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Executive Summary

San Mateo's 2023-2031 Housing Element is a plan to help address the region's housing crisis, a blueprint for supporting all forms of housing, and a demonstration of the City's commitment to achieving greater housing equity and access for all residents. The Housing Element identifies existing housing conditions and community needs, describes where new housing can be developed, establishes goals, policies and programs, and creates a plan for supporting the production of housing to meet the needs of the City's current and future residents. It includes nine sections as outlined below.

1. Executive Summary

This Executive Summary provides a high-level summary of each section, and its findings and conclusions. The Sites Inventory is in Section 3, the Affirmatively Furthering Fair Housing Assessment is in Section 6 and the Housing Plan, with a complete breakdown of the goals, policies and programs, is included in Section 6. Detailed technical information and documentation to support the Housing Element's findings and conclusions are included in the seven appendices.

2. Introduction and Background

The City of San Mateo is located in San Mateo County, California, on the San Francisco Bay Peninsula and has a population of 105,661 per the 2020 Census. It is approximately 20 miles south of San Francisco and borders Burlingame to the north, Hillsborough to the west, the San Francisco Bay and Foster City to the east and Belmont to the south.

The Housing Element is an integral part of the General Plan, which guides the City of San Mateo's development and policy decisions, and it is the only element that requires certification by the state. California has also established a significant number of new housing related laws to address the state's housing crisis and this section provides an overview of the applicable legislation that the Housing Element is required to comply with and address. The State Department of Housing and Community Development (HCD) is tasked with reviewing housing elements for compliance and adequacy and is responsible for certifying the City's Housing Element.

All new housing units need to have access to adequate infrastructure and municipal services, and in particular, sewage disposal and water capacity must be demonstrated. The city's electrical and natural gas provider is Pacific Gas and Electric (PG&E), and the water service provider is predominantly the California Water Company, except for the portion of San Mateo east of the slough, which is served by the Estero Municipal Improvement District. Recology provides recycling, composting and waste disposal services and sewage disposal services are provided by a Joint Powers Authority led by the City. An assessment of Cal Water's Urban Water Management Plan combined with increased water efficiency and conservation requirements found that there is sufficient water capacity to serve at least 7,015 new housing units by 2031. For sewage disposal, the City is currently building an updated sewage treatment facility which will have the capacity to serve the City into the future, including the new units for this housing cycle.

3. Housing Needs and Sites Inventory

For this upcoming eight-year housing cycle, HCD has identified the nine-county Bay Area region's housing need to be 441,176 units; with this number broken down into four income categories that cover housing types for all income levels, from extremely low-income households to market rate (above moderate income) housing. This Regional Housing Needs Determination (RHND) is based on population projections



produced by the California Department of Finance (DOF) as well as adjustments that incorporate the region's existing housing need. The City of San Mateo's Regional Housing Needs Allocation (RHNA) for this cycle is 7,015 new housing units.

A summary of facts about San Mateo's demographic data is provided to establish a basis for the City's housing needs and issues. A full version of the City's demographic report can be found in Appendix A. A key fact identified in this data is that the number of homes in San Mateo increased 3.6% from 2010 to 2020, which is *below* the growth rate for San Mateo County and *below* the growth rate of the region's housing stock during this time period. And, during this time period, home prices increased by 115.6% and rental prices increased by 74.2%. Overall, this demographic data supports the finding that the City does not have sufficient housing units to meet the needs of its residents and that housing affordability is a significant barrier for many middle- and lower-income residents.

An analysis of existing affordable housing units that are at risk of conversion/reversion to market rate, rendering them no longer affordable to the people living in them, identified 65 units in two developments (Bridgepoint Condominiums and Belmont Building) that have expiring affordability covenants. The potential loss of existing affordable housing units is an important issue to the City due to displacement of lower-income tenants and the limited alternative housing available to such persons. Preservation of these units can be achieved in a variety of ways and policies and programs have been included in the Housing Plan to explore options to retain the units as affordable, replace the units elsewhere, or relocate tenants into alternative housing that is affordable to them.

To demonstrate how San Mateo can accommodate its RHNA of 7,015 new housing units, the Housing Element must identify adequate sites for housing (Sites Inventory), including rental housing, factory-built housing, and mobile homes, and make adequate provision for the existing and projected needs of all economic segments of the community. The Sites Inventory is required to include an inventory of land suitable for residential development, including vacant sites and sites having potential for redevelopment, and analyze the development capacity that can realistically be achieved for each site.

The purpose of the Sites Inventory is to evaluate whether there are sufficient sites with appropriate zoning capacity to meet the City's RHNA goal. The Sites Inventory analysis does not include the economic feasibility of specific sites, does not necessarily take into consideration the owner's intended use of the land now or in the future, and does not dictate where residential development will actually occur. Based on previous Housing Elements, it is anticipated that some of the sites on the list will be developed with new housing, some will not, and some housing will be built on sites not listed in the Sites Inventory.

The methodology used to estimate the development potential of each property included on the Sites Inventory was developed based on the criteria established by state law, on the physical characteristics, existing uses, redevelopment potential (including improvement to land value ratio, floor area ratio, age of structures, existing height, lot coverage and known developer/owner interest), location and context, local knowledge, and environmental and infrastructure constraints. To ensure a higher likelihood of new developments exceeding the estimates in the Sites Inventory, conservative assumptions were employed.

Overall, the Sites Inventory has identified sites spread around the City with capacity to develop up to 14,561 units, or 207% of the City's RHNA. This revised capacity, an increase from the 10,274 units included in the Housing Element adopted on May 20, 2024, reflects the increased density allowed by General Plan 2040 and approved by the voters (via Measure T) in November 2024. In addition, the Sites Inventory reflects an updated list of pipeline projects and housing opportunity sites that the City agreed to modify as part of a settlement agreement entered into with the Housing Action Coalition. As part of the settlement, the City also agreed to remove certain sites for the purposes of determining "No Net Loss,"

thus reducing the potential unit count to 12,149, which is still well above the City's RHNA.

While many of the sites identified are non-vacant sites, they have a significantly high redevelopment potential as noted through example projects, individual site analysis including developer or owner interest, and other factors such as aging building stock and low utilization rates including underutilized parking lots or strip malls (Appendix C). The following table provides a summary breakdown of the Sites Inventory by income category. It shows the housing unit potential with and without those sites the City will use for the purpose of calculating "No Net Loss" (NNL), referred to as "NNL Sites. The table shows that, even with the removal of sites and limitations on using sites for "No Net Loss" purposes, the potential housing units in the City's Sites Inventory significantly exceeds its remaining RHNA (RHNA minus Pipeline Projects) by a 32% to 484% buffer depending on income category. Furthermore, construction of ADUs, estimated at 440 total units over the period will also increase the buffer of housing units over the remaining RHNA.

San Mateo Sites Inventory Breakdown

	Total Units	Lower		Moderate	Above Moderate
		Very Low	Low		
RHNA	7,015	1,777	1,023	1,175	3,040
Pipeline Projects	4,787	784		177	3,826
Remaining RHNA	2,228	2,016		998	-786
ADUs	440	132	132	132	44
Site Inventory including "non-NNL" sites					
Opportunity Sites	9,334	3,730		1,590	4,014
Total Sites Inventory (Opportunity Sites + ADUs + Pipeline Projects)	14,561	4,778		1,899	7,884
Site Inventory excluding "non-NNL" Sites					
Opportunity Sites	7,362	3,003		1,310	3,022
Total Sites Inventory (Opportunity Sites + ADUs + Pipeline Projects)	12,149	3,814		1,487	6,848
Buffer Over Remaining RHNA					
(Opportunity Sites excluding "non-NNL" Sites - Remaining RHNA)	5,134	1,014		312	3,808
	-230%	-50%		-32%	-484%

This information is included as Table 6 in Section 3.5 of the Housing Element.

4. Other Required Housing Element Components

This section provides a summary and evaluation of housing production constraints, an overview of the funding opportunities and housing resources provided by the City, and the applicable energy conservation



and climate change policies and requirements for new housing developments.

The constraints section analyzes potential and actual governmental and non-governmental constraints to the maintenance, improvement, or development of housing that hinder a jurisdiction from meeting its housing goals. Governmental constraints to housing include zoning and development standards, infrastructure requirements, development impact and permitting fees, and the development review and permitting processes. Non-governmental constraints include availability of financing, the price of land, the cost of construction, Measure Y (voter approved growth limits) and the length of time to design and construct new housing.

The City is in the process of implementing measures to reduce development costs, streamline the development review process and amend/simplify the Zoning Code to reduce these constraints. A comprehensive evaluation of all housing impact and permitting fees, with a focus on reducing costs for smaller multi-family projects, will also be completed. Non-governmental constraints are largely determined by market conditions and other factors over which the City has little control. However, the General Plan Update process is facilitating a community conversation around Measure Y, with a goal of building consensus around an updated ballot measure that would allow for the production of more housing, in particular affordable housing, to meet the City's current and future needs.

The Housing Resources of the City are grouped into three categories. The first is the various funding sources that the City is able to leverage for affordable housing production, preservation, and protection; the second are the existing programs that the City manages and supports to increase the housing supply or otherwise serve past, current, and prospective residents of affordable housing; and the third is the inventory of sites that are adequate for development to meet projected housing needs.

Home energy efficiency has become an increasingly significant factor in housing construction, particularly in the past few years with the increasing demand to build energy efficient and sustainable buildings in California. The California Energy Code and the California Green Building Code in State Title 24 establish uniform energy efficiency and green building standards that all construction must adhere. The City's 2020 Climate Action Plan (CAP) sets standards to reduce greenhouse gas (GHG) emissions for housing and construction by exceeding minimum state requirements, providing education and outreach on benefits and financial incentives associated with energy upgrades, and continuing support for energy efficiency and electrification retrofits.

5. Public Participation

Over the past twelve months, the City has conducted a significant community outreach effort to engage with the community, with over nineteen public and community meetings and workshops, five intercept/pop-up events, four surveys and partnership with 21 Elements. The outreach effort included an emphasis on connecting with community members for whom English was not spoken at home, renters, those under 45 years of age, low-income and very low-income households, people with disabilities, seniors, single female heads of household, people experiencing homelessness, and those from under-represented neighborhoods.

Key accomplishments of the community outreach efforts included:

- Launch of a Housing Element Update website (www.cityofsanmateo.org/HousingElement2023) that included links to past event video recordings, meeting materials, outreach and survey summaries, and information about upcoming meetings and ways to get involved.
- Two mailers – one citywide in October 2021 was sent to 27,000 households and a second in January 2022 targeted to renters – inviting community members to participate in community

workshops, public meetings, and online surveys. Both mailers included printed information in English and Spanish.

- Three public Housing Element workshops, six presentations/discussions at City Council and Planning Commission public meetings, a focus group discussion with builders, developers and architects, and presentations to many local community-based organizations, including the Chamber of Commerce, Downtown Merchants Association and San Mateo-Foster City School District Parent Teacher Association (SMFCSD PTA).
- Two related Housing Element Surveys conducted by the City between October 11, 2021 and January 16, 2022 received a total of 750 responses. Online responses from community members accounted for 594 responses, with 156 additional responses to a subset of questions collected by staff and the consultant team as intercept surveys during pop-up events in the North Central and Shoreview Neighborhoods, as well as Macedonia food distribution events.

Feedback and insights from tenants, non-English speakers, lower-income residents, property owners and developers helped to highlight new policy opportunities and ways to strengthen and improve existing policies, with the overarching challenge of housing affordability and availability being a reoccurring topic. Themes that were incorporated into the Housing Plan included production of more missing middle housing, more outreach and education to tenants and landlords, streamlining and simplifying development review and permitting processes, doing more to address fair housing and equity, and ensuring that new housing is sustainable and addresses climate change.

On April 6, 2022, the City published the Draft Housing Element for public review. The 30-day public review period ended on May 6, 2022. During the review period, the City received 20 public comment letters. Comments reflected a broad range of sentiments including support for housing generally and the Draft Housing Element, a desire for the Draft Housing Element to articulate methods to greatly expand the supply of housing and tenant protections, concern about the future of existing very low density neighborhoods, and worry that future growth would strain the City's transportation infrastructure and available water supplies. On April 26 and May 3, 2022, the Planning Commission held public hearings and provided input on the Draft. On May 23, 2022, the City Council held a public hearing to consider the public comments and provide staff with input and direction. On November 7, 2022, the City Council held a study session to discuss HCD's first review letter and receive public comments. Following an update to the Housing Element to address HCD comments, public comments and City Council direction, the Revised Draft Housing Element was published for public review on December 30, 2022 to January 10, 2023 for the mandated 7-day public comment period.

The Revised Draft was reviewed by the Planning Commission at a public hearing on January 12, 2023 and adopted by the City Council on January 24, 2023, to affirmatively further fair housing and accommodate the City's Regional Housing Needs Allocation (RHNA) of 7,015 units for the 2023-2031 Housing Element cycle. The Adopted Housing Element was submitted to HCD on January 27, 2023. HCD completed their review of the City's Adopted Housing Element and provided written comments to the City on March 27, 2023.

The City Council held study sessions on April 17, 2023 and June 5, 2023 to consider public comments and provide staff with input on direction on how to update the Housing Element in response to HCD's second comment letter. The third revised Draft Housing Element was published for public review on July 26, 2023 and submitted to HCD on August 4, 2023. On September 20, 2023, following multiple meetings with HCD where additional deficiency comments were provided verbally, the City rescinded the revised Draft Housing Element submittal to allow for technical updates and clarifications.



On November 8, 2023, a revised third Draft Housing Element was published for public review, with the comment period ending on November 15, 2023. Following a review of the public comments submitted, the revised third Draft Housing Element was submitted to HCD on November 22, 2023. On January 19, 2024, the City received a letter from HCD noting that the revised third Draft Housing Element, with the technical clarifications submitted on January 17, 2024, met the statutory requirements and will substantially comply with State Housing Element Law once adopted.

6. Affirmatively Furthering Fair Housing (AFFH) Assessment

This section provides an overview of AFFH requirements; a history of segregation in the region; and an assessment of the San Mateo's AFFH issues.

