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

SAN MATEO COUNTY AFFORDABLE HOUSING FUND (AHF) 14.0 STUDY SESSION

Wednesday, July 22, 2026
1:00 PM – 3:00 PM

Agenda

1:00 PM	1.	Call to Order / HCDC Roll Call / Staff Introductions
1:10 PM	2.	Public Comment
1:15 PM	3.	State and Federal Funding Environment
1:20 PM	4.	AHF 14 Overview
1:25 PM	5.	Draft Funding Recommendations
1:30 PM	6.	Staff Project Presentations; HCDC Discussion
2:45 PM	7.	Next Steps and Next Meeting
3:00 PM	8.	Adjourn AHF 14.0 Study Session

Agenda Item: 1

Call to Order,
HCDC Roll Call,
DOH Staff Introductions

Agenda Item: 2

Public Comment

State and Federal Funding Environment

FEDERAL

21st Century ROAD to Housing Act

- **CDBG** eligible for construction
- **HOME** Expanded eligibility for housing infrastructure
- **HUD** Evaluating **BABA** impacts on **HOME-funded projects**
- **Streamlines** certain **NEPA** reviews
- **Manufactured & Modular Housing** Streamlined approvals and Fewer regulatory barriers
- **RAD** +100,000-unit expansion

State and Federal Funding Environment

California Changes

FY 2026-27 State Budget

- **$500M** preserved for State Tax Credits
- **$200M** preserved for Multifamily Housing Program (MHP), for projects with an existing award

New California Housing & Homelessness Agency

- Coordinate multiple housing programs
- **Housing Development & Finance Committee (HDFC). Beginning in 2027**, HDFC will:
  - Coordinate developer-facing housing programs
  - **One application** for Tax Credits, Bonds, and other State Funding

Bond & Tax Credit Streamlining

(Beginning 2027)

- **90%** Private Activity Bond authority for qualified residential rental projects
- **50%** reserved for HDFC-awarded projects through **7/1/2029**.
- **Federal Tax Credits** HDFC bond approval eliminates the need for a separate Federal Tax Credit application

Agenda Item: 3

State and Federal Funding Environment

California Changes

Proposed Housing Bond

- $11.25 Billion Housing Bond (November Ballot)
- Includes $5.1 Billion for MHP

AHSC Program Restructuring

- AHSC Housing Allocation will become a separate funding allocation administered through HDFC in coordination with tax credit and bond allocations.

AHSC housing funding after Round 10 may be eliminated under changes proposed by the California Air Resources Board (CARB)

Agenda Item: 4

AHF 14.0 Overview

Calendar

- Apr 20 NOFA released
- May 20 Applications Due
- May 21/Jul 14 Staff Threshold Review & Scoring
- Jul 22 HCDC Study Session
- **Jul 29 HCDC Public Hearing**
- **Aug 25 BOS Public Hearing**

Applications

- **10 Submitted**. Total requested: **$ 70,329,293**
- **1 Did Not** Meet Threshold (Only project requesting MHSA funding)
- **9 Met** Threshold
- **Total Requested by 9** remaining applications: **$ 58,929,293**

Funding Available

$29,347,311.00

- **Measure K:** $24,247,311.00
  (New $19,000,000 and Recaptured $5,247,311)
- **County Impact Fees:** $100,000.00
- **Mental Health Services Act:** $5,000,000.00

Funding Gap For Qualifying Projects

$34,681,982 (MHSA funding excluded)

Geographic Spread Of Projects Under Consideration

Belmont, Daly City, Half Moon Bay, Redwood City, South San Francisco, Menlo Park, San Carlos, North Fair Oaks, Town of Portola Valley

Some Changes in AHF 14 NOFA affecting Draft Funding Recommendations

Encourage Applications for Smaller Awards

- Modify certain threshold review standards for projects that elected to be reviewed as a predevelopment project and eligible for a smaller award.
- One project opted to be evaluated as a predevelopment project.

Encourage Projects to Delay Applying Until More Competitive

- Facilitate self-screening by publishing a self-executing scoring rubric for projects that met threshold.
- Several projects in our existing pipeline chose to apply in a later funding round.

Adjust Scoring Weight to Reality of Reduced County Funds and Lack of PBVs

- Give less weight to deeper affordability and creation of special needs units (which increases need for County funds) and more weight to leveraging and readiness to apply for tax credits.

