



COUNTY OF SAN MATEO
Inter-Departmental Correspondence
Department of Housing



Date: May 7, 2015
Board Meeting Date: June 16, 2015
Special Notice / Hearing: None
Vote Required: Majority

To: Honorable Board of Supervisors

From: William Lowell, Director

Subject: Allocation of Measure A Funds for the Affordable Housing Creation

RECOMMENDATION:

Adopt a resolution:

- A) Approving Affordable Housing Fund commitments totaling \$2.5 million for four affordable rental housing developments, including any conditions attached to such funding recommendations, using Measure A funds; and
- B) Authorizing the Director of the Department of Housing, or the Director's designee, to execute contracts, as approved by County Counsel, for funding the indicated affordable housing projects.

BACKGROUND:

On April 8, 2013, the San Mateo County Board of Supervisors approved the allocation of approximately \$13.4 million of unrestricted general funds for affordable housing purposes. These funds, which initiated the County's Affordable Housing Fund, or AHF 1.0, were derived from a one-time distribution of Housing Trust Funds held by former redevelopment agencies in San Mateo County.

On August 5, 2014, the Board, sitting as the Board of Commissioners of the Housing Authority of the County of San Mateo, approved a resolution authorizing the Department of Housing to conduct a process to allocate \$5 million of Housing Authority Moving to Work reserves to help leverage the creation of additional affordable housing in San Mateo County. This funding became known as AHF 2.0.

On March 17, 2015, the Board held an Affordable Housing Study Session at which it recommended allocating \$12 million of Measure A, which target housing for County clients and promote leveraging of other resources, and Housing Authority Moving to Work funds for affordable housing construction, split evenly between fiscal years 2015-

16 and 2016-17. On April 14, 2015, sitting as the Board of Commissioners of the Housing Authority, and May 19, 2015, the Board authorized funding for AHF 3.0, combining \$3.5 million of Moving to Work reserves with \$2.5 million from Measure A funds to further catalyze affordable housing development in San Mateo County.

DISCUSSION:

In anticipation of the need to commit these funds in a timely fashion to housing development projects preparing tax credit applications for the July 2015 funding round, the Department of Housing released a Notice of Funding Availability (NOFA) on April 1, 2015. Seven applications were received by the May 7, 2015 application deadline requesting a total of \$7.9 million for the creation or preservation of over 375 housing units. As shown below, four of those projects are being recommended for funding through the Measure A portion of AHF 3.0 (a second Resolution will be considered by the Board, sitting as the Board of Commissioners of the Housing Authority, for the MTW portion of the fund). These projects total \$2.5 million and could provide over 120 units of new and at least 12 preserved affordable housing units.

Activity/Project	# of Units	Request	Staff Rec.	HCDC
Development Projects				
MHA - Waverly Place Apartments 105 Fifty Ave. Redwood City	16	\$150,000	\$150,000	\$150,000
Total		\$150,000	\$150,000	\$150,000
Pre-Planning Projects				
Rotary Plaza, Inc./Beacon - Rotary-Miller Ave Senior Housing 310-314 Miller, South San Francisco	90	\$1,500,000	\$750,000	\$750,000
St. Francis Center - St. Leo's Apts. 151 Buckingham Redwood City	10 to 16	\$1,000,000	\$600,000	\$600,000
Total		\$2,500,000	\$1,350,000	\$1,350,000
MF Preservation Demonstration				
MidPen - to be determined	at least 12	\$1,000,000	\$1,000,000	\$1,000,000
Total		\$1,000,000	\$1,000,000	\$1,000,000
Grand Total		\$3,650,000	\$2,500,000	\$2,500,000

The resolution has been reviewed and approved as to form by County Counsel. Agreements will be reviewed and approved by County Counsel for execution by the Director of the Department of Housing.

Approval of this resolution contributed to the Shared Vision 2025 outcome as a Livable Community by increasing the overall supply of affordable housing.

PERFORMANCE MEASURE(S):

Measure	FY 2014-15 Actual	FY 2015-16 Projected
Housing units created	164	234
Housing units preserved	0	20

FISCAL IMPACT:

The proposed competitive fund award process will be limited to the utilization of a maximum of \$2.5 million from Measure A.