"Affirmatively furthering fair housing" means taking meaningful actions, in addition to combating discrimination, that overcome patterns of segregation and foster inclusive communities free from barriers that restrict access to opportunity based on protected characteristics. California law, as established by AB 686, requires all public agencies to "administer programs and activities relating to housing and community development in a manner that affirmatively furthers fair housing, and take no action inconsistent with this obligation." The law also required that housing elements include an analysis of fair housing outreach and capacity, integration and segregation, access to opportunity, disparate housing needs, and current fair housing practices.

The United States' oldest cities have a history of mandating segregated living patterns—and Northern California cities are no exception. The Association of Bay Area Governments (ABAG), in its recent Fair Housing Equity Assessment, attributes segregation in the Bay Area to historically discriminatory practices—highlighting redlining and discriminatory mortgage approvals—as well as "structural inequities" in society, and "self-segregation" (i.e., preferences to live near similar people).

A Fair Housing Assessment for all San Mateo County jurisdictions was conducted by 21 Elements, a countywide jurisdictional collaborative. For the City of San Mateo, the Assessment describes fair housing enforcement and outreach capacity, integration and segregation, access to opportunity and disparate housing needs as contributing factors that should be addressed in the City's fair housing action plan. Some primary findings in the Fair Housing Assessment included:

- 16% of fair housing complaints filed in San Mateo County between 2017 to 2021 (57 total) were in the City of San Mateo (9 total), which is approximately aligned with the city share of the county's population (14%).
- Racial and ethnic minority populations are disproportionately impacted by poverty, low household incomes, overcrowding, and homelessness compared to the non-Hispanic White population in the City of San Mateo. Additionally, racial and ethnic minorities are more likely to live in moderate resources areas and be denied for a home mortgage loan.
- The northeast area of San Mateo is disproportionately impacted by high poverty, low education opportunity, low economic opportunity, low environmental scores, high social vulnerability scores, concentrations of cost burdened households, overcrowding, and moderate resource scores. These areas are generally on either side of Highway 101 and stretch to the San Francisco Bay waterfront, encompassing the North Central and Shoreview neighborhoods.
- The City of San Mateo has a slight concentration of residents with a disability with 9% of the population compared to 8% in the county. Residents living with a disability in the city are more likely to be unemployed and are largely concentrated in areas around Highway 101.

- Racial and ethnic minority students in the City of San Mateo—served by the San Mateo Union High School District and the San Mateo-Foster City Elementary School District—experience lower educational outcomes compared to other students.
- Nearly half of all renter households in the City of San Mateo are cost burdened—spending more than 30% of their gross income on housing costs—and one in four are extremely cost burdened—spending more than 50% of their gross income on housing costs.

Contributing factors to these Primary Findings include:

- Higher rates of mortgage denial rates among Hispanic households stems from decades of discrimination in housing markets and challenges building wealth through economic mobility and homeownership.
- The northern portion of the city offers the most affordable homes, and as such, residents living in these areas have lower incomes and higher rates of poverty.
- Hispanic residents are more likely than others to work low wage jobs that do not support the city's or region's housing prices, resulting in higher rates of cost burden and overcrowding.
- Hispanic residents are primarily concentrated in the northeastern area of the city where residents face higher poverty and cost burden as well as poor opportunity outcomes according to TCAC's opportunity maps.
- Concentration of naturally occurring affordable ownership and rental housing opportunities in the northeast areas of the city further concentrates poverty, cost burden, and overcrowding in areas with low economic and environmental outcomes.
- There is a relative lack of affordable housing opportunities in higher resourced areas of the city.
- Highway 101 creates a major barrier between the Shoreview neighborhood and the rest of the City of San Mateo.
- The unemployment rate for the City of San Mateo's residents with a disability is four times that of persons without a disability.
- The undersupply of accessible housing units, particularly for renters, creates a scarcity of units for residents living with a disability.
- There are concentrations of the population living with a disability west of Highway 101 in the North Central neighborhood.
- Residents with disabilities and Hispanic households face increased housing discrimination.

In response to this analysis, as well as community input, an Affirmatively Furthering Fair Housing Action Plan, which details how the City proposes to respond to the factors contributing to the fair housing challenges identified in this analysis, was developed. The Action Plan is included in Appendix D and the policies and programs to implement the Action Plan are included in the Housing Plan under Goal 5.

7. Housing Plan

The City of San Mateo's primary objective is to maintain and provide a diversity of housing opportunities for current and future residents. There should be a variety of housing types and sizes, a mixture of rental and ownership housing, and housing that supports special needs populations, including seniors, farmworkers, single female heads of household, people with disabilities, and those who are unhoused.



This variety of housing opportunities should accommodate a diverse population, leading to a variety of household sizes and types at all income levels.

In addition, the City needs to increase housing supply to meet the housing demand caused by current and future job growth. The types of new housing created should accommodate all income levels consistent with the City's RHNA. The goals, policies, and actions contained in this Housing Plan support these overarching objectives while also ensuring that the City will meet its statutory obligations to affirmatively further fair housing and facilitate housing production at all income levels.

The City has identified five goals to guide the Housing Element's policies and programs. The first three are based upon the "3Ps" framework that seeks to address the region's housing needs through a combination of Production, Preservation and Protection and is endorsed by the Association of Bay Area Governments (ABAG). The fourth goal, or "fourth P," is Promotion of community engagement and public outreach to support social resilience, and the fifth goal is to Affirmatively Further Fair Housing (AFFH).

- **Goal H-1 – Production** – Facilitate and support the production of new housing at all income levels, but especially affordable housing. Twenty (20) policies with fifty-one (51) implementing actions have been identified to support this goal.
- **Goal H-2 – Preservation** – Preserve existing housing that is affordable to lower- and middle-income residents. Six (6) policies with thirteen (13) implementing actions have been identified to support this goal.
- **Goal H-3 – Protection** – Protect current residents to prevent displacement. Seven (7) policies with seventeen (17) implementing actions have been identified to support this goal.
- **Goal H-4 – Promotion** – Promote social resilience through public education and community outreach to make information more available and accessible. Five (5) policies with twelve (12) implementing actions have been identified to support this goal.
- **Goal H-5 – Affirmatively Further Fair Housing** – Address the issues of fair housing, equity and access while reinforcing the objective that affirmatively furthering fair housing is both a stand-alone priority and decisively inseparable from achieving the Housing Element's other goals. Fifteen (15) policies with twenty-three (23) quantified objectives have been identified to support this goal.

8. Quantified Objectives

In addition to the Sites Inventory and the Housing Plan, the City is required to provide an estimate of actual housing units that can be preserved and produced given available resources, permits issued and projected pipeline projects expected to be completed within the next housing cycle. State law recognizes that the city's total housing needs exceed available resources and the community's ability to satisfy this need within the content of the general plan. The total development cost for the City's RHNA allocation of affordable units (3,975 total units) would exceed \$4 billion dollars, of which there is approximately a \$2 billion financing gap. Thus, the quantified objectives do not need to completely account for San Mateo's RHNA but do establish the maximum number of housing units that can realistically be constructed, rehabilitated, and conserved in the city over an eight-year timeframe.

For the upcoming housing cycle, the City's quantified objectives for conservation are 719 units, with 323 being affordable units, and the quantified objectives for construction are 5,931 units, with 1,481 being affordable units. The total of quantified objectives for the City are 6,650 units, including 1,804 affordable units. For a full breakdown of units by affordability level and by project or category, see Table 14 –

Quantified Objectives for Cycle 6 (2023 – 2031), in this Section.

9. Review of Prior Housing Element

This section provides a summary of the key accomplishments, challenges, and opportunities learned from the City's previous Housing Element. The City's RHNA for the fifth housing cycle (2015 – 2022) was 3,100 units. The City was able to achieve many of its goals through successful implementation of most of its policies and programs, but fell short of its affordable housing production goals. Key accomplishments included increased accessory dwelling unit (ADU) production, new affordable housing funding sources, protecting existing affordable housing units, and using new technology and streamlined processes to speed up development approvals. During this time, the City also adopted updates to the Below Market Rate (BMR) Program to increase minimum inclusionary housing requirements from 10% to 15% for residential development projects. Significant progress was also made on the design, entitlement and/or construction of two affordable housing projects on City-owned properties in Downtown (Kiku Crossing and Bespoke). From 2015 through the end of 2022, the City was able to achieve a total of 2,501 new housing units and exceed its market rate housing target; however, this only represents 81 percent of the City's total RHNA for Cycle 5. A variety of factors have contributed to this production shortfall, including high land and construction costs¹, outdated policies, and community division regarding intensity of growth and building heights. The lessons learned over this past cycle have been used to help inform the Housing Plan in this Housing Element.

¹It should be noted during Cycle 5, national and global factors contributed to the high cost of construction including: a) The Great Recession which affected the banking industry and residential investments; b) COVID-19 pandemic which contributed to construction worker and material shortages, and c) 2021-2022 Global Supply Chain Crisis which contributed to construction material cost increases and delays that extended construction schedules locally by a year or more.



Introduction and Background

The Bay Area continues to see growth in both population and jobs, which means more housing of various types and sizes is needed to ensure that residents across all income levels, ages, and abilities have a place to call home. While the number of people drawn to the region over the past 30 years has steadily increased, housing production has not kept pace, contributing to the housing shortage that communities around the Bay Area are experiencing today. In many cities, this has resulted in residents being priced out, increased traffic congestion caused by longer commutes, and fewer people, particularly those in the middle- and lower-income tiers, being able to purchase homes or meet surging rents.

The Housing Element is part of the City's General Plan and sets forth the policies and programs to address the housing needs for San Mateo. It is the City's eight-year housing strategy from the period of 2023-2031 for how it will meet the community's housing needs. State law (Government Code Sections 65580-65589.8) requires that every city and county in California adopt a Housing Element, subject to State approval, as part of its General Plan. Per SB 375 (Statutes of 2008), the planning period for the Housing Element is eight years.

Since 1969, State law requires that jurisdictions throughout California complete a Housing Element. The City itself is not responsible for building or producing this housing, but it must demonstrate that it has policies and programs in place to support housing construction for all income levels, as well as available land appropriately zoned to accommodate new housing. The Housing Element must include a variety of statistics on housing needs, constraints to development, and policies and programs to implement a variety of housing-related land use actions, and a detailed inventory of "opportunity sites" on which future housing may be built.

The Housing Element is the only element of a locality's General Plan that must be approved ("certified") by the State, through its Department of Housing and Community Development (HCD) to ensure it meets all statutory requirements. Having a certified Housing Element is a prerequisite for many State grants and funding programs. This is the sixth cycle of the Housing Element and covers the eight-year period from 2023 to 2031.

2.1 History of San Mateo

One of only two charter cities in San Mateo County, the City of San Mateo was incorporated in 1894 and is governed by a five-member City Council. The city encompasses 15.9 square miles in the San Francisco Bay Area in the center of the Peninsula and is currently home to an estimated 105,661 residents.² Its strategic location at the crossroad of the east-west coastal stagecoach and the north-south railroad drew a number of residents after its incorporation. The land around this settlement was controlled by some of the wealthiest families in the state, who created large suburban estates. San Mateo emerged in the postwar periods as a rapidly expanding and progressive city when the population of the city nearly quadrupled between 1940 and 1990.³ Some of the previous land use constraints, such as voter approved Measure H, P, and Y in 1991, 2004, and 2020, respectively, which limit heights to 55 feet and density to no more than 50 units per acre in the city, were a direct result of this rapid expansion.

²US Census estimate, April 2020. <https://www.census.gov/quickfacts/sanmateocitycalifornia>

³Mitchell P. Postel, *San Mateo – A Centennial History*, "Foreword", 1994, Page ix.

Despite the Measure Y growth limitations, San Mateo has seen a significant amount of growth over the past two decades. Recent development activity includes a mix of single-family homes, multi-family dwellings, senior housing, office space, retail areas, hotels, and mixed-use (commercial and residential) projects.

San Mateo has very few remaining vacant sites with development potential (approximately 40 parcels). The areas that are undeveloped are generally protected as open space, parks, and waterways. However, there are many sites that have aging buildings or are under-developed that provide opportunity for new mixed-use and higher-density housing development. Development interest in San Mateo remains high with a variety of projects in the pipeline, including those in the early planning stages.

San Mateo's economy has grown quickly in recent years, in large part due to the strength of Silicon Valley technology companies and the city's strategic geographic location. Current low vacancy rates for retail, office, and industrial space confirm that businesses find San Mateo a desirable location, and new development projects will produce more non-residential space to help meet that demand. Between 2010 and 2019, the number of jobs in San Mateo increased by 33 percent, and there are currently approximately 52,800 people⁴ employed in the city. The "professional and technical services" sector, which includes technology jobs, makes up about 20 percent of local jobs, about the same proportion as in San Francisco and more than in Silicon Valley. Retail, health care, food services, public agencies, are other primary employment sectors in the community.

San Mateo's vibrant Downtown, desirable neighborhoods, diversity of employment options, high quality public services, and recent developments such as Hillside/Bay Meadows and Station Park Green, make it an ever-popular place to live and work. Major new development in San Mateo is concentrated primarily near the three Caltrain stations (in the Downtown, Hayward Park and Hillside areas), and along El Camino Real. The city's three Caltrain stations, extensive bicycle and pedestrian network, SamTrans bus system, and well-maintained local roadways lead efficiently to destinations in the city, on the Peninsula, and beyond.

The city has many distinct and diverse individual neighborhoods, including two designated historic districts, the Downtown and the Glazenwood Historic Districts. The Downtown area, which maintains a 1930s character, is of particular importance and interest with respect to historic structures. The residential neighborhood of Glazenwood is a unique early 1920's development of Spanish Colonial Revival homes. Other areas of the city contain buildings of exceptional architectural interest and reflect local historical periods.

San Mateo has about 41,250 housing units; roughly half are rental units and half are occupied by homeowners, which are also split almost evenly between single-family and multi-family residences. Older homes are common in San Mateo, with almost 50 percent being 60 years or older. Local housing costs are very high, driven by high demand and a lack of production, which is due to a variety of factors including lack of available land and regulatory limits. The average cost for a single-family home in San Mateo is about \$1.7 million, up more than 80 percent in just five years.⁵ A typical rental unit costs \$2,900 a month, 31 percent higher than five years ago. With the current median annual income of \$175,000, a four-person household in San Mateo could comfortably afford to purchase a home priced at up to \$700,000 – less

⁴City of San Mateo, *General Plan Update - Alternatives Evaluation*, 2019.

