

**RESOLUTION NO. .**

**BOARD OF SUPERVISORS, COUNTY OF SAN MATEO, STATE OF CALIFORNIA,  
ACTING AS THE BOARD OF COMMISSIONERS OF THE HOUSING AUTHORITY OF  
THE COUNTY OF SAN MATEO**

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**RESOLUTION APPROVING, AND AUTHORIZING THE EXECUTIVE DIRECTOR OF  
THE HOUSING AAUTHORITY OF THE COUNTY OF SAN MATEO TO EXECUTE  
AND IMPLEMENT, AN AFFORDABLE HOUSING AND PROPERTY DISPOSITION  
AGREEMENT WITH MP MIDWAY ASSOCIATES 2, L.P., AND ANY AGREEMENTS  
AND/OR DOCUMENTS NECESSARY TO IMPLEMENT THE SAME FOR (1) A LOAN  
OF UP TO \$8,000,000 TO MP MIDWAY ASSOCIATES 2, L.P., AND (2) THE  
GROUND LEASE OF A PORTION OF MIDWAY VILLAGE AND DAVID T. ROWE  
PARK TO MP MIDWAY ASSOCIATES 2, L.P. FOR ITS DEVELOPMENT AND  
SUBSEQUENT OPERATION OF A RENTAL HOUSING DEVELOPMENT**

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**RESOLVED**, by the Board of Supervisors of the County of San Mateo, State of California, sitting as the Board of Commissioners of the Housing Authority of the County of San Mateo (“HACSM”), that

**WHEREAS**, Midway Village is a 150-unit affordable rental housing complex developed, owned and operated (with the exception of a period of ownership and operation by HACSM’s nonprofit affiliate SAMCHAI) by HACSM on property located in the Bayshore neighborhood of Daly City; and

**WHEREAS**, prior to September 21, 2020, the City of Daly City (the “City”) owned and operated the approximately 3.8-acre David R. Rowe Park, more commonly known as Bayshore Park (the “Park Property”), a neighborhood park that was located adjacent to Midway Village, and

**WHEREAS**, prior to May 11, 2017, the Bayshore Elementary School District (the “District”) owned a one-half acre parcel containing the Bayshore Child Development

Center (“Childcare Center Property”), which parcel is located within the Midway Village site; and

**WHEREAS**, on March 29, 2016, the Board of Supervisors, sitting as the Board of Commissioners of HACSM, took action to: (a) affirm the concept of redeveloping the Midway Village site in order to provide new, high-quality affordable housing and associated amenities, and (b) authorize HACSM to enter into a four-party Memorandum of Understanding (“MOU”) with the City, the County, and the District providing for the transfer of ownership of the Park Property and Childcare Center Property to HACSM in order to facilitate redevelopment of Midway Village, in consideration of HACSM providing specific forms of assistance to the City and the District; and

**WHEREAS**, the above-referenced four-party MOU was executed on March 31, 2016; and

**WHEREAS**, on October 18, 2016, the Board of Supervisors, sitting as the Board of Commissioners of HACSM, took action to, among other things, authorize HACSM to enter into an agreement with the City pursuant to which the City would grant to HACSM an option to purchase the Park Property in exchange for HACSM paying for certain obligations related to the clean-up of contaminated soils found at the Park Property (the “City/HACSM Option Agreement”); and

**WHEREAS**, the above-referenced agreement was executed on November 11, 2016; and

**WHEREAS**, on June 29, 2017, HACSM released a Request for Proposals (“RFP”) seeking experienced and qualified developers interested in redeveloping, owning, operating and managing affordable housing at the redevelopment site consisting of the Midway Village, Park Property, and Childcare Center Property, under a long-term ground lease with HACSM (the “Midway/Bayshore Redevelopment Project” or “Project”); and

**WHEREAS**, on January 23, 2018, the Board of Supervisors, sitting as the Board of Commissioners of HACSM authorized the Executive Director of HACSM to enter into an exclusive negotiating agreement with MidPen Housing Corporation (“MidPen”) to establish, among other terms, the early predevelopment milestones to be achieved, the use of certain Midway Village reserves to facilitate achieving these milestones, and the roles and responsibilities of the parties; and

**WHEREAS**, on March 21, 2018, HACSM and MidPen executed an Exclusive Negotiating Rights Agreement (Midway/Bayshore Redevelopment Project); and

**WHEREAS**, on May 14, 2019, the Governing Board authorized the Executive Director of the Housing Authority of the County of San Mateo to enter into a Master Affordable Housing and Property Disposition Agreement (“Master AHPDA”) between HACSM and MidPen to provide the terms for the overall Project, as well as the terms to be included in each individual affordable housing and property disposition agreement (“AHPDA”) to be executed at each phase of the Midway/Bayshore Redevelopment Project; and

**WHEREAS**, on May 28, 2019, HACSM and MidPen executed the Master AHPDA, which contemplates that the Midway/Bayshore Redevelopment Project will be developed in four (4) phases; and

**WHEREAS**, on August 10, 2020, HACSM notified the City that HACSM was exercising its option to acquire the Park Property pursuant to the City/HACSM Option Agreement, and on September 15, 2020, the Governing Board authorized the Executive Director of HACSM to accept title to David R. Rowe Park on behalf of HACSM; and approved and authorized the Executive Director of HACSM to execute and implement the AHPDA for the first phase of the Project (“Phase I AHPDA”) with MP Midway Associates I, L.P. (“Phase I Partnership”), and any agreements and/or documents necessary to implement the same for (1) a loan of up to \$12 million to the Phase I Partnership, and (2) the ground lease of a portion of Midway Village and David R. Rowe Park to the Phase I Partnership for its development and subsequent operation of a rental housing development; and

**WHEREAS**, on September 15, 2020, HACSM and MP Midway Associates I, L.P. executed the Phase I AHPDA; and

**WHEREAS**, construction of Phase I Property is underway and is expected to complete construction in December 2023; and

**WHEREAS**, HACSM staff and MidPen have negotiated the terms of the AHPDA for the second phase of the Midway/Bayshore Redevelopment Project (the “Phase 2 AHPDA”), which provides for, among other things, (1) HACSM to loan up to \$8,000,000 in Midway Village project reserves to MP Midway Associates 2, L.P., a limited partnership established by MidPen (the “Phase 2 Partnership”), (2) HACSM to ground

lease to the Phase 2 Partnership a portion of Midway Village and a portion of the Park Property, and, (3) the Phase 2 Partnership to develop and operate thereon a rental affordable housing development containing one hundred nine (109) rental dwelling units, with all but two (2) of such units restricted for rental to and occupancy by income-restricted households and restricted rents.

**NOW, THEREFORE, IT IS HEREBY DETERMINED AND ORDERED** that the Board of Supervisors, County of San Mateo, State of California, acting as the Governing Board of Commissioners of the Housing Authority of the County of San Mateo, hereby approve the Affordable Housing and Disposition Agreement for the second phase of the Midway/Bayshore Redevelopment Project (“Phase 2 AHPDA,”) and authorize the Executive Director of the Housing Authority of the County of San Mateo to execute and implement the Phase 2 AHPDA with MP Midway Associates 2, L.P. (the “Phase 2 Partnership”), and any agreements and/or documents necessary to implement the same for (1) a loan of up to \$8,000,000 to the Phase 2 Partnership, and (2) the ground lease of a portion of Midway Village and David T. Rowe Park to the Phase 2 Partnership for its development a subsequent operation of a rental housing development.

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