

RESOLUTION NO. .

BOARD OF SUPERVISORS, COUNTY OF SAN MATEO STATE OF CALIFORNIA

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RESOLUTION:

- A) AUTHORIZING AND DIRECTING THE DIRECTOR OF THE DEPARTMENT OF HOUSING (“DOH”), OR DESIGNEE, TO EXECUTE THE NEW EXCLUSIVE NEGOTIATING AGREEMENT WITH MIDPEN HOUSING CORPORATION, OR AN AFFILIATE ENTITY, TO AFFORD THE PARTIES SUFFICIENT TIME TO NEGOTIATE THE TERMS OF BOTH A DEVELOPMENT AGREEMENT AND AN AGREEMENT TO PROVIDE LONG-TERM SITE CONTROL OF PROPERTY LOCATED AT 1580–1590 MAPLE STREET IN THE CITY OF REDWOOD CITY (THE “PROPERTY”) TO MIDPEN HOUSING, OR AN AFFILIATE ENTITY, FOR THE PURPOSE OF DEVELOPING AND OPERATING AN AFFORDABLE HOUSING DEVELOPMENT ON THE PROPERTY FOR EXTREMELY LOW-INCOME AND VERY-LOW INCOME HOUSEHOLDS AND SPECIAL NEEDS HOUSEHOLDS INCLUDING THOSE EXPERIENCING HOMELESSNESS; AND**
- B) AUTHORIZING AND DIRECTING THE DIRECTOR OF DOH, OR DESIGNEE, IN CONJUNCTION WITH MIDPEN HOUSING, TO SUBMIT, OR CAUSE TO BE SUBMITTED, TO THE CITY OF REDWOOD CITY ALL NECESSARY ENTITLEMENT APPLICATION DOCUMENTS REQUIRED FOR DEVELOPMENT OF THE PROPERTY AS AFFORDABLE HOUSING TO PROCEED IN ACCORDANCE WITH STATE LAW; AND**
- C) AUTHORIZING AND DIRECTING THE DIRECTOR OF DOH, OR DESIGNEE, IN CONSULTATION WITH THE COUNTY ATTORNEY, TO NEGOTIATE AND ENTER INTO A DEVELOPMENT AGREEMENT WITH MIDPEN HOUSING, OR AN AFFILIATE ENTITY, REGARDING DESIGN, DEVELOPMENT, CONSTRUCTION, OWNERSHIP, AND MANAGEMENT OF THE PROPERTY AS AFFORDABLE HOUSING, INCLUDING THE PROVISION OF SUPPORTIVE SERVICES AT THE PROPERTY; AND**
- D) AUTHORIZING AND DIRECTING THE DIRECTOR OF DOH, OR DESIGNEE, IN CONSULTATION WITH THE COUNTY ATTORNEY, TO NEGOTIATE AND ENTER INTO NECESSARY AGREEMENTS TO PROVIDE LONG-TERM SITE CONTROL OF THE PROPERTY, THROUGH A SUB-GROUND LEASE, ASSIGNMENT OF A GROUND LEASE, ASSIGNMENT OF THE COUNTY’S OPTION TO GROUND LEASE, OR ANOTHER INSTRUMENT AGREEABLE TO BOTH DOH AND MIDPEN HOUSING, SUBJECT TO COUNTY ATTORNEY REVIEW AND APPROVAL, TO MIDPEN HOUSING OR AN AFFILIATE ENTITY TO FACILITATE MIDPEN HOUSING, OR ITS AFFILIATE ENTITY DEVELOPING AND OPERATING AN AFFORDABLE HOUSING DEVELOPMENT ON THE PROPERTY FOR EXTREMELY LOW-INCOME, VERY-LOW INCOME HOUSEHOLDS AND SPECIAL NEEDS HOUSEHOLDS INCLUDING THOSE EXPERIENCING HOMELESSNESS; AND**

E) AUTHORIZING THE DIRECTOR OF DOH, OR DESIGNEE, ACTING IN CONSULTATION WITH THE COUNTY ATTORNEY, TO NEGOTIATE AND EXECUTE SUCH OTHER AGREEMENTS, DOCUMENTS, CERTIFICATES, EXTENSIONS, AND AMENDMENTS AS MAY BE NECESSARY TO EFFECTUATE THE PURPOSES OF THE RESOLUTION

RESOLVED, by the Board of Supervisors of the County of San Mateo, State of California, that

WHEREAS, the real property located at 1580–1590 Maple Street in the City of Redwood City (the “Property”) is owned by the City of Redwood City (the “City”); and

WHEREAS, pursuant to a Real Property Exchange Agreement dated September 27, 2021, and a Ground Lease Option Agreement dated February 3, 2022, the County of San Mateo (the “County”) holds an option to enter into a long-term ground lease of the Property for a term of sixty-five (65) years, or to assign such option to a qualified nonprofit affordable housing developer, subject to City approval; and

WHEREAS, the County seeks to facilitate the development of the Property as an affordable housing development serving extremely low-income and very low-income households, including households experiencing homelessness and other special needs households; and

WHEREAS, on May 24, 2022, the County Department of Housing (“DOH”) issued a Request for Proposals to solicit proposals from experienced affordable housing developers and service providers to develop, own, operate, and provide supportive services for an affordable housing development on the Property; and