⁵San Mateo County Association of Realtors, 2018



than half of the realistic cost.⁶ Even with the high housing costs, there is ongoing demand for new affordable and market rate housing to meet current and future needs and keep pace with job growth in the city and the larger Bay Area region.

2.2 Legislative Context

Since the City's last Housing Element was adopted and certified in 2014, several substantive changes to State housing law and Housing Element requirements have occurred, as summarized below.⁷

Affordable Housing Streamlined Approval Process. Senate Bill 35 (2017), Assembly Bill 168 (2020) and Assembly Bill 831 (2020). SB 35 created a streamlined, ministerial review process for qualifying multifamily, urban infill projects in jurisdictions that have failed to approve housing projects sufficient to meet their State-mandated RHNA. Among other requirements, to qualify for streamlining under SB 35, a project must incorporate one of two threshold levels of affordable housing: (1) 10 percent of the project's units in jurisdictions that have not approved housing projects sufficient to meet their RHNA for above moderate-income housing or have failed to submit an annual progress report as required under state law; or (2) 50 percent of the project's units in jurisdictions that have not approved housing projects sufficient to meet their RHNA for below moderate-income housing. AB 168 added a requirement to provide a formal notice to each California Native American tribe that is affiliated with the area of the proposed project. The Housing Element must describe the City's processing procedures related to SB 35. This is discussed further in Appendix B.

Additional Housing Element Sites Analysis Requirements. Assembly Bill 879 (2017) and Assembly Bill 1397 (2017). These bills require additional analysis and justification of the sites included in the sites inventory of the City's Housing Element. The Housing Element may only count non-vacant sites included in one previous housing element inventory and vacant sites included in two previous housing elements if the sites are subject to a program that allows affordable housing by right. Additionally, the bills require additional analysis of non-vacant sites and additional analysis of infrastructure capacity, and place size restrictions on all sites.

Affirmatively Furthering Fair Housing. Assembly Bill 686 (2017). AB 686 law ensures that public entities, including local governments, administer their programs relating to housing and urban development in a manner affirmatively to further the purposes of the federal Fair Housing Act and do not take any action that is materially inconsistent with its obligation to affirmatively further fair housing. It also requires that housing elements of each city and county promote and affirmatively further fair housing opportunities throughout the community for all persons regardless of race, religion, sex, marital status, ancestry, national origin, color, familial status, or disability, and other characteristics protected by the California Fair Employment and Housing Act, Government Code Section 65008, and any other state and federal fair housing and planning law. AB 686 requires jurisdictions to conduct an assessment of fair housing in the housing element, prepare the housing element site inventory through the lens of affirmatively furthering fair housing, and include program(s) to affirmatively further fair housing.

No-Net-Loss Zoning. Senate Bill 166 (2017). SB 166 amended the No-Net-Loss rule to require that the land inventory and site identification programs in the Housing Element include sufficient sites to

⁶CoStar; Economic & Planning Systems, Inc., 2018.

⁷ This is not an inclusive list and only includes substantial state law changes through 2021. Since then, there have been other state laws adopted to further streamline the entitlement process and CEQA reform for residential development.

accommodate the unmet RHNA. When a site identified in the Housing Element as available to accommodate the lower-income portion of the RHNA is actually developed for a higher income group, the City must either (1) identify, and rezone if necessary, an adequate substitute site or (2) demonstrate that the land inventory already contains an adequate substitute site.

AB 1397, Low (Chapter 375, Statutes of 2017). The law made several revisions to the site inventory analysis requirements of Housing Element Law. In particular, it requires stronger justification when nonvacant sites are used to meet housing needs, particularly for lower income housing, requires by right housing when sites are included in more than one housing element, and adds conditions around size of sites, among others.

Safety Element to Address Adaptation and Resiliency. Senate Bill 1035 (2018). SB 1035 requires the General Plan Safety Element to be reviewed and revised to include any new information on fire hazards, flood hazards, and climate adaptation and resiliency strategies with each revision of the housing element.

By Right Transitional and Permanent Supportive Housing. Assembly Bill 2162 (2018) and Assembly Bill 101 (2019). AB 2162 requires the City to change its zoning to provide a “by right” process and expedited review for supportive housing. The bill prohibits the City from applying a conditional use permit or other discretionary review to the approval of 100 percent affordable developments that include a percentage of supportive housing units, either 25 percent or 12 units, whichever is greater. The change in the law applies to sites in zones where multifamily and mixed uses are permitted, including in nonresidential zones permitting multifamily use. Additionally, AB 101 requires that a Low Barrier Navigation Center development be a use by right in mixed-use zones and nonresidential zones permitting multifamily uses if it meets specified requirements.

Accessory Dwelling Units (ADUs). Assembly Bill 2299 (2016), Senate Bill 1069 (2016), Assembly Bill 494 (2017), Senate Bill 229 (2017), Assembly Bill 68 (2019), Assembly Bill 881 (2019), Assembly 587 (2019), Senate Bill 13 (2019), Assembly Bill 670 (2019), Assembly Bill 671 (2019), Assembly Bill 3182 (2020). In recent years, multiple bills have added requirements for local governments related to ADU ordinances. The 2016 and 2017 updates to State law included changes pertaining to the allowed size of ADUs, permitting ADUs by right in at least some areas of a jurisdiction, and limits on parking requirements related to ADUs. More recent bills reduce the time to review and approve ADU applications to 60 days, remove lot size requirements and replacement parking space requirements and require local jurisdictions to permit junior ADUs. AB 68 allows an ADU and a junior ADU to be built on a single-family lot, if certain conditions are met. The State has also removed owner-occupancy requirements for ADUs, created a tiered fee structure that charges ADUs based on their size and location, prohibits fees on units of less than 750 square feet, and permits ADUs at existing multi-family developments. AB 671 requires the Housing Element to include plans to incentivize and encourage affordable ADU rentals. AB 3182 prohibits homeowner’s associations from imposing rental restrictions on ADUs.

Density Bonus and Development Incentives. Assembly Bill 1763 (2019) and Assembly Bill 2345 (2020). AB 1763 amended California’s density bonus law to authorize significant development incentives to encourage 100 percent affordable housing projects, allowing developments with 100 percent affordable housing units to receive an 80 percent density bonus from the otherwise maximum allowable density on the site. If the project is within half a mile of a major transit stop, the City may not apply any density limit to the project, and it can also receive a height increase of up to three additional stories (or 33 feet). In addition to the density bonus, qualifying projects will receive up to four regulatory concessions. Additionally, the City may not impose minimum parking requirements on projects with 100 percent affordable housing units that are dedicated to special needs or supportive housing. AB 2345 created



additional density bonus incentives for affordable housing units provided in a housing development project. It also requires that the annual report include information regarding density bonuses that were granted.

Housing Crisis Act of 2019. Senate Bill 330 (2019). SB 330 enacts changes to local development policies, permitting, and processes that will be in effect through January 1, 2025. SB 330 places new criteria on the application requirements and processing times for housing developments; prevents localities from decreasing the housing capacity of any site, such as through downzoning or increasing open space requirements, if such a decrease would preclude the jurisdiction from meeting its RHNA housing targets; prohibits localities from imposing a moratorium or similar restriction or limitation on housing development; prevents localities from establishing non-objective standards; and requires that any proposed demolition of housing units be accompanied by a project that would replace or exceed the total number of units demolished. Additionally, any demolished units that were occupied by lower-income households must be replaced with new units affordable to households with those same income levels. The City's processing procedures related to SB 330 are described further in Appendix B.

Surplus Land Act Amendments. Assembly Bill 1486 and AB 1255 (2019). AB 1486 refines the Surplus Land Act to provide clarity and further enforcement to increase the supply of affordable housing. The law requires the City to include specific information relating to surplus lands in the Housing Element and Housing Element Annual Progress Reports, and to provide a list of sites owned by the City or county that have been sold, leased, or otherwise disposed of in the prior year. AB 1255 requires the City to create a central inventory of surplus and excess public land each year. The City is required to transmit the inventory to HCD and to provide it to the public upon request. As of April 2022, the City of San Mateo has identified three surplus sites, two of which are under negotiations for affordable housing development (4th Avenue and Railroad Avenue known as the Bespoke Project), and one is a City parking lot available for affordable housing development (located at 308 5th Avenue).

AB 1486, Ting (Chapter 644, Statutes of 2019). The law expanded the definition of surplus land and added additional requirements on the disposal of surplus land. In addition, local agencies must send notices of availability to interested entities on a list maintained by HCD. This list and notices of availability are maintained on HCD's website. Local agencies must also send a description of the notice and subsequent negotiations for the sale of the land, which HCD must review, and within 30 days submit written finding of violations of law. Violations of the Surplus Land Act can be referred to the Attorney General. Finally, it adds a requirement in Housing Element Law for the jurisdiction to identify which of the sites included in the inventory are surplus property.

Housing Impact Fee Data. Assembly Bill 1483 (2019). AB 1483 requires the City to publicly share information about zoning ordinances, development standards, fees, exactions, and affordability requirements. The City is also required to update such information within 30 days of changes. This Housing Element describes governmental constraints on the production of housing, including a look at zoning requirements, development standards, fees, exactions, and affordability requirements. Changes in requirements made during the Housing Element planning period will also be reported as part of the City's annual Housing Element Progress Report.

SB 6, Beall (Chapter 667, Statutes of 2019). Jurisdictions are required to prepare the housing site inventory on forms developed by HCD and send an electronic version with their adopted housing element to HCD. HCD will then send those inventories to the Department of General Services by December 31 of each year.

Housing Opportunity and More Efficiency (HOME) Act. Senate Bill 9, Atkins (Chapter 162, Statutes of

2021). SB 9 requires the City to allow up to two residential dwelling units and residential lot splits in single-family zones. SB 9 allows for reduced standards, such as setbacks, minimum parcel dimensions, and parking. The City must apply objective zoning standards that do not preclude construction of up to two 800 square-foot units. To prevent displacement, the State does not allow SB 9 projects to demolish any affordable or rent controlled housing, or housing that has been occupied by a tenant within the last three years. Projects that meet the qualifying criteria and requirements must be ministerially approved and are not subject to CEQA review. The City adopted a local SB 9 Ordinance on October 3, 2022, as described in Policy H 1.11.

Senate Bill 10, Wiener (Chapter 163, Statutes of 2021). SB 10 authorizes cities to adopt an ordinance to zone for up to ten units of residential density on any parcel located within transit rich or urban infill areas. If adopted, the ordinance allows ministerial approval of up to ten units (not counting ADUs or JADUs) at a height specified by the City. The intent of this bill is to streamline production of housing in urban infill neighborhoods with access to transit. SB 10 includes a sunset date of January 1, 2029; the City has identified Policy H 1.12 to evaluate sites and “Missing Middle” housing policies consistent with SB 10 by 2026.

2.3 Consistency with the General Plan

As this Housing Element was being developed, the City was also undertaking a larger effort to comprehensively update the General Plan. Section 3.4.6 provides additional information about the General Plan Update. The Housing Element is the only chapter in a general plan with statutorily-prescribed timelines for completion, so it is being prepared on a shorter schedule than the rest of the General Plan Update. To ensure internal consistency among all General Plan elements, work on both the General Plan Update and the Housing Element Update is being coordinated. Other elements of the General Plan that specifically require updates statutorily triggered by the Housing Element include:

- Flood Hazard and Management (Gov. Code § 65302(d)(3) and (g)(2)(B))
- Fire Hazard (Gov. Code § 65302 and 65302.5) (Safety Element updates)
- Environmental Justice (Gov. Code § 65302(h))
- Climate Adaptation (sustainability throughout the General Plan Update)

All four of these topics are addressed as part of the General Plan Update. To ensure ongoing consistency among all elements of the General Plan, the City tracks all General Plan amendments as they occur and prepares revisions as needed. This will ensure ongoing consistency throughout the planning period.

2.4 Water/Sewer Capacity

As part of the Housing Element, jurisdictions must provide information regarding water and sewer capacity to accommodate future development. In addition, jurisdictions must include narratives about how they will comply with two specific pieces of legislation, SB 1087 and SB 244.

- **SB 1087 – Housing Elements** – Requires a city to immediately forward its adopted Housing Element to its water providers so they can grant priority for service allocations to proposed housing developments that include units affordable to lower-income households.
- **SB 244 – Land Use and General Plans** – Requires cities and counties, prior to adoption of a housing



element, to address the infrastructure needs of disadvantaged unincorporated communities outside the city's limits but within the city's planning area. Because the City's planning area does not contain any unincorporated areas, no such conditions exist.

The cities, water districts and private utilities represented by the Bay Area Water Supply and Conservation Agency (BAWSCA) rely upon the Hetch Hetchy system for water to protect the health, safety and economic well-being of 1.8 million citizens, businesses and community organizations. Together, the BAWSCA agencies account for two-thirds of water consumption from the system and pay for two-thirds of its upkeep.

The regional water system provides water to 2.7 million people in San Francisco, Santa Clara, Alameda and San Mateo counties. Eighty-five percent of the water comes from Sierra Nevada snowmelt stored in the Hetch Hetchy reservoir situated on the Tuolumne River in Yosemite National Park. Hetch Hetchy water travels 160 miles via gravity from Yosemite to the San Francisco Bay Area. The remaining 15 percent of water comes from runoff in the Alameda and Peninsula watersheds and is captured in reservoirs located in San Mateo and Alameda counties. Overall, this regional system, which consists of over 280 miles of pipelines, over 60 miles of tunnels, 11 reservoirs, five pump stations and two water treatment plants, delivers approximately 260 million gallons of water per day.

The City's water providers are California Water Company (Cal Water) and Estero Municipal Improvement District (EMID). Cal Water's Mid-Peninsula District, which includes the City of San Carlos, serves the majority of San Mateo, and EMID serves the bayside portions of San Mateo east of Seal Slough and the City of Foster City.

