

RESOLUTION NO. _____

BOARD OF SUPERVISORS, COUNTY OF SAN MATEO, STATE OF CALIFORNIA

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**RESOLUTION APPROVING FUNDING COMMITMENTS TOTALING \$8,000,000 FOR
SIX AFFORDABLE RENTAL HOUSING DEVELOPMENTS, INCLUDING ANY
CONDITIONS ATTACHED TO SUCH FUNDING RECOMMENDATIONS, USING
COUNTY FUNDS DERIVED FROM THE LIQUIDATION OF LOW AND MODERATE
INCOME HOUSING FUNDS FORMERLY HELD BY REDEVELOPMENT AGENCIES
IN SAN MATEO COUNTY**

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

WHEREAS, in 2012, the State of California directed the dissolution of redevelopment agencies and the distribution of the former agencies' assets to various other public agencies; and

WHEREAS, funds formerly held in the Low and Moderate-Income Housing Funds (LMHF) of the respective redevelopment agencies in San Mateo County were distributed among numerous local taxing entities, including the County of San Mateo, as unrestricted general funds; and

WHEREAS, as of April 2013, approximately \$58 million of former LMHF funds had been distributed, of which the County's share was approximately \$13.4 million; and

WHEREAS, on April 9, 2013 the San Mateo County Board of Supervisors approved in concept the allocation of funds derived from the former LMHFs for affordable housing purposes; and

WHEREAS, the Board directed staff to bring back a recommendation for allocation of these funds to support three critical areas related to affordable housing and shelter needs; and

WHEREAS, on July 23, 2013, the Board approved a process presented to them by the Department of Housing, through which recommendations for allocation and commitment of the former LMHF funds for the purposes and under the constraints specified would be brought back to the Board for action; and

WHEREAS, the Board specified that: (a) 25% of the total allocation go toward shelter construction and improvements, (b) 75% go toward affordable rental housing projects in former redevelopment agency cities that were in the planning stages of development at the time the agencies were dissolved, or for the development of affordable rental housing projects in the unincorporated county; and (c) small-scale transitional or permanent housing for special needs populations be included within the 75% affordable housing component and not be restricted geographically to cities which formerly operated a redevelopment agency ; and

WHEREAS, the Board also specified that for projects in the affordable rental housing category; (a) the project must be ready for occupancy with 2-5 years from receipt of the funding, (b) the County contribution must leverage funds from other public and private sources including City funds, (c) the project must target a portion of the units for homeless families or individuals, or those at risk of homelessness (e.g. homeless veterans, persons with disabilities, extremely low-income residents), and (d) the project

must be in a state of readiness to reasonable warrant commitment of funds by end of FY2013-14; and

WHEREAS, the Department of Housing has presented to the Board the staff and HCDC funding recommendations for six affordable rental housing developments which meet funding eligibility criteria based on the Board's stated purposes for the former LMHF funds.

NOW THEREFORE, IT IS HEREBY DETERMINED AND ORDERED that the Board of Supervisors approves and accepts funding commitment recommendations totaling \$8,000,000 for six affordable rental housing developments, as shown in Attachemt A and including any conditions attached to such funding recommendations, using County funds derived from liquidation of Low and Moderate Income Housing funds formerly held by redevelopment agencies in San Mateo County.

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Attachment A: Affordable Housing Fund Allocation Chart
Board of Supervisors 01/28/14

