

**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



Agenda

1:00 PM 1. Call to Order / Roll Call / Staff and HCDC Introductions

1:10 APM 2. Public Comment

1:15 PM 3. Highlights and Sources for AHF 12.0

1:20 PM 4. Method for DOH's Funding Recommendations

1:25 PM 5. Staff Project Presentations and HCDC Discussion with Staff

2:45 PM 6. Next Steps and Next Meeting

3:00 PM 7. Adjourn AHF 12.0 Study Session



**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

Developer	Project/City	Total Units	Requested	Draft Recommended	Conditions
LINC Housing	Hill Street Apartments, Belmont	37	\$7,000,000	\$7,000,000	Round 2 9% 2024 Award
MidPen Housing	Cypress Point, Moss Beach	71	\$12,110,243	\$12,110,243	Round 2 9% 2024 Award
Abode Housing/CRP Aff.	Ridge@Ralston, Belmont	65	\$4,000,000	\$4,000,000	Round 2 4% 2024 Award; request city fee waivers
CORE Affordable	493 Eastmoor, Daly City	72	\$12,670,733	\$9,512,046	Round 2 4% 2024 Award
Beacon Dev/Rotary SSF	Rotary Gardens, South San Francisco	80	\$6,607,842	\$6,607,842	NEPA compliance; HUD 202 submission
Habitat for Humanity Greater San Francisco	Independence Drive, Menlo Park	18	\$1,000,000	\$1,000,000	Property Donation Agreement
Eden Housing	Serramonte del Rey, Daly City	88	\$300,000	\$300,000	Ground Lease; Eligible Predev. Uses
TOTALS:		431	\$43,688,818	\$40,530,131	

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

Ridge @ Ralston, Belmont

Developer: Abode Housing/CRP Affordable

AHF 12 Ask: \$4,000,00



Overview

- 65 units @ avg 47.69% AMI
 - 17 units 30% AMI
 - 35 units@50% AMI
 - 12 units @ 70% AMI
- 17 homeless units
- Large Family Project
- Highest Resource Area
- Near CalTrain/ECR bus lines

Readiness

- Entitlements: SB 35
- Obtained NEPA Approval
- Other Funding: \$4.3 Million HOME ARP
- Tax credit: 4% Aug. 2024

County Funding

- TDC: \$60,517,405
- Cost/unit: \$931,037
- Prior County awards: \$4.3 Million
- County Funds/unit: \$127,692

493 Eastmoor, Daly City

Developer: Core Affordable Housing

AHF 12 Ask: \$12,670,733



Overview

- 72 units @ avg 32.64% AMI
 - 40 units \leq 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

Habitat Independence Drive, Menlo Park

Developer: Habitat of Greater SF (HGSF)

AHF 12 Ask: \$1,000,000



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 \leq 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)

Projects That May Be Ready For A Tax Credit App With An AHF 12.0 Award

Developer	Project/City	Total Units	Requested	Draft Recommended
Mercy Housing	555 Kelly, Half Moon Bay	40	\$9,881,381	\$-
Eden Housing	851 Weeks, East Palo Alto	79	\$10,799,000	\$-
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 \leq 50% AMI
 - 20 ELI \leq 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



Overview

- Inclusionary component of large market rate project
- 78 units @ avg 47% AMI
- 20 units @ ≤30% AMI
- 4 homeless units
- 16 units for frail elderly

Readiness

- 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)

Funding

- TDC: \$71.9M
- Cost/unit: \$911,333
- No Prior County award
- County funds/unit: \$136K

Projects That Should Apply In Future AHF Rounds

Developer	Project/City	Total Units	Requested	Draft Recommended
Anton DevCo, Inc.	Anton Millbrae, Millbrae	140	\$18,100,000	\$-
Eden Housing	Firehouse Live, SSF	69	\$8,430,107	\$-
TOTALS:		209	\$26,530,107	
			Total Recommended	\$-

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

Firehouse Live, South San Francisco

Developer: Eden Housing

AHF 12 Ask: \$8,430,107



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