The City's wastewater treatment plant, which is currently undergoing upgrades that are expected to be completed in 2024, is jointly owned by the City of San Mateo and the City of Foster City/Estero Municipal Improvement District (EMID). The treatment facility serves more than 130,000 people and businesses in its service area at an average flow of 12 million gallons each day. By effectively treating wastewater at an advanced biological treatment facility, the plant helps keep San Francisco Bay environmentally clean and safe. These upgrades will also result in significant increased capacity to serve San Mateo and Foster City well into the future.

Both Cal Water and EMID have adopted Urban Water Management Plans that were developed based on the City's existing zoning densities. Since the City will not need to increase density or rezone any sites to meet its RHNA, combined with increased water efficiency and conservation requirements for new development, there appears to be sufficient water capacity to serve at least 7,015 new housing units by 2031. However, the entire State has experienced significant fluctuation in water supply availability over the past decade, including many unprecedented drought years, which impacts the City's ability to use current water supply to ensure future water availability. Thus, the City is fully committed to working with its two water supply agencies, neighboring jurisdictions and regional partners to take the necessary actions to ensure that our water supply meets demand to build the necessary new housing through 2031.

Policy H 1.19 outlines how the City will support the water and sewer providers to ensure adequate capacity for new housing development and includes the following programs:

1. Upon adoption of the Housing Element, provide a copy of the Element to California Water Company, Estero Municipal Improvement District, and San Mateo Public Works Dept, for greater awareness of affordable housing priorities and collaboration, in compliance with AB 1087.
2. Pursuant to AB 1087, work with Cal Water and EMID to establish a procedure to prioritize water allocation for developments that include units set aside as affordable housing for lower income

households, including affordable housing within larger, mixed-use developments and larger residential subdivisions.

3. Establish a written procedure for the City to grant priority sewer service to developments with units that are affordable to lower-income households.
4. Support efforts by Cal Water and EMID to expand their water supplies with new water sources and develop water efficiency and conservation methods to offset demand from new development projects.

In addition, the Public Services and Facilities Element in the City's General Plan Update (GPU), with a horizon year of 2040, includes a section that focuses on water supply, and includes a goal to "Support access to a safe, sustainable, and resilient supply of water for San Mateo." This goal is supported by over 20 policies and actions that support both water agencies when updating their UWMPs, increases water efficiency and conservation in new development, and supports the development of new water sources, including recycled water, with a target of no net increase in water usage. This target is further analyzed in the GPU's Environmental Impact Report.

Based on this information, it is anticipated that the City has sufficient water service capacity and sewage processing capacity to meet new housing development needs for this housing cycle. The current facilities and/or infrastructure are reported to be in good operating condition. Therefore, with **Policy H 1.19**, it is determined that the City has sufficient capacity to serve the 7,015 housing units stipulated in the 2023-2031 Regional Housing Needs Allocation.



Housing Needs and Sites Inventory

3.1 Housing Needs Summary

The Plan Bay Area 2050 Final Blueprint forecasts that the nine-county Bay Area will add 1.4 million new households between 2015 and 2050. For the eight-year timeframe covered by this Housing Element, the Department of Housing and Community Development (HCD) has identified the region's housing need as 441,176 units. The total number of housing units assigned by HCD is separated into four income categories that cover housing types for all income levels, from extremely low-income households to market rate housing.

Every year, the US Department of Housing and Urban Development (HUD), in conjunction with the State of California, establish income categories based on the median income in each county. Based on new requirements for the completion of the Housing Element, jurisdictions must now report on the following categories of income:

- Extremely Low Income: 0-30% of Area Median Income, or AMI
- Very Low Income: 30-50% AMI
- Low Income: 50-80% AMI
- Moderate Income: 80-120% AMI
- Above Moderate Income: 120%+ AMI

Table 1 illustrates the income categories for San Mateo County in 2023. The median income for a family of four is \$175,000.

Table 1: Income Limits for San Mateo County, 2023

Number of Persons in Household:		1	2	3	4	5	6	7	8
San Mateo County Area Median Income: \$175,000	Acutely Low	\$18,400	\$21,000	\$23,650	\$26,250	\$28,350	\$30,450	\$32,550	\$34,650
	Extremely Low	\$39,150	\$44,750	\$50,350	\$55,900	\$60,400	\$64,850	\$69,350	\$73,800
	Very Low Income	\$65,250	\$74,600	\$83,900	\$93,200	\$100,700	\$108,150	\$115,600	\$123,050
	Low Income	\$104,400	\$119,300	\$134,200	\$149,100	\$161,050	\$173,000	\$184,900	\$196,850
	Median Income	\$122,500	\$140,000	\$157,500	\$175,000	\$189,000	\$203,000	\$217,000	\$231,000
	Moderate Income	\$147,000	\$168,000	\$189,000	\$210,000	\$226,800	\$243,600	\$260,400	\$277,200

Source: State of California Department of Housing and Community Development, June 6, 2023. <https://www.hcd.ca.gov/grants-funding/income-limits/state-and-federal-income-limits.shtml>

The Regional Housing Needs Determination (RHND) is based on population projections produced by the California Department of Finance (DOF) as well as adjustments that incorporate the region’s existing housing need. The adjustments result from recent legislation requiring HCD to apply additional adjustment factors to the baseline growth projection from the DOF, in order for the regions to get closer to healthy housing markets. To this end, adjustments focus on the region’s vacancy rate, level of overcrowding and the share of cost burdened households and seek to bring the region more in line with comparable ones.⁵ These new laws governing the methodology for how HCD calculates the RHND resulted in a significantly higher number of housing units for which the Bay Area must plan compared to previous RHNA cycles.

Almost all jurisdictions in the Bay Area received a larger RHNA this cycle compared to the last cycle, primarily due to changes in state law that led to a considerably higher RHND compared to previous cycles. The allocation that San Mateo received from the Draft RHNA Methodology is broken down by income category as shown in Table 2.

Table 2: Final Regional Housing Needs Allocations

Income Group	San Mateo Units	San Mateo County Units	Bay Area Units	San Mateo Percent	San Mateo County Percent	Bay Area Percent
Very Low Income (<50% of AMI)	1,777	12,196	114,442	25.3%	25.6%	25.9%
Low Income (50%-80% of AMI)	1,023	7,023	65,892	14.6%	14.7%	14.9%
Moderate Income (80%-120% of AMI)	1,175	7,937	72,712	16.7%	16.6%	16.5%
Above Moderate Income (>120% of AMI)	3,040	20,531	188,130	43.3%	43.1%	42.6%
Total	7,015	47,687	441,176	100.0%	100.0%	100.0%

Source: Association of Bay Area Governments Final Regional Housing Needs Allocations Plan, adopted on December 16, 2021 and approved by California Housing and Community Development on January 12, 2022.

3.2 Demographics

The following are key facts regarding the city’s demographic data and housing needs and issues from the demographic report, which can be found in Appendix A.

- **Population** – Generally, the population of the Bay Area continues to grow because of natural growth and because the strong economy draws new residents to the region. The population of San Mateo increased by 11.5% from 2000 to 2020, which is below the growth rate of the Bay Area.
- **Age** – In 2019, San Mateo’s youth population under the age of 18 was 21,827 and senior population 65 and older was 16,093. These age groups represent 20.9% and 15.4%, respectively,



of San Mateo's population.

- **Race/Ethnicity** – In 2020, 40.9% of San Mateo's population was White while 1.9% was African American, 26.2% was Asian, and 25.1% was Latinx. People of color in San Mateo comprise a proportion below the overall proportion in the Bay Area as a whole.
- **Employment** – San Mateo residents most commonly work in the Financial & Professional Services industry. From January 2010 to January 2021, the unemployment rate in San Mateo decreased by 3.6 percentage points. Since 2010, the number of jobs located in the jurisdiction increased by 16,810 (42.7%). Additionally, the jobs-household ratio in San Mateo has increased from 1.17 in 2002 to 1.45 jobs per household in 2018.
- **Number of Homes** – The number of new homes built in the Bay Area has not kept pace with the demand, resulting in longer commutes, increasing prices, and exacerbating issues of displacement and homelessness. The number of homes in San Mateo increased 3.6% from 2010 to 2020, which is below the growth rate for San Mateo County and below the growth rate of the region's housing stock during this time period.
- **Home Prices** – A diversity of homes at all income levels creates opportunities for all San Mateo residents to live and thrive in the community.
 - **Ownership** – The largest proportion of homes had a value in the range of \$1M-\$1.5M in 2019. Home prices increased by 115.6% from 2010 to 2020.
 - **Rental Prices** – The typical monthly rent for an apartment in San Mateo was \$2,380 in 2019. Rental prices increased by 74.2% from 2009 to 2019. To rent a typical apartment without cost burden, a household would need to make \$95,240 per year.
- **Housing Type** – It is important to have a variety of housing types to meet the needs of a community today and in the future. In 2020, 44.3% of homes in San Mateo were single family detached, 9.9% were single family attached, 6.3% were small multifamily (2-4 units), and 39.4% were medium or large multifamily (5+ units). Between 2010 and 2020, the number of multi-family units increased more than single-family units. Generally, in San Mateo, the share of the housing stock that is detached single family homes is below that of other jurisdictions in the region.
- **Cost Burden** – HUD considers housing to be affordable for a household if the household spends less than 30% of its income on housing costs. A household is considered "cost-burdened" if it spends more than 30% of its monthly income on housing costs, while those who spend more than 50% of their income on housing costs are considered "severely cost-burdened." In San Mateo, 20.8% of households spend 30%-50% of their income on housing, while 16.8% of households are severely cost burden and use the majority of their income for housing.
- **Displacement/Gentrification** – According to research from The University of California, Berkeley, 0.0% of households in San Mateo live in neighborhoods that are susceptible to or experiencing displacement, and 0.0% live in areas at risk of or undergoing gentrification. 63.4% of households in San Mateo live in neighborhoods where low-income households are likely excluded due to prohibitive housing costs. There are various ways to address displacement including ensuring new housing at all income levels is built.
- **Neighborhood** – 56.4% of residents in San Mateo live in neighborhoods identified as "Highest Resource" or "High Resource" areas by State-commissioned research, while 0.0% of residents live in areas identified by this research as "Low Resource" or "High Segregation and Poverty" areas.

These neighborhood designations are based on a range of indicators covering areas such as education, poverty, proximity to jobs and economic opportunities, low pollution levels, and other factors.

- **Special Housing Needs** – Some population groups may have special housing needs that require specific program responses, and these groups may experience barriers to accessing stable housing due to their specific housing circumstances. In San Mateo, 9.1% of residents have a disability of some kind and may require accessible housing. Additionally, 9.0% of San Mateo households are larger households with five or more people, who likely need larger housing units with three bedrooms or more. 9.1% of households are female-headed families, which are often at greater risk of housing insecurity.

3.3 Units at Risk of Conversion to Market Rate

State law requires that each city provide analysis and programs for preserving existing affordable multi-family rental housing units that were developed with public subsidies. Units at risk of conversion are those units in which the restrictions, agreements or contracts to maintain the affordability of the units expire or are otherwise terminated. At expiration, units may revert to market rate, rendering them no longer affordable to the people living in them. Loss of affordability can occur at the termination of bond funding, the expiration of density bonuses, and other similar local programs.

The potential loss of existing affordable housing units is an important issue to the city due to displacement of lower-income tenants and the limited alternative housing for such persons. It is typically less expensive to preserve the affordability of these units than to subsidize construction of new affordable units due to the inflation of land and construction costs which has occurred since the original development of the affordable housing projects.

3.3.1 Preservation and Replacement Options

Based on City records and information from the California Housing Partnership Corporation, a total of 65 units in San Mateo have affordability covenants that will expire during the next ten years (2023-2033):

Bridgepointe Condominiums. This development from 1999 contains the City's first Below Market Rate (BMR) units, 59 in all, of which 24 are very low income (50% AMI) and the remainder (35) are at 120% of AMI, at the top of the moderate-income level. The expiration date for the 59 units is 2027, and the City has included a program (H 2.2) to assist in the preservation of these units. However, the 24 very low-income units are most at risk since rents at 120% of median are closer to market rate.

Belmont Building. Originally financed in 1993, this project involved the conversion of six units to family rentals, serving very low-income households (50% AMI). The affordability of the project was created through loans in two programs. Federal HUD loans were used for the rehabilitation of the building. These loans are set to expire in 2032. The developer of this project was a private entity, but a longtime participant in the Section 8 voucher program.

Preservation of at-risk projects can be achieved in a variety of ways, with adequate funding availability. Alternatively, units that are converted to market rate may be replaced with new assisted multi-family units with specified affordability timeframes.



Rehabilitation Projects. The City funds rehabilitation projects for low-income residents of San Mateo to promote access to suitable living environments within each home. The Minor Home Repair program is funded through the Community Development Block Grant (CDBG) program and serves an annual goal of 10 units through general repairs, 14 units through accessibility modifications, and 7 units through weatherization upgrades. Furthermore, the City provides low-interest loans for rehabilitation projects of up to \$60,000 per home for low-income homeowners through the CALHOME program. During this cycle, 10 rehabilitation loan projects are anticipated to be completed. **Policy H 2.1** includes programs and implementation actions to support funding these rehabilitation projects. **Overall, these programs will result in the rehabilitation of a total of 258 affordable housing units.**

3.3.2 Rental Assistance

State, local, or other funding sources can be used to provide rental subsidies to maintain the affordability of at-risk projects. These subsidies can be structured to mirror the Housing Choice Voucher/Section 8 program, whereby the subsidy covers the cost of the unit above what is determined to be affordable for the tenant's household income (including a utility allowance) up to the fair market value of the apartment. Unit sizes for the at-risk properties range from studios to two-bedroom units and are generally reserved for very low-income households. The total annual subsidy to maintain the 30 at-risk units (the 24 from Bridgepointe and the six from Belmont Building) is estimated at least \$600,000.

3.3.3 Transfer of Ownership

If the current organizations managing the units at risk are no longer able to maintain the project, transferring ownership of the affordable units to a nonprofit housing organization is a viable way to preserve affordable housing for the long term. The estimated market value for the 30 affordable units that are potentially at high risk of converting to market rate is nearly \$350,000 per unit, or \$10.5 million total.

