Strategic Focus**

As outlined in the attached Implementation Plan, the Essential County Services Fund supports flexible, equity-driven interventions aligned with the County's Vision 2036. The Fund complements the Home Together Fund by:

- **Targeting investment in unincorporated areas** to address economic development, local service expansion, and neighborhood revitalization.
- **Enhancing access to critical services** such as food procurement and distribution, affordable housing, healthcare, and senior supports.
- **Responding to federal and state policy impacts** by stabilizing services for immigrants, LGBTQIA+ residents, and other marginalized groups affected by policy changes and funding cuts.
- **Modernizing and maintaining critical County infrastructure** to ensure sustained delivery of safety-net programs and services.

#### **Funding Structure and Guidelines**

- **Initial Allocation: \$47.7 million** (20% of the remaining one-time accrued Measure W revenue of \$238.5 million), in addition to the Board-approved **\$6.5 million** for food security and senior services.
- **Ongoing Annual Allocation: Approximately \$34 million/year**, based on 20% of projected Measure W revenue from FY 2026–2031 (~\$204 million total).
- **Targeting Methodology:** Resource allocation will be **data-informed and equity-centered**, leveraging indicators such as poverty rates, racial and geographic disparities, and health outcomes to prioritize investment.

- **Complementary Funding:** County agencies and departments will coordinate and align Essential County Services Fund projects with other local, state, and federal funding sources to maximize impact and avoid duplication.

### **Governance and Oversight**

The Essential County Services Fund will be administered by multiple County agencies and departments including:

- Community Development Agency (CDA)
- General Services Agency (GSA)
- Alameda County Health (AC Health)
- Social Services Agency (SSA)

Oversight will be provided through annual reporting to the Board of Supervisors' Health and Unincorporated Services Committees, with performance and financial reports submitted to the Measure W Citizens Oversight Committee, utilizing the existing Measure A/C oversight structure. Accountability is further reinforced through a Results-Based Accountability (RBA) framework that tracks both quantitative and qualitative outcomes.

### **Community Engagement and Equity**

The Essential County Services Fund emphasizes transparency and robust community involvement, ensuring that priorities reflect the lived experiences of Alameda County residents. Engagement will occur through:

- Public input sessions and existing advisory boards
- Cross-agency planning aligned with Vision 2036 principles
- Partnerships with community-based organizations to ensure service delivery is culturally competent and locally relevant

### **Timeline and Next Steps**

The following phased implementation approach will guide the Essential County Services Fund rollout:

<b>Phase</b>	<b>Timeline</b>
Needs Evaluation	August 2025
Funding Framework & Prioritization	September–October 2025
Board Adoption of Allocation Plan	September–October 2025
Procurement & Contracting	November 2025 onward
Annual Performance Reporting	Q4 2026 onward

### **Performance Metrics**

Using Results-Based Accountability (RBA), Essential County Services Fund programs will be evaluated against three central questions:

1. How much did we do?
2. How well did we do it?
3. Is anyone better off?

Metrics will be used to refine strategies and inform funding adjustments.


**Home Together Fund (80% of Accrued and Annual Revenue)**

Administered by AC Health H&H, the proposed Home Together Fund (HTF) will leverage accrued and annual Measure W revenue to scale up homelessness response consistent with the County’s Home Together Plan. Table 1 provides a high-level breakdown of the County’s \$1.4B investment deployed across the four categories of the Home Together Plan, as well as one-time capital investments; anticipated federal backfills are included in respective categories. Table 2 provides examples of investments that would be prioritized with the Home Together Fund.

Table 1: Anticipated Total Home Together Fund Investment and Impact

Category	Total	Use and Impact
Prevention	\$276M	130 shallow subsidies; \$148M Rental Assistance \$15M/year federal backfill
Shelter	\$348M	250 new units; Bed night rate increase for existing County shelters
Housing	\$384M	Ramp up to 1265 Households a time (805 Subsidies plus 460 Capitalized Operating Subsidy Reserve)
Access and Coordinate	\$214M	Sustain & expand housing navigation, access points, street health; Enhance coordination (includes \$5M/year federal backfill)
Capital Acquisition (one-time)	\$180M	850+ Housing and Shelter Units, (Development and Preservation) Primary Care Clinics connected to housing
<b>Total</b>	<b>\$1.4B</b>	