Reduce Awards when Feasible without Compromising Project Readiness

- Identify expenditures or financing terms in Sources and Uses which, if revised, would lower the need for County funds.

Agenda Item: 5

AHF 14.0 Draft Funding Recommendations

PROJECT/CITY	DEVELOPER	UNITS	REQUEST	POINTS	RECOMMENDATION
555 Kelly, Half Moon Bay	Mercy Housing	40	$7,375,000	60	$6,575,000
1051 Mission, SSF	Related CA	158	$9,386,692	56	$3,545,414
Rise City Apartments, Redwood City	Sand Hill	94	$9,389,000	53	$9,389,000
626 Walnut Street, San Carlos	MidPen Housing	95	$3,000,000	52	$3,000,000
3051 Edison Way, North Fair Oaks	Novin Development	70	$7,810,000	50	$1,537,897
Habitat Ladera (FTHO), Portola Valley	Habitat GSF	2	$300,000	49	$300,000
	TOTALS:	**459**	**$37,260,692**		**$24,347,311**

Agenda Item: 6

Staff Project Presentations HCDC Discussion

Projects Recommended for Awards

555 Kelly, Half Moon Bay

Developer: Mercy Housing California

AHF 14 Ask: $7,375,000 TDC: $48,788,190

Overview

- High Resource Area (grandfathered)
- 39 units @ avg 44.87% AMI
  - 10 units ≤ 30% AMI
  - 29 units ≤ 50%MI
- Target Population:
  - 39 Senior Farmworkers, including 2 Homeless Senior Farmworker Units
  - Pending BOS approval: 39 units supported by County rental subsidy (CHVP)

Progress

- Site control & entitled
- Funding Secured:
  - City $3.1M
  - Joe Serna $13.35M
  - IIG $ 2.76M
- Next Steps if AHF 14 award
  - Finalize County Housing Voucher Program Award from BOS
  - Apply 9% Tax Credits Spring 2027
- Construction start: 12/2027

Key Strengths & Considerations

- Target population is a priority.
- State and local funding commitments in place.
- Highest development cost per sq. ft of all AHF 14.0 apps
- Highest per unit operating costs of all AHF 14.0 apps
- Revenue drops significantly when CHVP expires in year 15, and project will depend on COSR which will be exhausted by year 20.

1051 Mission Affordable, SSF

Developer: The Related Companies of California, LLC

AHF 14 Ask: $9,386,692 TDC:$124,991,246

Overview

- Moderate Resource Area
- 158 units @ avg 49.1% AMI
  - 40 units < 30% AMI (25%)
  - 41 units < 50% AMI
  - 76 units <60% AMI
  - 1 Manager's Unit
- Target Population:
  - 8 Homeless Units
  - 32 I/DD Units
  - 83 Large Family Units (42 2 BR, 41 3 BR)

Progress

- Site control assigned to Related
- Entitlement complete
- Funding Secured:
  - AHF 11: $9,495,307
  - City: $4.725 Million
  - IIG: $5 Million
  - Additional City Funds if Needed
  - AHSC Round 10 Pending: $35 Million
- Next Steps if AHF 14 award & AHSC
  - Apply 4% Tax Credits 1st Round 2027
- Construction start date: Nov 2027

Key Strengths & Considerations

- Related's experience and capacity
- Location near transit and amenities
- Lowest Dev. Cost per SF
- Large family units do not exceed 60% AMI
- Pending AHSC Round 10 application appears competitive
- City commitment to provide additional funds if needed

Rise City Apartments, Redwood City

Developer: Sand Hill Property LLC

AHF 14 Ask: $9,389,000   TDC: $72,643,000

Overview

- Low Resource Area near high quality transit center
- 93 units @ avg 50% AMI
    - 24 units ≤ 20% AMI
    - 16 units ≤ 50%MI
    - 34 units ≤60% AMI
    - 19 units ≤70% AMI
- Target Population:
    - 24 Supportive Housing Units targeting individuals with Intellectual or Developmental Disabilities
    - Studios, 1 BD, 2 BD

Progress

- Site control – Completed 2022 (purchase of under-utilized land from faith-based organization)
- Entitlements – Completed 2023
- Funding Secured:
    - City $12,326,460
- Next Steps if AHF 14 award
    - Apply for Bonds and 4% Tax Credits in Fall 2026
- Construction Start : 5/1/2027