3.3.4 Construction of Replacement Units

The construction of new low-income housing can be a means to replace at-risk units, though extremely costly. The cost of developing new housing depends on a variety of factors including density, size of units, construction quality and type, location, land and development costs. Using the Turner Center's research on the cost to develop affordable housing around the Bay Area, the cost to replace the units would be at least \$700,00 per unit, if not more based on increasing materials and labor costs, so the total would be at least \$21 million.

3.3.5 Entities Interested in Participating in California's First Right of Refusal Program

An owner of a multi-family rental housing development with rental restrictions (i.e., is under agreement with federal, State, and local entities to receive subsidies for low-income tenants), may plan to sell their "at risk" property. The California Department of Housing and Community Development (HCD) have listed qualified entities that may be interested in participating in California's First Right of Refusal Program. If an owner decides to terminate a subsidy contract or prepay the mortgage or sell or otherwise dispose of the assisted housing development, or if the owner has an assisted housing development in which there will be the expiration of rental restrictions, the owner must first give notice of the opportunity to offer to purchase to a list of qualified entities provided to the owner.

HCD has identified six entities that may be interested in participating in California's First Right of Refusal

Program in San Mateo County:

- ROEM Development Corporation
- Northern California Land Trust, Inc.
- Housing Corporation of America
- Mid-Peninsula Housing Coalition
- Affordable Housing Foundation
- Alta Housing (previously Palo Alto Housing Corp)

Of these entities, some have worked specifically in San Mateo, and others have completed projects in surrounding areas. If a development becomes at risk of conversion to market-rate housing, the City will maintain contact with local organizations and housing providers who may have an interest in acquiring at-risk units and will assist other organizations in applying for funding to acquire at-risk units.

3.3.6 Funding Sources

A critical component to implement any of these preservation options is the availability of adequate funding, which can be difficult to secure. In general, Low-Income Housing Tax Credit funding is not readily available for rehabilitation and preservation, as the grant application process is highly competitive and prioritizes new construction. The City's previous ongoing funding source, Low/Mod Housing Funds available through the Redevelopment Agency, no longer exists due to the dissolution of Redevelopment more than a decade ago. However, affordable housing impact fees are a new, local funding source, and the City may consider developing inclusionary zoning in lieu fees as well. Additional available funding sources that can support affordable housing preservation include sources from the federal and state governments, as well as local and regional funding.

Federal Funding

- HOME Investment Partnerships (HOME) Program
- Project-Based Vouchers (Section 8)
- Section 811 Project Rental Assistance
- Veterans Affairs Supportive Housing (VASH) Vouchers

State Funding

- Affordable Housing and Sustainable Communities (AHSC) Program
- Golden State Acquisition Fund (GSAF)
- Project Homekey
- Housing for a Healthy California (HHC)
- Multifamily Housing Program (MHP)
- National Housing Trust Fund
- Predevelopment Loan Program (PDLP)
- Permanent Location Housing Allocation (PLHA)



Regional, Local, and Nonprofit Funding

- San Mateo County Affordable Housing Fund
- Housing Successor Agency for the Redevelopment Agency
- City Housing Fund
- Commercial Linkage Fee (CLF)
- City General Fund

As outlined in **Policy H 2.2**, the City will work with the owners of both the Bridgepointe and Belmont Building projects prior to the expiration of their affordability restrictions to develop a plan to retain the units as affordable, replace the units elsewhere, or relocate tenants into alternative housing that is affordable to them.

3.4 RHNA Allocation Summary and Methodology

3.4.1 Legislative Context for the Housing Element's Inventory of Sites

Per State law, the State of California, in conjunction with Association of Bay Area Governments (ABAG), has projected future population figures for the nine Bay Areas counties which translates into the need for additional housing units. Each jurisdiction is then assigned a portion of the regional need based on factors such as growth of population and adjusted by factors including proximity to jobs, and high resource areas that have excellent access to amenities such as good school and employment centers. This assignment is known as the Regional Housing Needs Allocation (RHNA). Each jurisdiction must ensure that there is enough land at appropriate zoning densities to accommodate its RHNA in its Housing Element in four income categories (very low-, low-, moderate- and above moderate-income). The RHNA for City of San Mateo for the Housing Element 2023-2031 is 7,015 units, which are broken down by income category in Table 3.

Table 3: San Mateo RHNA Targets Summary

Income Category	Very Low 50% AMI	Low 80% AMI	Moderate 120% AMI	Above Market Rate	Total
2023-31 Allocation	1,777	1,023	1,175	3,040	7,015

Table Source: Housing Element Cycle 6 RHNA Allocation

A key component of the Housing Element is a projection of a jurisdiction's housing supply. State law requires that the element identify adequate sites for housing, including rental housing, factory-built housing, and mobile homes, and make adequate provision for the existing and projected needs of all economic segments of the community. This sites list is required to include an inventory of land suitable for residential development, including vacant sites and sites having potential for redevelopment, including analysis of the development capacity that can realistically be achieved for each site.

The purpose of the Sites Inventory is to evaluate whether there are sufficient sites with appropriate zoning to meet the RHNA goal. It is based on the City's current land use designations and zoning requirements. The analysis does not include the economic feasibility of specific sites, nor does it take into consideration the owner's intended use of the land now or in the future. It does not dictate where residential

development will actually occur, and the decision whether or not to develop any particular site always remains with the owner of the property, not the City. Based on previous Housing Elements, the City anticipates that some of the sites on the list will be developed with new housing, some will not, and some housing will be built on sites not listed in the inventory. The Sites Inventory is further outlined below, with a breakdown of the units in Table 8. The complete Sites Inventory is included as Appendix C.

A number of new housing laws have significantly changed how a sites inventory is developed, introducing changes to the following components of the site inventory:

- Design and development of the site inventory (SB 6, 2019)
- Requirements in the site inventory table (AB 1397, 2017 AB 1486, 2019)
- Capacity calculation (AB 1397, 2017)
- Infrastructure requirements (AB 1397, 2017)
- Suitability of nonvacant sites (AB 1397, 2017)
- Size of site requirements (AB 1397, 2017)
- Locational requirements of identified sites (AB 686, 2018)
- Sites identified in previous housing elements (AB 1397, 2017)
- Non-vacant site replacement unit requirements (AB 1397, 2017)
- Rezone program requirements (AB 1397, 2017)

These laws are further described in Section 2.2 (Legislative Context) of the Housing Element and were adhered to for development of the Sites Inventory.

3.4.2 Site Inventory Methodology

City staff inventoried vacant and underutilized parcels in San Mateo to determine what land is available for development at various levels of density. Types of sites included:

- Vacant sites zoned⁸ for residential use.
- Vacant sites zoned for nonresidential use that allow residential development.
- Residentially zoned sites, including non-residentially zoned sites with a residential overlay, that are capable of being developed at a higher density (non-vacant sites, including underutilized sites).
- Sites owned or leased by a city, county, or city and county.

⁸ The term “zoned” used throughout this Housing Element document to describe the allowed land uses and residential densities on properties is also synonymous with the City of San Mateo General Plan 2040 Land Use Designations. The analysis completed in Site Inventory methodology and throughout this document uses the maximum density per General Plan 2040, but for simplicity purposes the term “zoned” is used. The City adopted General Plan 2040 on March 18, 2024, which created new land use designations with increased densities. Voters approved Measure T on November 5, 2024, which allowed the increased densities in General Plan 2040 to go into effect. To address potential inconsistencies between the Zoning Code and the General Plan, the City adopted Municipal Code Section 27.02.220, which states in part: “In case of conflict or inconsistency between Title 27 of the Municipal Code (Zoning Code) and the General Plan 2040, the uses, densities, intensities and heights specified in Table LU-1 (Land Use Designations) in the Land Use Element and associated with the Land Use Map shall control.”



The number of units that might be able to be developed at various affordability levels was then estimated, e.g., available land zoned at higher densities can be counted toward the very low- and low-income level needs, and land zoned at lower densities are counted toward the moderate and above moderate-income housing need. The analysis was then completed using the actual average residential densities for comparable developments built on land with various zoning designations over the past five years. The City also analyzed residential development projects with preliminary or formal planning applications that have been submitted since the increased densities in General Plan 2040 went into effect in December 2024.

The City of San Mateo's Sites Inventory for future housing includes property zoned for multi-family use that is currently vacant as well as land that is underutilized. Sites that are zoned commercial or office but allow residential uses were also included. As seen in Table 8 below, the adequate sites analysis demonstrates that there is enough land with sufficient zoning capacity to meet the City's RHNA. The analysis for affordable housing units for extremely low, very low, and low-income households is based on the assumption that land zoned at densities higher than 30 units to the acre can facilitate affordable housing development, given the City's inclusionary requirements of 15%. More than 50% of the City's below market rate housing would be developed on lands that are underutilized. However, the City is experiencing a high volume of residential and mixed-use development projects looking to revitalize these sites and seeking density bonus and other incentives to achieve higher density residential development. Example projects that demonstrate this trend are included in Attachment C.

3.4.3 Site Inventory Approach

Staff conducted a site-specific review of all potential development sites, citywide. As is demonstrated in Section 3.5 Sites Inventory, and further detailed in Appendix C, there are adequate sites with sufficient acreage and residential density that can meet the RHNA, plus a buffer, within the updated land use densities in General Plan 2040. Previous analysis included in the Housing Element was based on density and height limits imposed by General Plan 2030 and Measure Y that limited the upper range of densities of 35 to 50 dwelling units per acre (DUA). The land use designations in the 2040 General Plan increased the base densities of many of the opportunity sites to 99 or 130 DUA, which significantly increases the capacity of residential development and buffer for affordable units.

Factors Used in Selecting Sites. Site selection criteria are detailed in Appendix C of this Housing Element. Based on the trends of recent development, as well as characteristics of sites with expressed interest from property owners and developers for redevelopment, each site is evaluated based on the following factors:

1. Site with property owner or developer interest
2. Site that is developer owned
3. Site with previous proposal for redevelopment
4. Vacant site
5. Site containing limited improvements (such as parking and outdoor storage)
6. Existing uses are consistent with recent redevelopment trends
7. Age of structure
8. Single story versus multi-story structure
9. Improvement to land value ratio
10. Lot coverage

Zoned versus Realistic Capacity. When establishing realistic unit capacity calculations, the jurisdiction must consider current development trends of existing or approved residential developments at a similar affordability level in that jurisdiction, as well as the cumulative impact of standards such as maximum lot

coverage, height, open space, parking, and floor area ratios. The capacity methodology must be adjusted to account for any limitation as a result of availability and accessibility of sufficient water, sewer, and dry utilities. For non-residential zoned sites (mixed-use areas or commercial sites that allow residential development), the capacity methodology must account for the likelihood of residential development on these sites. While a site may be zoned to accommodate, say, 100 units, site constraints or other development standards may preclude development to the full 100 units.

San Mateo has several office and commercial zones that also allow for residential development. From 2019-2023, approximately 90% of projects located in those zones have included a residential component. This five year timeframe is most representative of the type of projects that are anticipated and best aligns with the current local and state regulatory environments (i.e., inclusionary requirements, density bonus).

The only commercial zone that prohibits residential uses is the C-4 Service Commercial district, which includes uses such as auto repair and light industrial uses and encompasses less than 1% of the total commercial-zoned land within the city. Table 4 below shows the number of approved projects on sites in commercial and mixed-use zones over a recent period prior to the adoption General Plan 2040 and voter approval of Measure T.

Table 4a includes all preliminary and formal planning applications (included as “pipeline projects”) for residential development projects submitted since the increased densities in General Plan 2040 went into effect. Based on the City’s review of these projects, residential only development or mixed-use projects with a residential component are viable options for sites designated in residential, office, commercial and mixed zones.

The data contained in Table 4 and 4a was also used to determine the realistic capacity of each site within the Site Inventory. Based on this data, it is estimated that sites in the Sites Inventory with a general plan land use designation of residential, mixed-use, office, or commercial could be developed to 90% of capacity based on density. Since most of these pipeline projects have a density that exceeds 100% of the base density because of State Density bonus allowances, this estimate is considered conservative. This ratio was multiplied by site acreage and maximum units per acre allowed by zoning (e.g., Mixed-Use High at 130 DUA, Mixed-Use Medium II at 99 DUA, etc.) to create the realistic capacity assumptions for each site in the Sites Inventory Table.