Table 2: Home Together Fund Investment Examples

 <b>Prevention</b>	 <b>Shelter</b>	 <b>Housing</b>	 <b>Access &amp; Coordinate</b>	 <b>One-time Capital*</b>
<ul style="list-style-type: none"> <li>• Emergency rental assistance</li> <li>• Housing related financial assistance</li> <li>• Housing problem solving</li> <li>• Short-term housing stabilization services</li> <li>• Shallow subsidies</li> </ul>	<ul style="list-style-type: none"> <li>• Emergency Shelter</li> <li>• Safe Parking</li> <li>• Navigation Centers</li> <li>• Non-Congregate Interim Housing</li> <li>• Medical Respite</li> <li>• Shelter stabilization funding (BNR)</li> <li>• Shelter Health</li> <li>• Nursing/Caregiving services</li> </ul>	<ul style="list-style-type: none"> <li>• Rental Subsidies for Permanent Supportive and Dedicated Affordable Housing</li> <li>• Flexible Housing Subsidy Pool</li> <li>• Operating Subsidies for PSH units</li> <li>• Rapid Rehousing</li> <li>• Capitalized Operating Subsidy Reserves</li> <li>• Tenancy Sustaining Services</li> </ul>	<ul style="list-style-type: none"> <li>• Housing Navigation</li> <li>• Flex funds to support housing access</li> <li>• Street Health</li> <li>• Outreach Services</li> <li>• Housing Access Points</li> <li>• Coordinated Entry</li> <li>• Workforce Development</li> <li>• CBO and Live-Expertise Leadership Capacity Building</li> </ul>	<ul style="list-style-type: none"> <li>• Permanent Supportive Housing development (acquisition/rehab and new)</li> <li>• Shelter and Medical Respite development (acquisition/rehab and new)</li> <li>• Capital for other homeless-serving housing settings</li> <li>• New health clinic development</li> </ul>

Key components of implementation include:

- Developing needed infrastructure and administrative capacity to launch new homelessness resources;
- Increasing interim housing capacity, and improving and sustaining existing shelter;
- Adding rental subsidies to support people with rapid rehousing, dedicated affordable, and permanent supportive housing;
- Launching and funding a countywide hub for homelessness prevention;
- Partnering with cities to deploy new and timely resources for encampment resolution; and
- Continuing to improve system coordination and flow from homelessness to permanent housing, with the goal of preventing and resolving homelessness quickly.

Critical infrastructure to deploy Home Together Fund resources includes a Capital Acquisition Fund, a Flexible Housing Subsidy Pool, and a Countywide Prevention Hub.

- The **Capital Acquisition Fund** will support preservation, purchase, lease and capital improvement to quickly add new interim housing, and to develop primary health clinic space to serve people experiencing homelessness. Cities will be key partners in the deployment of these funds, with requirements to support site control, community engagement, and/or funding match.
- The **Flexible Housing Subsidy Pool**, will enhance client movement through the system using market rate units in addition to permanent supportive housing, increasing the speed of housing placements, and maximizing multiple funding streams for rental subsidy administration. Key partners include AC Behavioral Health, Medicaid managed care plans, and Alameda County Probation Department.
- Building on the countywide prevention framework developed in 2023 through an extensive planning process, the **Countywide Prevention Hub** deploys resources consistent with plans across multiple County agencies, cities, and the Continuum of Care.

AC Health's Housing and Homelessness Services will continue to engage community members, including people with lived expertise, in Home Together planning and implementation through the Continuum of Care Board and Committees, Health Care for the Homeless Community Consumer Advisory Board, and H&H's Youth Advisory Board.

### **FINANCING:**

Proceeds from Alameda County's Measure W general sales tax measure is expected to result in \$1.83 billion of new discretionary funding during the period July 2021 through June 30, 2031. The estimated amount of one-time accrued revenue collected through June 30, 2025, is \$810.0 million. The projected Measure W sales tax receipts from July 2025 until the measure expires on June 30, 2031, are \$170.0 million per year or \$1.02 billion.

Considering prior Board commitments, the prudent reserve and 80/20% allocation of funds between the Home Together Fund and the Essential County Services Fund, Measure W funds will be allocated as follows through June 2031:

	<b>One-Time</b>	<b>Ongoing</b>	<b>Total</b>
Home Together Fund	\$585.8M	\$816.0M	\$1.4018B
Essential County Services Fund	\$54.2M	\$204.0M	\$258.2M
Prudent Reserve	\$170.0M	0	\$170.0M
<b>Total</b>	<b>\$810.0M</b>	<b>\$1.02B</b>	<b>\$1.830B</b>

FY 2025-26 Measure W funding including the one-time accrued funds of \$810.0 million and the annual projection of \$170.0 million is offset by Measure W general tax revenue. The Auditor-Controller will establish a Special Revenue Fund for Measure W to track both revenues and expenditures through the Home Together Fund and the Essential County Services Fund with monthly reporting consistent with the guidelines adopted by your Board.

