County of San Mateo Department of Housing
Housing & Community Development Committee (HCDC)

SAN MATEO COUNTY
AFFORDABLE HOUSING FUND (AHF) 12.0
STUDY SESSION

Tuesday, May 28, 2024
1:00 PM – 3:00 PM
<table>
<thead>
<tr>
<th>Time</th>
<th>Item</th>
</tr>
</thead>
<tbody>
<tr>
<td>1:00 PM</td>
<td>1. Call to Order / Roll Call / Staff and HCDC Introductions</td>
</tr>
<tr>
<td>1:10 APM</td>
<td>2. Public Comment</td>
</tr>
<tr>
<td>1:15 PM</td>
<td>3. Highlights and Sources for AHF 12.0</td>
</tr>
<tr>
<td>1:20 PM</td>
<td>4. Method for DOH's Funding Recommendations</td>
</tr>
<tr>
<td>1:25 PM</td>
<td>5. Staff Project Presentations and HCDC Discussion with Staff</td>
</tr>
<tr>
<td>2:45 PM</td>
<td>6. Next Steps and Next Meeting</td>
</tr>
<tr>
<td>3:00 PM</td>
<td>7. Adjourn AHF 12.0 Study Session</td>
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</tbody>
</table>
Call to Order, 
Roll Call, 
DOH Staff Introductions
Public Comment
AHF 12.0 Highlights

**HIGHLIGHTS:**

- Total Funds available: Increased with additional funding from original amount to more than $40 Million
- 15 applications received; 11 met Threshold requirements
- Total Funds Requested by 11 applications: $90,899,306
- Funding Gap for Projects that Met Threshold: $56,274,820

**Geographic Spread of Projects Under Consideration:**

- Belmont, Daly City, Half Moon Bay, Menlo Park, East Palo Alto, South San Francisco, Moss Beach, Millbrae
DOH's Funding Recommendations

- Prioritize projects that do not need other funding or entitlements in order to **apply for tax credits in July and August 2024** and seem highly competitive to receive tax credit allocations

- Make **small, incremental awards** only to advance the progress of **immediately needed predevelopment activities.**

- **Match more restrictive funding sources with prioritized projects** that are ready, willing and able to comply with additional restrictions.

- Impose **specific and timely funding conditions** to allow for funds to be returned to DOH for projects that did not receive an AHF 12.0 award but could use the funds immediately.
Staff Project Presentations
## AHF 12.0 Draft Funding Recommendations

<table>
<thead>
<tr>
<th>Developer</th>
<th>Project/City</th>
<th>Total Units</th>
<th>Requested</th>
<th>Draft Recommended</th>
<th>Conditions</th>
</tr>
</thead>
<tbody>
<tr>
<td>LINC Housing</td>
<td>Hill Street Apartments, Belmont</td>
<td>37</td>
<td>$7,000,000</td>
<td>$7,000,000</td>
<td>Round 2 9% 2024 Award</td>
</tr>
<tr>
<td>MidPen Housing</td>
<td>Cypress Point, Moss Beach</td>
<td>71</td>
<td>$12,110,243</td>
<td>$12,110,243</td>
<td>Round 2 9% 2024 Award</td>
</tr>
<tr>
<td>Abode Housing/CRP Aff.</td>
<td>Ridge@Ralston, Belmont</td>
<td>65</td>
<td>$4,000,000</td>
<td>$4,000,000</td>
<td>Round 2 4% 2024 Award; request city fee waivers</td>
</tr>
<tr>
<td>CORE Affordable</td>
<td>493 Eastmoor, Daly City</td>
<td>72</td>
<td>$12,670,733</td>
<td>$9,512,046</td>
<td>Round 2 4% 2024 Award</td>
</tr>
<tr>
<td>Beacon Dev/Rotary SSF</td>
<td>Rotary Gardens, South San Francisco</td>
<td>80</td>
<td>$6,607,842</td>
<td>$6,607,842</td>
<td>NEPA compliance; HUD 202 submission</td>
</tr>
<tr>
<td>Habitat for Humanity Greater San Francisco</td>
<td>Independence Drive, Menlo Park</td>
<td>18</td>
<td>$1,000,000</td>
<td>$1,000,000</td>
<td>Property Donation Agreement</td>
</tr>
<tr>
<td>Eden Housing</td>
<td>Serramonte del Rey, Daly City</td>
<td>88</td>
<td>$300,000</td>
<td>$300,000</td>
<td>Ground Lease; Eligible Predev. Uses</td>
</tr>
<tr>
<td><strong>TOTALS:</strong></td>
<td></td>
<td><strong>431</strong></td>
<td><strong>$43,688,818</strong></td>
<td><strong>$40,530,131</strong></td>
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**Considerations:** Readiness to apply for Tax Credits in 2024 OR smaller award would advance immediate Predevelopment
Hill Street Apartments, Belmont  
Developer: Linc  
AHF 12 Ask: $7 Million

Overview
• 37 units @ avg. 48% AMI  
  • 22 units @ 30% AMI  
  • 18 PBVs  
  • Supportive Housing  
    • 18 units for People with Disabilities  
  • Difficult to develop site  
  • Highest resource area