Table 4: January 2019 – December 2023 Planning Development Approvals (ranked by density)

Address Development Type	Description	No. of Dwelling Units	% of Project Residential (approx.)	Base Zoning	Lot Size (Acre)	Dwelling Units per Acre	% of Base Density	Existing Use	Age of Existing Building	Existing Building # of Stories	FAR	Improvement to Land Ratio
480 E 4 th Ave. (Kiku Crossing) Multi-Family	Demo surface parking lot (City-owned parcel). Construct new 7-story 100% affordable multi-family building with a separate 5-level parking structure.	225	53%	CBD-S: Commercial and DT residential	2.41	93	186%	Two Public Parking Lots	No Building	0	0.0	0.0
Block 21 Mixed-Use	Demo existing retail and residential structures (8 units). New mixed-use building with office and residential uses.	111	33%	CBD-S: Commercial and DT Residential	1.51	74	148%	Retail and residential structures (8 units)	1900 - 2002	2	0.5	0.4
477 9 th Ave Mixed-Use	Demo existing commercial buildings. New 5-story office and residential building.	120	80%	E2-2: Office	1.6	75	150%	Office	1980s	1	0.3	0.7
616 S. B St. Nazareth Vista Mixed-Use	Demo existing commercial buildings. New 5-story mixed-use building with commercial and residential uses.	48	86%	C1-3/R5: Commercial and Residential	0.64	75	150%	Retail	1956 - 1974	1	0.4	0.0
1919 O'Farrell St. Multi-Family	Demo existing office building. New 5-story residential apartment building.	49	100%	E1-1/R4: Office with residential overlay	0.71	69	138%	Office	N/A	1	0.1	0.0
401 Concar Dr. Hayward Park Mixed-Use	Demo surface parking lot at Hayward Park Caltrain Station. New 5-story residential apartment building.	191	100%	TOD: Mixed use	2.82	68	136%	CalTrain Parking Lot	No Building	0	0.0	0.0
303 Baldwin Ave. Mixed-Use	Demo existing grocery store. New 5-story mixed-use building with commercial, office and residential uses.	64	40%	C1-2/R5: Commercial with residential overlay	0.93	68	136%	Grocery Store	1956	1	0.4	0.3

1650 S. Delaware St. Multi-Family	Demo the existing office building. New 5-story 73-unit residential apartment building.	73	100%	TOD: Mixed-Use	1.07	68	136%	Office	Pre-1980s	2	0.4	0.3
666 Concar Dr. Mixed-Use	Demo existing shopping center. New mixed-use buildings with commercial, office and residential uses.	961	97%	TOD: Mixed use	14.51	66	132%	Regional Retail	1969 - 1991	1	0.3	2.6
1 Hayward Ave Mixed-Use	Demo existing commercial and residential uses (5 units). New mixed-use building with office and residential uses.	18	77%	E2-1/R4: Office with residential overlay	0.29	61	122%	Residential and office	1938	1	0.4	0.1
S Delaware St. at Landing Ave (PA20-053) Bay Meadows Mixed-Use	New 4-story mixed-use building on MU2 Block with ground floor retail uses and office above; and new 4-story mixed-use building on MU3 Block with ground floor retail uses and residential above.	67	15%	BMSP: Mixed-Use per Bay Meadows Specific Plan	1.51	44	88%	Vacant	No Building	0	0.0	0.0
4 W Santa Inez Ave. Multi-Family	Demo two single-family dwellings. Construct new 4-story condominium building.	10	100%	R4: Multi-Family Dwelling	0.25	40	80%	2 single-family dwellings	1950s	1	0.3	0.1
406 E 3rd Ave. Mixed-Use	Demo existing commercial buildings. New 4-story office and residential building.	25	14%	CBD-S: Commercial and DT Residential	0.88	28	56%	Fast food restaurant, industrial/automobile uses	1990s	1	0.9	0.8
435 E. 3rd Ave. Mixed-Use	Demo existing commercial buildings. New 5-story office and residential building.	18	16%	CBD-S: Commercial and DT Residential	0.25	20	40%	Gas station	1980s	1	0.1	0.1
2988 Campus Dr. Multi-Family	Demo 4 office buildings on 2 sites. New multi-family residential buildings (townhouses) on two hillside parcels.	290	100%	E1-1: Office	15.45	19	38%	Offices	1970s	3	0.3	0.3



1, 2 and 3 Waters Park Dr. Multi-Family	Demo office campus. New multi-family buildings with single-family, townhouses and condominium units.	190	100%	Rezoned from E1: Office to R3 multi-family	11.13	17	49%	Executive business park	1979	2	0.3	0.4
222 E 4th Ave. (Draeger's) Mixed-Use	Demo existing grocery store. New mixed-use building with retail (grocery), office and 100% affordable residential uses.	10	7%	CBD/R: Commercial with residential overlay	1.13	9	18%	Grocery Store	1997	2	1.3	0.8
2089 Pacific Blvd. Multi-Family	Conversion of eight two-bedroom units into 16 studio units for a net increase of 8 units within an existing apartment complex	16	100%	TOD: Mixed-Use	2.37	7	14%	Apartment	2015	3	2.0	3.9

Table 4a: Preliminary and Formal Applications since General Plan 2040 Adoption and Passage of Measure T

Project Address (Name)	No. of Dwelling Units	GP Land Use Designation	GP Density	Lot Size (Acres)	Density (Dwelling Units Per Acre)	% of Base Density	Existing Use	Exceeding Realistic Capacity?
1 E. 4th Ave	236	Mixed-Use High	130	0.91	259	200%	Retail	Yes
668 E. 3 rd Ave (Gateway)	128	Mixed-Use Medium II	99	0.64	200	198%	Retail	Yes
220 W. 20th Ave	230	Residential Medium II	99	1.54	149	151%	Office	Yes
715 N. San Mateo Dr	181	Residential Medium II	99	1.22	148	151%	Vacant/Duplex	Yes
616 S. B St. (Nazareth Vista)	94	Mixed-Use Medium II	99	0.64	146	149%	Retail	Yes
1218 Monte Diablo	72	Mixed-Use Medium I	50	1.01	71	144%	Retail	Yes
22 N. San Mateo Dr	161	Mixed-Use High	130	1.06	152	118%	Apartment	Yes
230 S El Camino Real	28	Mixed-Use High	130	0.26	107	85%	Vacant lot	No
666/678 Concar Dr. (Passage) ¹⁰	847	Mixed-Use Medium II	99	14.5	58	59%	Commercial Shopping Center	No
2015 Pioneer Court	10	Mixed-Use Medium I	50	0.44	22	45%	Vacant office	No
1650 S. Amphlett Blvd. (Bayshore Commons)	256	Mixed-Use Medium I	50	14.5	17	35%	Office	No

¹⁰ The new proposed residential development application will supersede the existing approved project for the 666 Concar Dr. Mixed-Use Project in Table 1.

Identification of Sites for Affordable Housing. Sites on the Inventory must also be classified as suitable for various income levels including very low, low, moderate and above moderate. Several housing laws impact how sites are selected for inclusion by income category. In general, sites less than 0.5 acres cannot be considered as available for lower income development *unless* the jurisdiction demonstrates that it has a track record of affordable developments at this size of lot. For this inventory, no individual site less than 0.5 acres is allocated toward lower income units; however, as per State guidance, such small sites can be considered either for moderate income, above moderate income, or both.

Sites larger than 10 acres are generally considered unavailable for affordable housing, unless the Housing Element can demonstrate a track record for developing such sites of this size, or the City can demonstrate it is otherwise feasible to develop affordable housing. The City has a demonstrated track record of large site development, typically completed in phases, that includes affordable residential development. Station Park Green (12 acres), Concar Passage (14.5 acres), and Bay Meadows (175 acres) are examples of built or approved large development projects that include substantial numbers of affordable units.

In this inventory, four sites are larger than 10 acres: Concar Passage, Bayshore Commons, Hillsdale Mall, and the former Marriott site at 1770 S. Amphlett Blvd. At the time of Housing Element adoption, Concar Passage (14.5 acres) had an approved mixed-use development with commercial, retail and residential uses with 961 proposed new units. Now, the updated proposed project includes 847 residential units, with 186 affordable units at the low and very-low income levels. Bayshore Commons (14.5 acres) is a proposed project that includes 256 townhouse/single-family home units, with 38 affordable units at the moderate income level. Hillsdale Mall is an existing commercial/retail development that is approximately 45 acres in size. A mixed-use redevelopment project has been proposed on 32 acres of the mall site and includes office, commercial and residential uses, with up to 1,650 new housing units, with 15 percent of the units to be designated as affordable. However, since this project is proposed to be phased over a 25-year period, only 25% of the proposed units were used for this planning period. The site at 1770 S. Amphlett Blvd is 10.3 acres and was the location of a Marriott hotel, but is now vacant and identified as a housing opportunity site. However, since it has a mixed-use land use designation, it is anticipated that this site will be developed with some type of mixed-use development, so only a portion of the site (eight acres) is identified for residential uses. Additional information on these projects can be found in Appendix C.

Locational Requirements of Sites. The new requirements for Affirmatively Further Fair Housing (AFFH), pursuant to AB 686, dictate that the City avoid, to the extent possible, the location of potential affordable housing in the inventory in a manner that would exacerbate existing concentrations of poverty, as well as contribute to increasing the number of lower-income households in lower-income neighborhoods. The City must also consider locating housing away from environmental constraints such as sea level rise or high fire hazard severity zones, and near areas of higher or highest opportunities or are in affluent areas, including quality schools, parks, and educational opportunities. The State indicates that jurisdictions consider the following factors when determining the best locations for affordable housing.

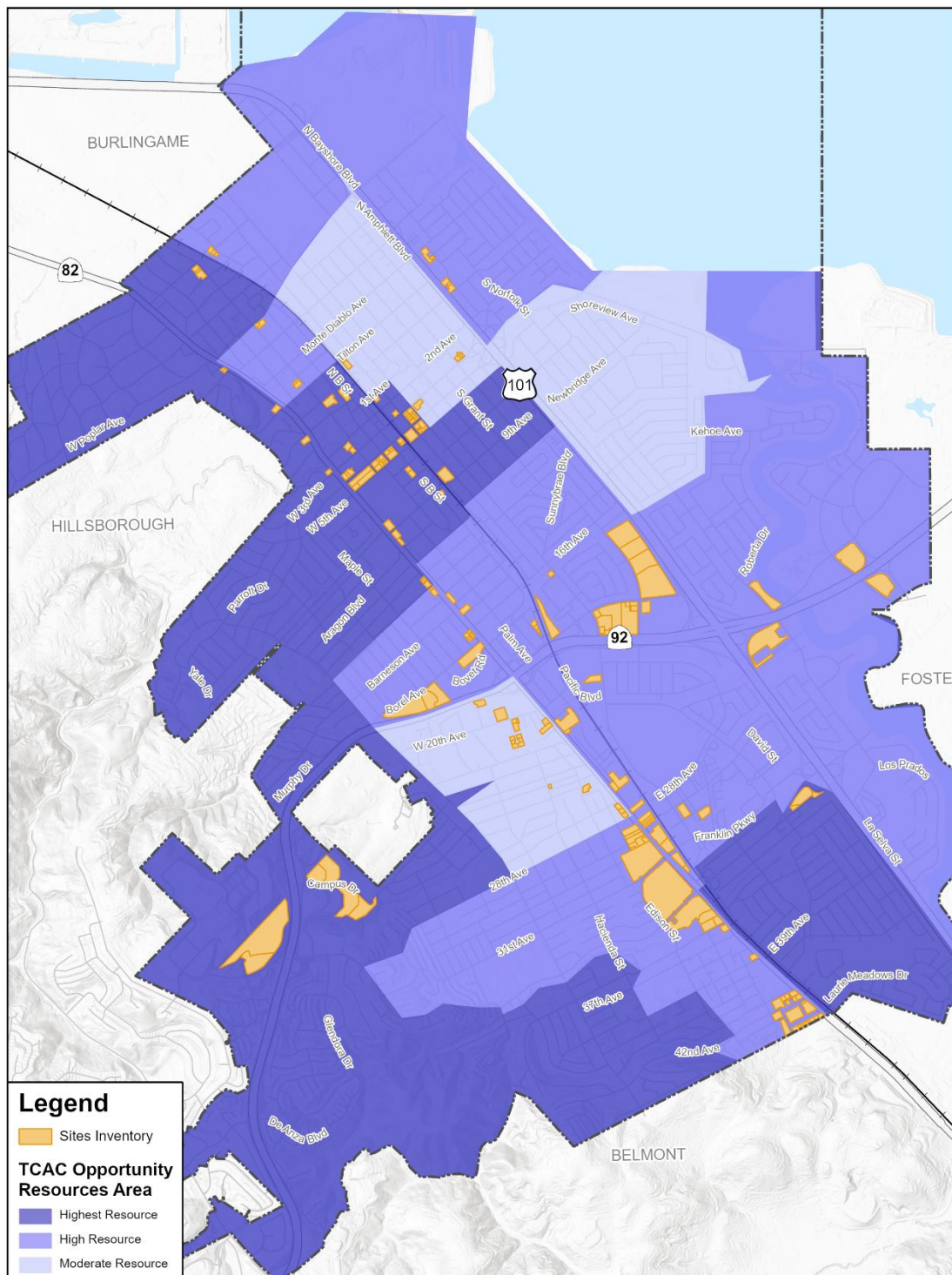
- Proximity to transit.
- Access to high performing schools and jobs.



- Access to amenities, such as parks and services.
- Access to health care facilities and grocery stores.
- Locational scoring criteria for Low-income Housing Tax Credit (TCAC) Program funding.
- Proximity to available infrastructure and utilities.
- Sites that do not require environmental mitigation.
- Presence of development streamlining processes, environmental exemptions, and other development incentives.

One measurement tool to evaluate neighborhood amenities and resources is the Tax Credit Allocation Committee (TCAC) Opportunity Area Map. Each site in the inventory list is rated as either Low, Moderate, High or Highest Resource area utilizing the mapping tool (there are no “Low” resource areas in San Mateo). The Sites Inventory, which includes properties citywide, many of which are in high resource areas, appears to comply with these requirements as currently understood. Overall, the sites identified as suitable for lower income housing in San Mateo are located in moderate, high or very high resource areas. The inventory does not include any new affordable housing opportunity sites in the Shoreview, North Central, and similar areas, which include higher concentration of lower-income households than other areas of the City. Information about all of the AFFH requirements and how they have been addressed in the Sites Inventory is included in Appendix D. A map that shows the HCD/TCAC Opportunity Map overlaid with the Sites Inventory housing sites is provided as Figure 1.

Figure 1: 2025 TCAC/HCD Opportunity Map





Source: ESRI, 2024; CAHCD, 2023; City of San Mateo, 2025; Placeworks, 2024.

Distribution of Units by Affordability. Consistent with State guidance, individual sites less than 0.5 acres were assumed to be developed with moderate- and above-moderate income, split 50% to each. For sites larger than 0.5 acres, the distribution of units by income category fell into two types:

1. For pipeline project sites, the actual proposed distribution of units by affordability was included. For example, the project at 668 E. 3rd Ave (Gateway) includes a total of 125 units, with 20 affordable units (10 at the very low-income level and 10 at the moderate income level). These are the figures used in the spreadsheet.
2. For all other sites, the distribution of units by affordability varies by site size. Most sites in the inventory have unit affordability distributed in proportion to the RHNA allocation.

The State recommends using the proportion of units in the RHNA allocation as a guide for allocating units among sites. This mathematical process is intended to demonstrate that there are enough sites zoned at appropriate densities to accommodate the entire RHNA allocation, rather than an assumption about the specific location and number of affordable units that will actually be built. In part, this is because the City does not determine specific sites for affordable housing, but rather reviews and evaluates projects as they are proposed by property owners, developers, and other outside entities.