Approval of these recommendations will result in no additional net County cost.

**VISION 2036 GOAL:**

The Measure W Framework aligns with the 10X goal pathways of **Eliminate Homelessness; Accessible & Integrated Infrastructure; Eliminate Poverty & Hunger; and Health for All** and the Operating Principles of **Collaboration; Fiscal Stewardship; Equity; Innovation; and Access** in support of our shared vision of a **Thriving and Resilient Population**.

Very truly yours,

Susan S. Muranishi  
County Administrator

Attachment

- cc: Auditor-Controller
- AC Health Interim Director
- CDA Director
- GSA Director
- SSA Director
- County Counsel

## Implementation Plan: Essential County Services Fund

### Purpose and Vision

The Essential County Services Fund (ECSF) is established to advance equity, resilience, and inclusive prosperity in Alameda County by targeting investments in **unincorporated areas** and **disadvantaged populations**. It serves as a flexible tool that complements the Home Together Fund, enabling the County to respond to broader safety-net needs, pending state and federal policy impacts, and the Board of Supervisors’ strategic priorities.

### 1. Strategic Goals

- **Enhance Stewardship** in unincorporated Alameda County communities through targeted investment
- **Expand Access** to food, housing, healthcare, and community infrastructure
- **Support Vulnerable Populations** affected by state and federal policy changes
- **Enhance County Readiness** for emerging needs and state and federal budget and policy impacts.

### 2. Focus Investment Areas

Investment Area	Description
<b>Unincorporated Areas</b>	Targeted investment in unincorporated communities. Funding supports neighborhood improvements, economic development, local services, and community-driven development.
<b>Food Security</b>	Support food distribution networks (e.g., food bank, food pantries, delivery, meal prep), senior nutrition programs, food as medicine, and access for rural and homebound residents.
<b>Affordable Housing on County Properties</b>	Invest in the planning, development, and preservation of affordable housing units on appropriate County-owned land.
<b>Older Adults and Senior Services</b>	Support aging-in-place services including in-home support, transportation, case management, and social connection initiatives.
<b>Federal &amp; State Policy and Budget Impacts</b>	Provide stability for populations impacted by policy or funding shifts, including: immigrants, LGBTQIA+ communities, gender-based violence, behavioral health prevention and supports, and safety net services.
<b>Critical County Infrastructure</b>	Modernize and repair essential public infrastructure that supports the delivery of safety net services.

3. Funding Allocation, Structure, and Guidelines

- **One Time Escrow Funds:** \$47.7 million (20% of the accrued \$238.5 million) plus \$6.5 million in Board directed spending.
- **Annual Allocation:** 20% of Measure W proceeds (approximately \$34 million/year or \$204 million total).
- **Targeting Methodology:** Use data on services impacted by federal & state policy changes, poverty, race/ethnicity, geography, health disparities to drive equity-centered allocation, and Board strategic priorities.
- **Complementary Funding and Planning:** Coordinate with departments and leverage other dollars when available; ensure alignment across contingency and systems planning efforts in County departments and agencies.

4. Administration and Oversight

- **Lead Entities:**
  - Community Development Agency (CDA)
  - General Services Agency (GSA)
  - Alameda County Health (AC Health)
  - Social Services Agency (SSA)
- **Oversight & Accountability:**
  - Reporting to Citizen Oversight Committee
  - Annual reports to Board of Supervisors Health Committee and Unincorporated Services Committee

5. Implementation Timeline

Phase	Timeline
Needs Evaluation	Aug 2025
Funding Framework & Prioritization	Sep/Oct 2025
Board Adoption of Allocation Plan	Sep/October 2025
Procurement & contracting	Nov 2025 onward
Annual Performance Report	Q4 2026 onward

6. Performance Metrics (Results-Based Accountability Framework)

The Essential County Services Fund will adopt a Results-Based Accountability (RBA) framework to ensure measurable impact, transparency, and continuous improvement. RBA helps answer three core questions: **How much did we do? How well did we do it? Is anyone better off?**

Metrics will be tracked and reported to the Citizen Oversight Committee, with results used to refine strategy and maximize impact.

The Essential County Services Fund is a vital resource to protect against state/federal policy impacts, address systemic inequities, respond to emerging needs, and ensure that residents in unincorporated and underserved areas receive high-impact, locally relevant services. With clear priorities, equity-driven metrics, and robust community engagement, the Fund will enhance the County’s capacity to support its most vulnerable communities over the next six years.