Readiness
• Fully entitled (SB35)  
• NEPA completed  
• Other funding secured:  
  City, Apple Affordable Housing Fund  
• Tax credit: 9%, July 2024

County Funding
• TDC: $46.4M  
• Cost/unit: $1.25M  
• Prior County awards:  
  $3.6M  
• County Funds/unit:  
  $286,487
Cypress Point Apartments, Moss Beach
Developer: MidPen
AHF 12 Ask: $12,110,243

Overview
- 71 workforce units @avg 47.3% AMI
  - 14 units @ 30% AMI
  - Large Family project
  - 18 farmworker units
  - 4 homeless
  - Low density on 11-acre site
  - After school program space

Readiness
- MHP/Serna Award of $17.7 Million received 2022
- Entitlement: Mar-24
- County impact fee waiver of $676K
- Tax credit: 9%, Jul-24

County Funding
- TDC: $78,893,881
- Cost/unit: $1.1M
- Prior County awards: $4.5M
- Total County funds: $16,610,243
- County Funds/unit: $233,947
<table>
<thead>
<tr>
<th><strong>Overview</strong></th>
<th><strong>Readiness</strong></th>
<th><strong>County Funding</strong></th>
</tr>
</thead>
<tbody>
<tr>
<td>65 units @ avg 47.69% AMI</td>
<td>Entitlements: SB 35</td>
<td>TDC: $60,517,405</td>
</tr>
<tr>
<td>17 units 30% AMI</td>
<td>Obtained NEPA Approval</td>
<td>Cost/unit: $931,037</td>
</tr>
<tr>
<td>35 units@50% AMI</td>
<td>Other Funding: $4.3 Million HOME ARP</td>
<td>Prior County awards: $4.3 Million</td>
</tr>
<tr>
<td>12 units @ 70% AMI</td>
<td>Tax credit: 4% Aug. 2024</td>
<td>County Funds/unit: $127,692</td>
</tr>
<tr>
<td>17 homeless units</td>
<td>Large Family Project</td>
<td></td>
</tr>
<tr>
<td>Highest Resource Area</td>
<td>Near CalTrain/ECR bus lines</td>
<td></td>
</tr>
<tr>
<td>Ridge @ Ralston, Belmont</td>
<td>Developer: Abode Housing/CRP Affordable</td>
<td>AHF 12 Ask: $4,000,00</td>
</tr>
</tbody>
</table>
# Overview
- 72 units @ avg 32.64% AMI
  - 40 units < 30% AMI
- 36 Project-Based Vouchers
- 16 HHC units
- 11 MHSA units
- 4 FFY or general homeless

# Readiness
- Entitlement Secured
- NEPA secured
- City funding: $7,716,687
- IIG funding: 3,000,000
- Tax credit: 4% Aug. 2024

# Funding
- TDC: $76,827,929
- Cost/unit: $1,067,055
- Prior County awards: $12,497,835
- Recommended Award: $9,512,046
- Total County Funds $22,009,881
- County Funds/Unit: $305,693
Rotary Gardens Apartments, SSF
Developer: Beacon Dev/Rotary SSF
AHF 12 Ask : $6,607,842

Overview
80 Units
• 20 Units - 30% AMI
• 20 Units – 50%MI
• 39 Units – 60% AMI
Senior Housing
• 10 Homeless Units
• 10 Units for Frail Elderly

Readiness
• Entitlements Pending
• Secured some funding:
  • City $556K
  • Capital Magnet Fund, $1M
  • Sponsor Loan, $5M-$10M
• Acquisition: June 2, 2024
• Apply HUD 202 June 2024
• PROPOSE Tax Credit: 4%, Aug 2024

Funding
• TDC: $82,783,143
• Cost/unit: $1,034,789
• County Funds/unit: $82,598
Overview

- 18 First Time Home Ownership units
  - Families from 60-80% AMI with housing costs not to exceed 30% of household income
- Terms: no down payment, 0% interest mortgage, sweat equity 500 hrs.
- Affordable component of master planned community
  - Share outdoor amenities
- Large Family Project
  - 3- two-BR, 6-three BR, 9- four BR
  - Private garage; in-unit laundry

Readiness

- Entitled – August 2023
- Market rate housing in construction
- HGSF will act as GC, developer & mortgage lender
- Private developer to donate parcel with infrastructure
- Secured $2 M City funds
- Start Construction-spring 2026

Funding

- TDC: $16,368,558
- Cost/unit: $909,364
- Prior County awards: $0
- County Funds/unit: $55,556
Serramonte Del Rey, Daly City
Developer: Eden
AHF 12 Ask: $300,000

Overview
- 88 units
  - 35 units < 30% AMI
- Former Serramonte Del Rey High School site
- Head Start Facility
- Low Resource Area
- 24% IDD and homeless
- Large Family Project

Readiness
- Entitlements: Feb-24
- Inclusionary Project
- Tax credit: 4%, Feb-26
- Obtained CEQA approval
- School District soft commitment of funds
- No other funding secured

Funding
- TDC: $78,349,093
- Cost/unit: $890K
- Prior County awards: $0
- County Funds/unit: $3,409 (early predevelopment)