3.4.4 Pipeline Projects

In addition to the sites potentially available for development or redevelopment, projects that have been formally submitted, approved, permitted, or received a certificate of occupancy since the beginning of the RHNA period may be credited toward meeting the RHNA allocation based on the affordability and unit count of the development. For these projects, affordability is based on the actual or projected sale prices, rent levels, or other mechanisms establishing affordability in the planning period of the units within the project. These sites are included in the Sites Inventory (Appendix C), as each project is anticipated to receive its Certificate of Occupancy during this housing cycle (after June 30, 2022). **The total number of pipeline project units, as of October 1, 2025, is 4,787, which accounts for 68% of the City's total RHNA.**

3.4.5 Accessory Dwelling Units

Accessory dwelling units (ADUs) are a housing type that can meet the needs of middle- and lower-income individuals and households and are often located in the City's High and Highest Resource areas.

Based on increased documentation and State guidance, jurisdictions are allowed to count projected development of ADUs based on prior year production averages. As outlined in Table 5, the City has issued an annual average of 60 building permits for ADUs, including JADUs, over the last four years (2019-2022). Consistent with the accepted approach of using a four-year average of permitting data, the Sites Inventory is using an estimate of 55 new ADUs annually, below the annual average of 60, which results in 440 new ADUs projected over the eight-year cycle. It should be noted that ADU permitting in both 2021 and 2022 exceed the annual estimate of 55. The City has over 17,000 parcels that are zoned R1 and has issued permits for 271 ADUs over the last eight years, so there are a significant number of eligible parcels that have the capacity to add an ADU and/or a JADU.

Table 5: ADU/JADU Annual Permit Data

	2019	2020	2021	2022	4-Year Avg.
Applications Submitted	56	94	94	115	90
Permits Issued	44	47	66	84	60

A study conducted by the Association of Bay Area Governments (ABAG) in September 2021 found that ADUs are rented at a variety of rates and often meet lower income affordability requirements based on the incomes of the occupants and/or their rental rates. Based on these findings, local jurisdictions are justified in using certain percentages to meet their affordable housing allocations. The study's recommended affordability breakdown that a Bay Area jurisdiction can use for ADUs, which is noted as being conservative, is 30% very low, 30% low, 30% moderate and 10% above moderate. The City is using the 30/30/30/10 approach to estimate the ADU affordability mix in the Sites Inventory.

Based on this information, a total of 440 new ADUs are estimated during this Housing Cycle. To support this production target, **Policy H 1.4** includes programs to support and incentivize ADU production, as well as to monitor occupancy and rental rate to ensure affordability targets are being achieved. If annual targets are not achieved, the City will take additional actions to increase ADU production.

3.4.6 San Mateo General Plan Update

The City's 2040 General Plan Update (GPU) kicked off in Fall 2018 with a series of visioning workshops and community meetings. From April 2019 through November 2022, the City identified study areas where growth and change would occur, to create a range of growth alternatives, and receive feedback and direction on the preferred land use and circulation scenarios from the community and, ultimately, the City Council. In April 2022, the preferred land use and circulation scenarios were selected by the City Council, and in July 2022, the draft land use map that would go into the GPU was confirmed by the City Council.

The land use map in the GPU's Land Use Element includes significant changes to the allowable heights and densities within the ten Study Areas, with densities increasing from 35-50 units per acre to 99-130 units per acre. **The increased density in the land use map added capacity for nearly 20,000 new housing units over the next 20 years.** The adoption of the GPU also significantly increased the housing capacity of the housing sites identified on the Sites Inventory since over 90 percent of these sites are within a Study Area and have an updated land use designation with increased base density. Figure 2 illustrates how the Sites Inventory sites overlay with the GPU's 10 Study Areas.

As part of the GPU process, a community conversation about Measure Y, the voter approved initiative that sets growth and density limits until 2030, was facilitated in order to build consensus around a path forward that allows for the housing growth that is needed over the next 20 years while balancing community concerns about growth and change. The land use map in the GPU includes building heights and densities that exceed the limits set by Measure Y.

To support adoption of General Plan 2040 and a successful ballot initiative to repeal Measure Y, **Policy H 1.20** included a commitment to increase heights and densities and to add capacity for at least 10,000 new housing units, support for a community conversation around Measure Y, and bringing a ballot measure before the voters in November 2024. It also included a provision for a backup plan to add housing capacity of at least 1,700 units for an affordable housing buffer of at 25%, if the ballot measure was not approved.

General Plan 2040 was adopted by the City Council on March 18, 2024, and included land use designations



that exceed the City's voter-approved height and density limits (Measure Y). While Measure Y was in effect, any conflicts between these limits and the General Plan defaulted to Measure Y, restricting full implementation of the Land Use Element. Following extensive community outreach, on July 15, 2024, the City Council voted to place Measure T on the November 5, 2024 ballot. Measure T proposed repealing Measure Y, such that its limits within the ten General Plan Study Areas would be repealed (but largely retained elsewhere) to enable the full implementation of the General Plan's Land Use Map. Voters approved Measure T, which became effective on December 19, 2024, 10 days after the City Council certified the election results.

The passage of Measure T increased the capacity of the Sites Inventory in the Housing Element and planned for an expanded development capacity around the City of up to 19,760 new housing units through 2040. More information about the General Plan Update can be found at www.StriveSanMateo.org.

3.4.7 City Properties and Funding

In prioritizing public land for affordable housing, the City will comply with all requirements of the Surplus Land Act, which contains requirements and procedures for designating public properties as surplus and selling or leasing those properties. The Surplus Land Act requires that, before selling or leasing a property, local agencies must send a Notice of Availability to housing sponsors, local public entities, and local, regional and states agencies. Entities have 60 days to respond to the notice and 90 days to negotiate with respondents in good faith. The Surplus Land Act requires that, during the negotiation process, local agencies cannot prohibit a residential use or limit residential density below what is provided by zoning. When selecting a development partner, cities are generally required to prioritize affordable housing uses. Under the Surplus Land Act, State HCD would review disposition agreements for compliance with state law prior to the execution of a final sale or lease agreement.

The City of San Mateo is committed to supporting the development of affordable housing by utilizing City owned properties and funding to help achieve this goal. Two significant 100% affordable housing projects are currently underway on City owned parcels (formerly public parking lots). In compliance with the Surplus Land Act, the City issued Notices of Availability to interested parties and selected development partners for the two City properties described below.

480 E. 4th Avenue (Kiku Crossing) This project provides 225 affordable homes for families and individuals in San Mateo, including 22 units for formerly homeless households and eight units for individuals with intellectual and developmental disabilities, and 57 units for public employees. The affordability of the units will be a mix of ELI, VLI and LI. Construction started in January 2022 and was completed and occupied in 2024. It is built on City owned property and funded by a combination of City, State, and Federal dollars.

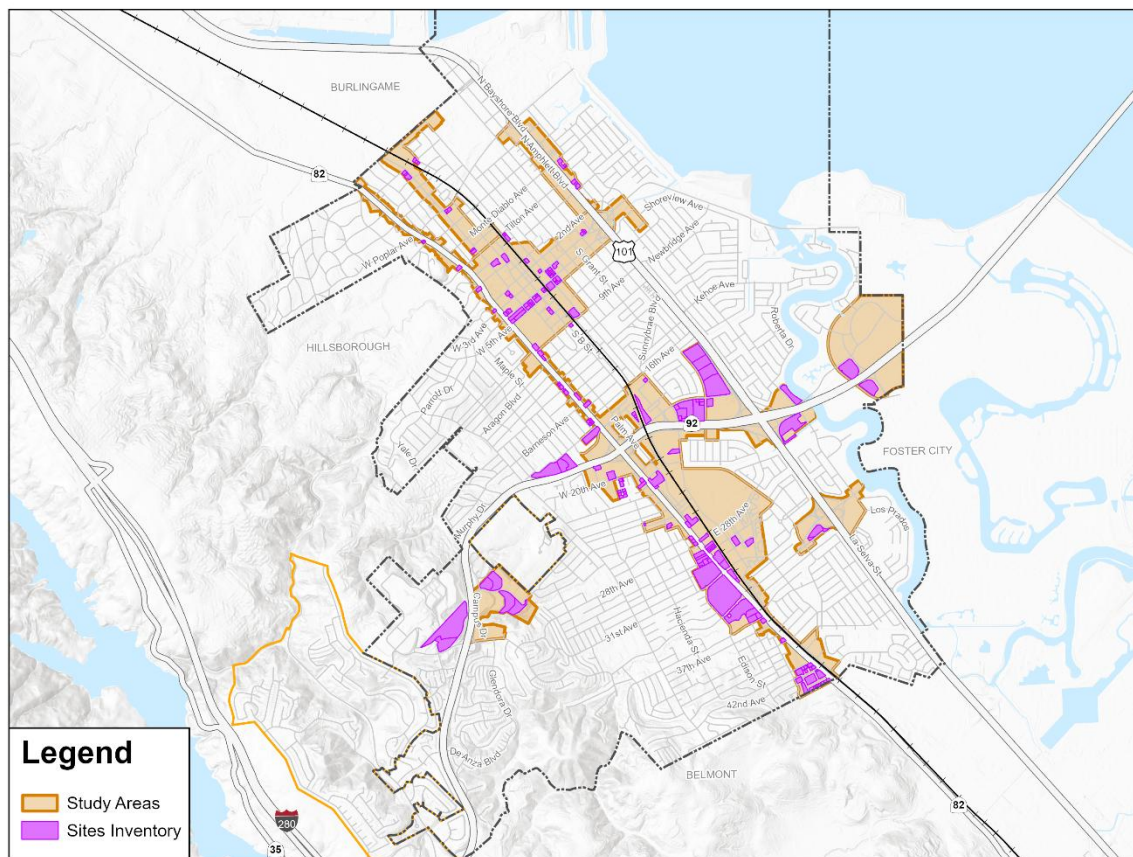
445 S. B Street (Bespoke) This project is a public-private partnership that will redevelop a full City block that includes a City owned property and a City monetary contribution. The project will provide 71 affordable apartment units (at ELI, VLI and LI levels), community facilities, and commercial and office space. The project is currently under review..

To support the ongoing development of new affordable housing in San Mateo, the City established a dedicated funding source in 2016 with the adoption of an Affordable Housing Commercial Linkage Fee (SMMC Chapter 23.61). In addition, the City has a policy to set aside 20% of the general fund property tax revenues from former Redevelopment Area (RDA) sites for its Housing Fund. Based on these two funding sources, as well as the Permanent Local Housing Allocation (PLHA), Below Market Rate (BMR) fractional and in-lieu fees, and other miscellaneous housing funds, the City's Affordable Housing Fund currently has

approximately \$5.8M, and is estimated to generate approximately \$26M over the next eight years. Using the estimate of \$100k per affordable unit, the City estimates that it may be able to create 260 new affordable units throughout the 6th Housing Element Cycle. The Housing Fund was used to support both the Kiku Crossing and Bespoke affordable projects and the City continues to actively look for other partnership opportunities to construct additional affordable housing in San Mateo in the coming years. **Policy H 1.2** includes programs and implementing actions to support these affordable housing projects and utilize City funds and other identified City-owned sites to support the development of additional affordable housing.

In total, the City has contributed property and funding to support the development of **283 affordable housing units** and maintains a Housing Fund with dedicated revenue that has a target of constructing an additional **260 affordable housing units**, for a total of **543 new affordable housing units** during this cycle.

Figure 2: Sites Inventory Map



Universe: Sites Inventory, September 2025.

3.4.8 Missing Middle Housing

Missing middle housing and constraints to the development of such housing has been identified as a key programmatic priority for the City. Missing Middle housing describes small to medium-scale development such as duplexes, triplexes, and 4-10 unit projects that are compatible in scale with single-family homes



within walkable neighborhoods. To address this need and existing zoning constraints in the City that limit production of this type of housing, multiple policies and programs are included in the Housing Element that would directly or indirectly support the production of such housing. Specifically, programs and implementation measures under the following policies are focused on reducing development standard constraints, reducing costs, expanding opportunities and streamlining the development review process for missing middle housing projects. The City is committed to expanding opportunities for Missing Middle housing and has included six policies that support this objective.

- Policy H 1.4 Support Increased Accessory Dwelling Unit Development
- Policy H 1.6 Streamline Housing Application Review
- Policy H 1.7 Update Zoning Code Development Standards to Support Housing Production
- Policy H 1.8 Adopt Objective Design Standards
- Policy H 1.12 Encourage Development of Missing Middle Housing
- Policy H 1.17 Permitting and Development Fee Review

3.4.9 Single Room Occupancies (SRO) Housing

Single Room Occupancy (SRO) units are a type of housing alternative that is typically available to residents with low or minimal incomes. SROs are single-room (zero bedroom) units that are typically intended for occupancy by a single resident who shares a kitchen and bathrooms with other residents in a multi-tenant building. Government Code 65583(c)(1) requires local jurisdictions to specify the areas where SROs are permitted. Currently SROs are not identified as a separate allowed use in the City's Municipal Code. However, given the nature of the use, they would be considered similar to multiple-family dwellings and would be allowed as a special use in several zoning districts that allow multi-family developments including R3, R4 and R5. The Housing Element includes a new program in **Policy H 1.7** to amend the Zoning Code to reduce or eliminate constraints to housing construction including the identification of the R3, R4 and R5 districts where SROs will be permitted consistent with state law.

3.5 Sites Inventory

Based on the methodology and approach described in detail in Appendix C, the Sites Inventory includes a range of sites located citywide that could be developed with up to 14,561 new housing units. Table 6 provides a high-level summary of the sites listed on the Sites Inventory broken down by income. Figure 1 shows a map of where each site is located within the city and the housing opportunity areas.