Key Strengths & Considerations

- Development costs per unit: $781,118
- Special needs units underwritten at 20% AMI
- Significant Leveraging of City Funds
- Significant GP equity contribution
- Ready to apply for 4% Tax Credits/Bonds in September 2026 without need for state funds

626 Walnut Street, San Carlos

Developer: MidPen Housing Corporation

AHF 14 Ask: $3,000,000 TDC: $105,315,000

Overview

- Evaluated for Predevelopment Funding
- Highest Resource Area
- 95 units @ avg 48.3% AMI
  - 20 units ≤ 30% AMI
  - 28 units ≤ 50%MI
  - 35 units ≤60% AMI
- Target Population:
  - 5 Supportive Housing Units
  - 54 Large Family Units (2, 3, 4 BR)

Progress

- County-Owned Land
- Entitlement: 2027 Pending
- Funding Secured:
  - Donated Land Value
- Next Steps if AHF 14 award
  - Apply for AHSC and Tax Credits in 2027 using new HDFC process
- Construction start date: January 2028

Key Strengths & Considerations

- Only pre-development project among applicants
- Only highest resource location among applicants
- No city funds.
- Highly dependent on $30 million AHSC award. Funding for AHSC Round 11 is still being negotiated.

3051 Edison Way, North Fair Oaks

Developer: Novin Development

AHF 14 Ask: $7,810,000   TDC: $ 58,760,300

Overview

- Moderate Resource Area
- 70 units @ avg 49.9% AMI
  - 20 units < 30% AMI
  - 11 Units < 50%MI
  - 21 Units < 60% AMI
  - 17 Units < 70% AMI
- Supportive Housing Units
  - 4 homeless @ 20% AMI
  - 16 I/DD units @30% AMI

Progress

- Own Site
- Entitled under SB 35
- Funding Secured:
  - County Fee Waivers $604,218
  - AHF 13: $1M
- Next Steps if AHF 14 award
  - Apply MHP Spring 2027
  - Apply 9% Tax Credits Spring 2028
- Construction start date: 12/1/2028

Key Strengths & Considerations

- Located in North Fair Oaks
- Entitled w/ fees waived by County
- Need to fully develop Community Engagement Plan
- Limited MHP funding in 2027 may prioritize projects with existing state commitments

Habitat Ladera, Town of Portola Valley

Developer: Habitat for Humanity GSF

AHF 14 Ask: $300,000   TDC: $2,176,696.00

Overview

- High Resource Area
- First Time Home Ownership
- 2 single-family 3 BR homes
  - 1 @ 60% AMI
  - 1 @ 70% AMI
- Modular construction
- Zero interest, zero down payment mortgages w/ term up to 40 yrs and monthly payments capped at 30% of household income.

Progress

- Church Ground Lease for 99 years at $1 annually
- Eligible for SB 4 Streamlining
- Funding Secured: None
- Next Steps if AHF 14 award:
  - Apply for City funds - $800K
  - Fundraising - $500K
  - Mortgage Sales -- $536,696
- Construction start: June 2027

Key Strengths & Considerations

- Model for faith-based development
- Homeownership Opportunity for lower income earners in high resource area
- Strong support from the Town of Portola Valley
- But only 2 units

Agenda Item: 6

Projects that Met Threshold but No Award

AHF 14.0 Projects that Met Threshold but No Award

PROJECT/CITY	DEVELOPER	UNITS	REQUEST	POINTS
Midway Village Phase 3, Daly City	MidPen Housing	148	$15,968,601	48
Ridge on Masonic, Belmont	CRDC / CRP Affordable	63	$5,000,000	43
Laurel Landing (FTHO), Menlo Park	Habitat GSF	8	$700,000	27
	TOTALS:	**219**	**$21,668,601**	

Midway Village Phase 3, Daly City

Developer: MidPen Housing Corporation

AHF 14 Ask: $15,968,601 TDC: $166,137,658

Overview

- Low resource near High Quality transit
- 148 units @ avg 47% AMI
  - 8 units ≤ 20% AMI
  - 17 units ≤ 30% AMI
  - 62 units ≤ 50%MI
  - 57 units ≤ 60% AMI
- Large Family Housing
- 8 homeless Units (6 MHSA)

Progress

- Site control achieved
- Entitlement & NEPA achieved
- Secured Funding:
  - 44 PBVs
  - AHF 13: $1M
  - HACSM garage loan: $7.5 M
- Next Steps if AHF 14 award
  - Apply for MHP ($31 M) & Tax Credits Spring 2027
- Construction start date: Dec. 2027

Key Strengths & Considerations

- Third phase of successful HACSM redevelopment plan
- Project-Based Vouchers
- No city support
- Dependent on large 2027 MHP award which may prioritize projects with existing state awards.
- Without MHP and tax credits in 2027, project has additional $14 million financing gap because of loss of QCT status.