Project Name / Applicant	Location	Project Summary	Applicant Funding Request	Staff Funding Recs	HCDC Funding Recs	Internal Scoring	Notes / Funding Conditions
Waverly Place / Mental Health Association	Unincorporated County (NFO)	Mental Health Association of San Mateo County has purchased a .45 acre site and will develop 15 permanent supportive housing units for adults with serious mental illness and one rent- restricted manager's unit. The site will have amenities including laundry, community room with kitchen, a secure perimeter, an interior courtyard and a raised bed garden. Fifteen furnished units will be studio apartments and the 16th unit will be provided for a resident manager. Program and on-site office space will be provided	800,000	800,000	800,000	42	Very worthy project which could be very competitive for 9% tax credit financing. Scored well on Preference criteria. Recommend funding the Applicant's full request given the Project's leveraging of multiple sources.
Junipero Serra Transit Village / BRIDGE Housing Corporation	Daly Cityo	The Junipero Serra Transit Village, co-sponsored by BRIDGE Housing Corporation and Sares- Regis, is located on a SamTrans parking lot adjacent to the Colma BART Station. BRIDGE is proposing a 237-unit mixed income rental community. "Mixed income" is defined as affordable and market rate housing within a development seamlessly built to market rate standards. Of the 237 total units, 75 are affordable and ranging from 30% AMI to 60% AMI, randomly distributed within the building.	3,000,000	0	0		Not eligible as it does not meet three of the Qualification criteria: (a) Evidence of commitment of City funds prior to AHF contract execution; (b) Readiness for occupancy within 5 years of AHF funding; and (c) 2% of the project units to be targeted to the homeless.
Willow Housing (site is within Menlo Park VA campus) / The CORE Companies	Menlo Park	Willow Housing will provide 60 permanent, affordable homes with in-house services for homeless and at-risk veterans. Located at the Veterans Affairs Menlo Park Division, Willow will afford 59 veteran households the opportunity to live in high quality apartment community, in close proximity to healthcare, transit, and jobs. This project is one of over 36 similar project sites nationwide, selected by the VA to be used to increase well-located affordable housing for veterans.	2,000,000	1,400,000	1,400,000	43	Very worthy project which could be very competitive for 9% tax credit financing. Funding recommendation represents the full request of \$2M, minus (a) \$400,000 in public subsidy for the\$400,000 portion of the \$1.8M Developer fee not allowed as part of TCAC eligible basis, and (b)\$200,000 for the portion of anticipated Development Impact fees that Applicant indicated they can probably achieve through fee reductions/ or waivers).Funding Condition: Commitment is for up to \$1.4 million. Applicant to make good faith effort to reduce the need for the entire commitment by securing additional sources
Foster Square Affordable Senior Housing / MidPen Housing Corporation	Foster City	MidPen seeks \$3,000,000 in County Affordable Housing Funds for the development of 66 new senior affordable rental housing units in Foster City. MidPen will be the developer of the affordable housing within the 15-acre master development comprised of retail, market rate senior rental, for sale townhomes, and assisted living. The project will serve very low and extremely low income seniors, including two units targeted to homeless seniors and five units targeted to the frail elderly.	3,000,000	2,750,000	2,750,000	47	Note: Any unused portion of the \$1.4 million shall be split 50/50 between the University Ave Senior Housing and Gateway Apartments projects. Very worthy project which could be very competitive for 9% tax credit financing. Scored well on Preference criteria. Recommend funding most of the Applicant's request.
6800 Mission Street / Mid-Peninsula The Farm, Inc.(MidPen Housing Corp)	Daly City	6800 Mission Street is proposed as a new construction, mixed-use development with 52 units of quality affordable housing and approximately 2,000 square feet of neighborhood-serving retail space. This project is envisioned as a transit-oriented development that will act as catalyst for revitalization along the Mission Street Corridor. The project is located in Daly City and is being co-developed by Mid-Peninsula The Farm, Inc. and MidPen Housing Corporation.	2,600,000	2,350,000	2,350,000	45	Very worthy project which could be very competitive for 9% tax credit financing. Scored well on Preference criteria. Recommend funding most of the Applicant's request.
Gateway Apartments / Menlo Gateway, Inc. (MidPen Housing Corp)	Menlo Park	MidPen Housing Corporation seeks \$2,100,000 in County Affordable Housing Funds for the development of 90 senior affordable rental housing units in Menlo Park. Gateway Apartments is an existing affordable housing community in the Belle Haven neighborhood of Menlo Park. MidPen intends to redevelop the property in light of its revitalization needs and recent zoning changes allowing additional housing units. The goal of the redevelopment is to preserve and expand the supply of high-quality affordable housing for seniors	2,100,000	400,000	400,000	40	Very worthy project. Needs additional City and County funds to be financially feasible and ready for tax credit application. Recommend partial AHF funding, which could allow project to aggressively move forward on architectural design and removing the CalHFA loan.
University Avenue Senior Housing / MP-CANDO University Avenue Senior Housing, LLC (MidPen Housing and EPA CAN DO)		MP-CANDO University Avenue Senior Housing LLC seeks \$2,300,000 in County Affordable Housing Funds for the development of 46 new senior affordable rental housing units in East Palo Alto. Mid-Peninsula The Farm, Inc. and East Palo Alto Community Alliance Neighborhood Development Organization will be partnering on this development, which would provide much-needed housing for very low and extremely low income seniors, including one unit targeted to homeless seniors and four units targeted to the frail elderly	2,300,000	300,000	300,000	27	Very worthy project which is in the early development stage. Significant point reduction because of no City funding commitment at time of application (although City indicated support and possible funding commitment) . Recommend partial funding of the Applicant's request in order to signal County support and incentivize additional sources of support. This award takes into consideration progress made to date in site assembly and securing predevelopment funding commitments, and can be viewed as continued County support (beyond the already committed CDBG funds for site acquisition) for this important project. Funding Condition: Project must have a City funding commitment prior to execution of agreement