Developer: Eden
AHF 12 Ask: $300,000
## Projects That May Be Ready For A Tax Credit App With An AHF 12.0 Award

<table>
<thead>
<tr>
<th>Developer</th>
<th>Project/City</th>
<th>Total Units</th>
<th>Requested</th>
<th>Draft Recommended</th>
</tr>
</thead>
<tbody>
<tr>
<td>Mercy Housing</td>
<td>555 Kelly, Half Moon Bay</td>
<td>40</td>
<td>$9,881,381</td>
<td>$-</td>
</tr>
<tr>
<td>Eden Housing</td>
<td>851 Weeks, East Palo Alto</td>
<td>79</td>
<td>$10,799,000</td>
<td>$-</td>
</tr>
</tbody>
</table>

**TOTALS:** 119  $20,680,381  
Total Recommended  $-

**Considerations:**

**These projects need more time to prepare for 2025 tax credit competition**
555 Kelly, Half Moon Bay
Developer: Mercy Housing
AHF 12 Ask: $9,881,381

Overview
• 39 units @ Avg 40% AMI
• 19 VLI ≤ 50% AMI
• 20 ELI ≤ 30% AMI
• Farmworker Housing
• Seniors 55 plus
• 2 homeless units
• Includes Farmworker Resource Center (ALAS)
• High Resource Area, Rural

Readiness
• Entitlements: expected June 2024
• Other funding secured
  • City of Half Moon Bay
  • State Infill/Infrastructure Grant
• Tax credit: 9%, July 2024

County Funding
• TDC: $46,730,715
• Cost/unit: $1,168,268
• Prior County awards: $1.5 million ARPA
• County funds/unit: $284,535
851 Weeks, East Palo Alto
Developer: Eden Housing
AHF 12 Ask: $10,799,000

<table>
<thead>
<tr>
<th>Overview</th>
<th>Readiness</th>
<th>Funding</th>
</tr>
</thead>
</table>
| - Inclusionary component of large market rate project  
- 78 units @ avg 47% AMI  
- 20 units @ ≤30% AMI  
- 4 homeless units  
- 16 units for frail elderly  | - Received Entitlements Dec 2023 under SB35  
- Tax credit: 4%, Aug 2024  
- Other funding: Private developer has committed $21M ($15.8 cash & $5.4M land donation) | - TDC: $71.9M  
- Cost/unit: $911,333  
- No Prior County award  
- County funds/unit: $136K |
### Projects That Should Apply In Future AHF Rounds

<table>
<thead>
<tr>
<th>Developer</th>
<th>Project/City</th>
<th>Total Units</th>
<th>Requested</th>
<th>Draft Recommended</th>
</tr>
</thead>
<tbody>
<tr>
<td>Anton DevCo, Inc.</td>
<td>Anton Millbrae, Millbrae</td>
<td>140</td>
<td>$18,100,000</td>
<td>$-</td>
</tr>
<tr>
<td>Eden Housing</td>
<td>Firehouse Live, SSF</td>
<td>69</td>
<td>$8,430,107</td>
<td>$-</td>
</tr>
<tr>
<td><strong>TOTALS:</strong></td>
<td></td>
<td><strong>209</strong></td>
<td><strong>$26,530,107</strong></td>
<td>$-</td>
</tr>
<tr>
<td></td>
<td>Total Recommended</td>
<td></td>
<td></td>
<td>$-</td>
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</table>

**Considerations:**
- **Probably wouldn’t be competitive for tax credits before 2025 AHF**
- **Early stage but did not need immediate County funding**
- **Project could seek funding elsewhere for immediate need**
# Anton Millbrae Apartments (Millbrae)
**Developer:** Anton DevCo, Inc.
**AHF 12 Ask:** $18.1 Million

## Overview
- 139 units @ avg 49.1% AMI
  - 35 units @ 30% AMI
  - 7 homeless units
  - Large family project
  - Difficult to develop area
  - High resource area

## Readiness
- Entitlements: March 2025
- No other funding secured
- 4% Tax credits and Bond Application: August 2025

## County Funding
- TDC: $103.3M
- Cost/unit: $737K
- Prior County awards: None.
- County funds/unit: $71K
### Overview
- 68 units @ avg. 45% AMI
- 16 @ ≤30% AMI
- 52 @ ≤ 50% AMI
- Senior Housing
- 7 MHSA units
- Low resource area

### Readiness
- Planning to submit for entitlements June 2024, with approval expected June 2025
- Other funding secured: City of SSF
- Applying for additional funding sources in 2025, but funding gap by uncertain MHP funding status
- Tax credit: 9%, Feb 2026

### County Funding
- TDC: $56.2M
- Cost/unit: $814,503
- Prior County awards: $1.2M
- County funds/unit: $140K
Next Steps:
DOH Staff to Forward Additional Questions to Applicants,
Answers to Share at Public Hearing

Next Meeting:
Public Hearing on June 4, 2024
1:00PM-3:00PM
Location: 350 Convention Way, Redwood City, CA 94063
Adjourn AHF 12.0 Study Session