Ridge on Masonic, Belmont

Developer: CRP Affordable Housing

AHF 14 Ask: $5,000,000 TDC: $ 55,691,993

Overview

- High resource area
- 63 units @ avg 60% AMI
  - 10 units ≤ 30% AMI
  - 7 units ≤ 50% AMI
  - 9 units ≤ 60% AMI
  - 36 units ≤ 70% AMI
- 4 Homeless units
- Large Family Project

Progress

- Site control achieved.
- Entitlement received.
- Relocation plan for existing small businesses
- Secured Funding :
  - City of Belmont: $1.5M
  - HOME Funds: $2M
  - AHF 13: $1M (Measure K)
- Next Steps if AHF 14 award
  - Apply for Tax Credits Round-1 2027
- Construction Start Date: February 2027

Key Strengths & Considerations

- Adjacent to recently funded Ridge at Ralston
- Desirable location with access to amenities and public transit.
- Lower development cost per unit than comparable projects
- Large family units but fewer units at 60% AMI.
- Higher avg affordability

Laurel Landing, Menlo Park

Developer: Habitat for Humanity GSF

AHF 14 Ask: $700,000   TDC: $11,061,006

Overview

- Low Resource Area
- 8 townhomes @ average 71% AMI
- First Time Home Ownership
- 2, 3, and 4 BR units
- Mortgage: Zero interest, zero closing costs, zero down payment, terms up to 40 years, monthly payments capped at 30% of household income
- 100% Live/Work Preference

Progress

- Own Site
- Secured funding:
  - City: $3.6M
  - AHF 13: $1M
  - CalHOME: $2M
- Next Steps if AHF 14 award:
  - Applied for City Fee Waivers $944,330
  - Donations: $1.5M
- Construction start: July 2027

Key Strengths & Considerations

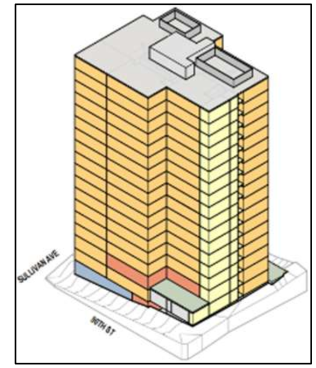
- Planning Commission approval 7/13/26 (possible support for partial fee waivers)
- No foreclosures in 35 years
- Very compelling ownership terms
- Highest per unit cost of all 10 applicants ($1.38M)
- Challenges with fundraising

Project that Did Not Meet Threshold

92 90th Street, Daly City

Developer: Vaya Development LLC

AHF 14 Ask: $11,400,000 TDC: $140,509,480



Overview

- High Resource Area
- 18 stories on 0.29 acres
- 132 units @ avg 50% AMI
  - 20 units ≤ 30% AMI
  - 75 units ≤ 60%MI
  - 32 units ≤70% AMI
  - 4 units < 80% AMI
- Target Population:
  - 7 Homeless Units (MHSA)
  - Large Family Project (48 2BR, 33 3 BR)

Progress

- Land acquired
- Entitlement AB 2011 pending
- Funding Secured: None
- Next Steps if AHF 14 award
  - Apply AHSC ($32 M) and MIP/4% tax credits Spring 2027
- Construction start: July 2028

Threshold Questions

- Emerging developer
- Lack of city or third party funding commitment
- No parking for 132 units
- Impact of height on construction standards and costs
- Highly dependent on AHSC which is uncertain for Round 11

Next Steps:

DOH Staff to Forward Additional Questions to Applicants, Answers to be Shared at Public Hearing

Next Meeting:

Public Hearing

July 29, 2026 - 1:00 PM - 3:00 PM

Location: Jupiter Room, Department of Housing Main Office, 264 Harbor Blvd., Building A, Belmont, CA 94002

Agenda Item: 8

Adjourn AHF 14.0
HCDC Study Session