

COMMUNITY NEWS
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San Mateo Expands Workforce Housing Proposal

Council looks to leverage new State law to increase number of affordable homes near transit

San Mateo, CA — With a rare opportunity to leverage publicly-owned land for affordable housing, the City of San Mateo is looking toward a new California law to significantly increase the number of homes it plans to develop at a prime location near transit.

The City is partnering with nonprofit developer MidPen Housing on a workforce housing project that could transform two City-owned surface parking lots in downtown into 225 homes for families earning up to 80 percent of the area median income.

While this project has been in the works for some time, a newly enacted state law now allows the City to increase the number of homes that can be built on the sites. Assembly Bill 1763 went into effect on Jan. 1, 2020 and allows for additional height and density in housing projects that are 100-percent affordable and near transit.



On Feb. 3, the City Council unanimously agreed to seek community input on a proposed 7-story apartment building – two stories taller and with 61 more units than allowed prior to AB 1763. The project would also include a parking garage with 532 spaces that would serve the downtown and another 164 spaces for the new residents. Without AB 1763, San Mateo’s voter-approved height and density limits would have otherwise restricted the amount of affordable homes that could be built on the site to 164 units.

Recognizing the need for the private market to contribute toward affordable housing needs, the Council also increased its inclusionary program and will start requiring housing developers to provide at least 15 percent below-market-rate units. The new policy is an increase from the existing 10 percent minimum and will apply to future rental or ownership housing proposals with 11 units or more.

“The Bay Area is at the epicenter of the jobs-housing imbalance and cities must maximize efforts to provide stable housing options for our workforce. San Mateo has a long history of progressive housing policies that promote development near transit, leverage public-private partnerships, and require developers to contribute to our affordable housing stock,” Mayor Joe Goethals said. “We have over 2,000 units in the development pipeline and with the housing community that MidPen is building, along with the increase to our below-market-rate program, we’re providing opportunities for every income level.”

About a quarter of the units will have a public employee preference; which could include people who work for schools, the city, county, state or even federal government. MidPen is also looking at options to serve seniors and those with disabilities. The project will include a wide range of studios, as well as 1-, 2- and 3-bedrooms units to serve a variety of household sizes. Half of the homes will be for those earning below 60 percent of the area median income, and the other half for those earning up to 80 percent. The total \$182 million project estimate includes the cost of the stand-alone parking garage and will be funded with a mix of federal tax credits, state and county funds. With the additional units made possible by AB 1763, the City of San Mateo agreed to increase its contribution to a total \$12.5 million in addition to providing the land.

“It’s inspiring to see how quickly the City took advantage of this new opportunity to increase housing in a prime location,” said Matthew O. Franklin, President and CEO of MidPen Housing. “Making the most of publicly-owned land is critical and through their decisive action, we’ll be able to provide over 60 additional homes for the downtown workforce, including families who today are struggling to pay rising rents.”

The community is being invited to re-engage in the planning process as the project will go through another round of public meetings. A community workshop to garner input on the architectural design is being held Feb. 24, 2020 at the Central Park Recreation Center starting at 7 p.m. The project will continue to be refined by the Planning Commission during a study session, the be reviewed for formal approvals at the commission and Council.

The project is located at 480 E. Fourth Ave. and 400 E. Fifth Ave. Visit www.cityofsanmateo.org/ for more information.

Community Meeting

When: 7-8 p.m., Monday Feb. 24, 2020

Where: Central Park Recreation Center, 50 E. Fifth Ave., San Mateo

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