

**CITY OF SAN MATEO
RESOLUTION NO. ____ (2024)**

APPROVE A FORGIVABLE LOAN IN THE AMOUNT OF \$377,212 TO ST. JAMES COMMUNITY DEVELOPMENT CORPORATION FOR THE PLANNING AND CONSTRUCTION OF A NEW SUPPORTIVE HOUSING PROJECT LOCATED AT 831 MONTE DIABLO AVENUE

WHEREAS, the California Department of Housing and Community Development has made available \$584,800 in the Permanent Local Housing Allocation (PLHA) Fund in Year 3 to be used to increase housing affordability; and

WHEREAS, the five-year PLHA plan was revised in a resolution adopted by the City Council on February 6, 2023 that allows the City to use up to 80% of Year 3 allocation funding for Activity 6 eligible projects, which include predevelopment and development of permanent supportive housing; and

WHEREAS, the City desires to award a portion of these funds to be used to increase the supply of affordable housing made available to special needs populations, which includes foster youth and former foster youth; and

WHEREAS, St. James Community Development Corporation is a San Mateo based non-profit organization that is proposing to redevelop a single-family parcel at 831 Monte Diablo Avenue for a total of four to six units for a supportive housing project for transition-aged former foster youth, known as New Beginnings Housing; and

WHEREAS, the units at the New Beginnings Supportive Housing Project will be restricted to extremely low-income tenants (30 percent of Area Median Income) for a period of 55 years.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF SAN MATEO, CALIFORNIA, HEREBY RESOLVES that:

1. In accordance California Environmental Quality Act (CEQA) Guidelines section 15378(b)(5), an agreement award is not a project subject to CEQA, because it is an organizational or administrative activity that will not result in direct or indirect physical changes in the environment. (CEQA Guidelines Section 15378(b)(5)).
2. A loan in the amount of \$377,212 at an interest rate of 0%, with a deferred payment schedule which will not collect repayment throughout predevelopment and development of the project, and will be forgiven at the completion of construction of the project at 831 Monte Diablo Avenue to St. James Community Development Corporation is approved.
3. The City Manager is authorized to execute the loan agreement with St. James Community Development Corporation in substantially the form presented.