WHEREAS, two (2) qualified developers submitted proposals in response to the Request for Proposals, and a selection committee comprised of representatives from DOH, the County Health Department, and the City interviewed both respondents and evaluated their submitted materials; and

WHEREAS, on July 25, 2022, the selection committee selected MidPen Housing Corporation (“MidPen Housing”) based on its demonstrated experience and capacity to secure long-term financing, engage the community, provide property management, and deliver supportive services; and

WHEREAS, on March 3, 2023, the County and MidPen Housing entered into an Exclusive Negotiating Agreement (“Initial ENA”) to provide time for the parties to negotiate a development agreement and an agreement providing long-term site control of the Property, which ENA was subsequently extended and expired in September 2025; and

WHEREAS, during the term of the Initial ENA, MidPen Housing made substantial progress advancing the project, including securing County Affordable Housing Fund financing, State Local Housing Trust Fund financing, a philanthropic funding commitment, conducting community outreach, submitting a planning entitlement application to the City pursuant to Senate Bill 35, and initiating federal environmental review; and

WHEREAS, delays related to project access and infrastructure coordination with adjacent development prevented completion of negotiations and entitlements prior to expiration of the Initial ENA; and

WHEREAS, MidPen now proposes to proceed with an alternative access design and to advance entitlements in 2026 in order to enable applications for state and federal financing and to move the project toward construction; and

WHEREAS, to facilitate the development of affordable housing on the Property, the Board desires to authorize the Director of DOH, or designee, to negotiate and enter into, in consultation with the County Attorney, a new Exclusive Negotiating Agreement with MidPen Housing with updated performance milestones to afford the parties sufficient time to negotiate the terms of both a Development Agreement and an Agreement to provide long-term site control of property located at 1580-1590 Maple Street in the City of Redwood City (the “Property”) to MidPen Housing, or an affiliate entity, for the purpose of developing and operating an affordable housing development on the Property for extremely low-income and very-low income households and special needs households including those experiencing homelessness, and to authorize the Director of DOH to execute such agreements; and

WHEREAS, the Director of DOH will consult with the County Attorney on these matters and the forms of such agreements shall be subject to the review and approval of the County Attorney; and

WHEREAS, pursuant to these agreements, MidPen Housing will be required to record an affordability covenant restricting tenancy at the Property to households earning, on average, at or below 30 percent of Area Medium Income; and

WHEREAS, the Legislature has determined that the words “develop, construct, or acquire,” as used in Section 1 of Article XXXIV of the State Constitution, shall not be

interpreted to apply to the ground lease of property to a private owner prior to its development as an affordable housing project as contemplated herein; and

WHEREAS, the County finds that the development of the project as affordable housing is in the public interest, and will serve the long-term protection of a critical affordable housing asset for the duration of the ground lease and beyond, consistent with the County's housing goals to preserve affordability, safeguard public investment, and expand permanent housing opportunities for extremely low- and very low-income households; and

WHEREAS, this Board has been presented with a form of the new Exclusive Negotiating Agreement with MidPen Housing and has examined and approved it as to both form and content and desires to enter into it.

NOW, THEREFORE, IT IS HEREBY DETERMINED AND ORDERED that the Director of the Department of Housing ("DOH"), or designee, is authorized and directed to execute the new Exclusive Negotiating Agreement with MidPen Housing, or an affiliate entity, to afford the parties sufficient time to negotiate the terms of both a Development Agreement and an Agreement to provide long-term site control of property located at 1580-1590 Maple Street in the City of Redwood City (the "Property") to MidPen Housing, or an affiliate entity, for the purpose of developing and operating an affordable housing development on the Property for extremely low-income and very-low income households and special needs households including those experiencing homelessness.

BE IT FURTHER RESOLVED that the Director of DOH, or designee, is authorized and directed, in conjunction with MidPen Housing Corporation, to submit, or cause to be submitted, to the City of Redwood City all necessary entitlement and planning application materials required for development of the Property as affordable housing to proceed in accordance with applicable state and local law.

BE IT FURTHER RESOLVED that the Director of DOH, or designee, is authorized and directed, in consultation with the County Attorney, to negotiate and enter into a affordable Development Agreement with MidPen Housing, or an affiliate entity, regarding the design, development, construction, ownership, and management of the Property as affordable housing, including the provision of supportive services at the Property.

BE IT FURTHER RESOLVED that the Director of DOH, or designee, is authorized and directed, in consultation with the County Attorney, to negotiate and enter into necessary agreements to provide long-term site control of the Property, through a sub-ground lease, assignment of a ground lease, assignment of the County's option to ground lease, or another instrument agreeable to both DOH and MidPen Housing, subject to County Attorney review and approval, to MidPen Housing or an affiliate entity to facilitate MidPen Housing, or its affiliate entity developing and operating an affordable housing development on the Property for extremely low-income, very-low income households and special needs households including those experiencing homelessness.

BE IT FURTHER RESOLVED that the Director of DOH, or designee is authorized, acting in consultation with the County Attorney, to negotiate and execute

such other agreements, documents, certificates, extensions, and amendments as may be necessary to effectuate the purposes of the Resolution.

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