Table 6: Sites Inventory Affordability Breakdown

	Total Units	Lower		Moderate	Above Moderate
		Very Low	Low		
RHNA	7,015	1,777	1,023	1,175	3,040
Pipeline Projects	4,787	784		177	3,826
Remaining RHNA	2,228	2,016		998	-786
ADUs	440	132	132	132	44
Site Inventory including "non-NNL" sites					
Opportunity Sites	9,334	3,730		1,590	4,014
Total Sites Inventory (Opportunity Sites + ADUs + Pipeline Projects)	14,561	4,778		1,899	7,884
Site Inventory excluding "non-NNL" Sites					
Opportunity Sites	7,362	3,003		1,310	3,022
Total Sites Inventory (Opportunity Sites + ADUs + Pipeline Projects)	12,149	3,814		1,487	6,848
Buffer Over Remaining RHNA					
(Opportunity Sites excluding "non-NNL" Sites Remaining RHNA)	5,134 -230%	1,014 -50%		312 -32%	3,808 -484%

Table Source: Housing Resources Sites Inventory

The Sites Inventory was developed to meet all applicable statutory requirements and provide a realistic and achievable roadmap for the City to meet and potentially exceed its RHNA. The Sites Inventory is summarized as follows:

- The housing sites are spread throughout the city, with a significant number located in high resource areas, to meet AFFH requirements.
- The housing projections utilize existing land use and zoning densities, and no rezoning is necessary.
- The housing sites capacity estimates utilize conservative production and density assumptions.
- Citywide, a significant number of housing units are already underway and anticipated to be completed during this housing cycle. As of September 25, 2025, there are 4,787 housing units under review (preliminary or formal applications for residential development projects).
- The housing projections do not have any reliance on new units developed under SB 9 and a low reliance on new ADU production.
- In accordance with AB 725, the inventory identifies more than 25 percent of the moderate and



above moderate RHNA units on sites that allow at least four units of housing; and all sites are zoned at least R-3 (multi-family) or equivalent, which allow five or more units by right.

- For sites with existing residential units that are anticipated to be demolished for new housing development, the City will require replacement housing units subject to the requirements of Government Code Section 65915(c)(3), for units that are restricted or have been occupied by a lower income household in the past five years. The City will also conduct a study to create a permanent replacement housing program (**Policy H 2.6**).

With the adoption of General Plan 2040 and voter approval of Measure T, the City has added enough density to establish a Sites Inventory with 14,561 units of new housing capacity. This not only meets the City's RHNA of 7,015 units, but also provides a significant buffer (107%). However, for the purposes of determining the City's No Net Loss buffer, several opportunity sites have been removed pursuant to the settlement agreement with the Housing Action Coalition. Therefore, the number of potential units is reduced to 12,149 units, which is still 73% above the City's RHNA.

The analytical process that went into creating the Sites Inventory and the justification for commercial site redevelopment are fully detailed in the Sites Inventory Approach and Methodology sections above as well as in the Sites Inventory section of Appendix C, Housing Resources and Sites Inventory List. The full list of sites adequate for housing development identified by the City is included in Appendix C.

Other Required Housing Element Components

4.1 Constraints Analysis Summary

The purpose of the constraints analysis section, per Government Code Section 65583(a)(5-6), is to identify and analyze potential and actual governmental and non-governmental constraints to the maintenance, improvement, or development of housing that hinder a jurisdiction from meeting its share of the regional housing needs. A summary of governmental and non-governmental constraints is provided below, and a more detailed analysis is contained in Appendix B.

4.1.1 Governmental Constraints

State law (California Government Code, Section 65583(a)(5)) requires Housing Elements to contain an analysis of governmental policies and regulations that can result in both positive and negative effects on the availability and affordability of housing. Potential constraints to housing include zoning regulations, development standards, infrastructure requirements, permit and development impact fees, and the development approval processes. While government policies and regulations are intended to serve public objectives and further the public good, the City recognizes that its actions can potentially constrain the availability and affordability of housing to meet the community's future needs. The City has implemented several measures to reduce development costs and streamline the approval process and has identified additional opportunities for streamlining the City's review process, including eliminating the pre-application process for housing projects and allowing residential project with up to 25 units to be approved administratively (**Policy H 1.6**).

Land Use Controls: The City has also identified outdated zoning code regulations and development standards in several areas, including open space in R3 zones, citywide parking requirements including for 1,400 square foot units, as well as density, floor area, and height controls related to Measure Y, that may pose a barrier, individually or cumulatively, to housing development and to Missing Middle housing. To remove these constraints, the Housing Element includes several implementation programs to update zoning code standards necessary to remove these barriers (**Policies H 1.6, H 1.7, H 1.12, and H 1.20**). This includes reducing residential parking requirements to align with density bonus laws (thus eliminating floor area size to parking requirements), and completing the General Plan Update to increase height, floor area, and density limits (**Policy H 1.20**). It's important to note that the City does not have lot coverage standards for residential districts (R1, R2, R3, R4, R5). However, **Policy H 1.12** specifically addresses reducing developmental constraints such as open space requirements in R3 and other zones to maximize developable area for missing middle housing. Additionally, the building height limit of 35 feet in the R3 district is measured to the top of plate; but the top of roof (or the roof peak) is allowed to extend beyond 35 feet. The City does not limit the number of stories in a building; thus a three-story building is allowed, and has been achieved at several projects, most recently at 21-27 Lodato Avenue, under the existing 35-foot to top of plate height limit.

The City also adopted Objective Design Standards (ODS) for multi-family projects (**Policy H 1.8**) at the end of 2023. To address permitting and development impact fees, an implementation program has been included to evaluate the City's cumulative permit fee costs for new housing developments, with the goal of reducing overall costs and a particular focus on reducing per unit costs for small multi-family or "Missing Middle" projects (**Policy H 1.17**). Further information and analysis are provided in Appendix B.



4.1.2 Non-Governmental Constraints

State law (California Government Code, Section 65583(a)(6)) requires Housing Elements to contain an analysis of non-governmental constraints to the maintenance, improvement, or development of housing for all income levels, including the availability of financing, the price of land, the cost of construction, and the length of time between receiving entitlement approval for a housing development and submittal of an application for building permits for that development. Potential non-governmental constraints are largely determined by market conditions or other factors, over which local jurisdictions have little control. However, local governments can influence market conditions and their associated costs indirectly.

Aside from the high costs of land and construction in the Bay Area, the most significant Non-Governmental Constraint that affected housing production in San Mateo is the voter-approved ballot initiative Measure Y, which restricted density, heights, and intensity of new development. Under Measure Y, building height was limited to 55 feet (up to 75 feet in specific areas) and residential density is limited to 50 dwelling units per acre. Measure Y was approved in November 2020 and was to sunset in 2030. The City's original growth control ballot initiative (Measure H) was approved by the voters in 1990, followed by the adoption of Measure P in 2004, and then Measure Y in 2020. Although identified as a constraint, the presence of Measure Y caused the RHNA housing units to be spread across a greater number of sites to achieve the same amount of housing units, and resulted in a smaller buffer. Even with the Measure Y constraint, the City had identified adequate housing sites to meet its RHNA targets for 2031 given the strong history of developed and pipeline residential and mixed-use projects.

To allow for a stronger buffer of at least 25% and to remove the constraint on realizing even higher density projects (99-130 du/a), additional discussion to address the constraints created by Measure Y is provided in Section 3.4.6 (General Plan Update). **Policy H 1.20** outlines how the City is committed to facilitating a community conversation around Measure Y and placing an initiative on the ballot in November 2024 to update Measure Y. If the 2024 ballot measure did not succeed, the City identified other alternative options in **Policy H 1.20**, including rezoning, to create additional capacity for 1,700 new units for a buffer of at least 25%. However, General Plan 2040 was adopted by the City Council on March 18, 2024, adding capacity for 19,760 new housing units with increased density and height limits. In November 2024, voters approved Measure T, which allowed the increased densities and heights in General Plan 2040 to go into full effect.

Further information and analysis about non-governmental constraints is provided in Appendix B.

4.2 Housing Resources Summary

The Housing Resources of the City of San Mateo can be summarized into three sections. The first is the various funding sources the City is able to pool together for affordable housing production, preservation, and protection. The second is a list of the existing programs the City manages and supports to increase the housing supply or otherwise serve past, current, and prospective residents of affordable housing. The third is an inventory of sites that are adequate for projected housing needs. A full description of each funding source and housing program are included in Appendix C - Housing Resources and Sites Inventory List, including detailed inventory.

4.2.1 Funding Opportunities

Activities that housing funding may be used for includes but is not limited to the following: predevelopment, acquisition, construction, rehabilitation, conversion and preservation. Also included is

funding that is used for housing related activities, which provide service to the residents of low-income housing. A list of the most relevant funding sources is as follows:

Federal Programs

- Community Development Block Grant (CDBG)
- HOME Investment Partnerships Program (HOME)
- Low Income Housing Tax Credits (LIHTC)
- Section 8 Rental Assistance Program
- Other Federal Sources (Section 811 Project Rental Assistance, Veterans Affairs Supportive Housing (VASH) Vouchers)

State Programs

- Permanent Local Housing Allocation (PLHA)
- Other State Sources (CALHome, CalHFA, Infill Infrastructure Grant (IIG), Local Housing Trust Fund (LHTF), Affordable Housing and Sustainable Communities (AHSC) Program, Golden State Acquisition Fund (GSAF), Project Homekey, Housing for a Healthy California (HHC), Multifamily Housing Program (MHP), Predevelopment Loan Program (PDLP))

Other Public Funds

- Housing Successor Agency for the Redevelopment Agency
- Below Market Rate Program (BMR)
- City Housing Fund
- San Mateo County Affordable Housing Fund

Private For-Profit and Nonprofit Sources

- Community Reinvestment Act (CRA)
- Private Developers
- Non-Profit Agencies
- Housing Endowment and Regional Trust (HEART)

4.2.2 Existing Housing Programs

The City manages and supports several programs that aim to either increase the housing supply, improve existing housing, or serve residents of San Mateo within the scope of housing or homelessness. While many of these programs are a direct effort of the City, some are part of a regional collaboration across San Mateo County, of which the City is an active participant. A list of these programs are as follows:

- Minor Home Repair
- Home Rehabilitation
- Lead-Based Paint Hazard Reduction
- First Time Home Buyers Program



- Acquisition of Land
- Acquisition and Rehabilitation of Existing Housing
- Community Housing Development Organizations (CHDO)
- New Construction
- Accessory Dwelling Units
- Special Needs Housing Operation Subsidies
- Homeless Programs
- Regional Collaborations
- Chronic Homelessness
- Homeless Prevention
- Discharge Policy

4.3 Climate Change and Energy Conservation

Home energy efficiency has become an increasingly significant factor in housing construction, particularly in the past few years with the increasing demand to build energy efficient and sustainable buildings in California. Energy costs related to housing include not only the energy required for home heating, cooling and the operation of appliances, but the energy required for transportation to and from home.

State Title 24 Part 6 is the California Energy Code, first enacted in the 1980s, permits builders of new residential units to achieve compliance either by calculating energy performance in a prescribed manner or by performance based on computer modeling. The energy code is updated every three years by the Energy Commission to advance the energy efficiency standards for building construction. In addition to the energy code, the state Green Building code establishes sustainable building construction standards. The Green Building code addresses the use of sustainable materials, methods of construction, recycling of construction waste, and electric vehicle infrastructure. These measures contribute to overall building energy efficiency and sustainability and have an added ongoing benefit throughout the useful life of a building.

In order to save natural resources and to make utilities more affordable, the City's Home Repair programs, implemented under **Policy H 2.3**, provide both funding and information referral for participants to include weatherization improvements and utilize energy and water efficient appliances and fixtures. Program participants are encouraged to use the energy conservation programs provided by Pacific Gas and Electric (PG&E).

All new development, including housing projects, are also subject to compliance with applicable greenhouse gas (GHG) emission reduction strategies contained in the City's Climate Action Plan (CAP). The CAP, which was last updated in 2020, demonstrates the City's leadership to reduce GHG emissions and provides a comprehensive list of community-wide actions that will help reduce the community's GHG emissions. Specifically, for housing and new construction, the CAP includes Measures EE 1, EE 2, EE 3, ME 1 and ME 2 for exceeding minimum state energy efficiency requirements, providing education and outreach on benefits and financial incentives associated with energy upgrades, and continuing support for energy efficiency upgrades through utility programs and programs with local and regional agencies.

The CAP also identifies building electrification strategies (Measures BE 1, BE 2 and ME 3) to encourage the transition from gas to electric equipment, in line with the City’s goal to phase out natural gas in existing buildings by 2030. Strategies include outreach and education to residents, businesses and contractors on the benefits of building electrification and rebates for electric technologies (e.g., induction cooktops, heat pump water heaters, electric clothes dryers) and adopting policies to encourage or require eliminating the use of natural gas in new or existing buildings.

Policies and programs that explicitly address the City’s CAP, as well as energy efficiency and sustainability, will be contained in other elements of the City’s updated General Plan, but are not contained the Housing Element. However, as outlined above, addressing climate change, continuing to improve energy efficiency and building homes sustainably are key City priorities and will be applied to housing projects and housing program implementation for the upcoming housing cycle. In addition, **Policy H 2.3** supports Increased energy and water efficiency in existing lower income housing units.



Public Participation

5.1 Overview

The City of San Mateo recognizes an engaged community is essential to drafting and implementing a strong Housing Element. A key strength of this draft Housing Element is the incorporation of key findings collected at over nineteen public and community meetings and workshops, five intercept/pop-up events, and four surveys. A summary of public participation and community outreach activities and key takeaways are included here. The collected public input received is included as an appendix to this draft Element (Appendix F). To reach as many community members who live in or are a part of the San Mateo as possible, the City developed and implemented a proactive outreach plan at the outset of the draft Housing Element development process. Its goals were to:

- Raise awareness among San Mateo residents of the importance of the Housing Element update on shaping the future of the community
- Have robust and diverse community participation throughout the process that is representative of the full range of demographics, perspectives, and experiences in the San Mateo community
- Build a level of public trust in the update process and support for the Housing Element that will lead to its successful implementation after adoption.

The City proactively engaged community members for whom English was not spoken at home, renters, those under 45 years of age, low-income and very low-income households, people with disabilities, seniors, single female heads of household, people experiencing homelessness, and those from under-represented neighborhoods.

In recent years, the community has participated in many conversations about affordable housing, tenant rights, displacement, and fair housing. In addition to conversations focused on the Housing Element, the City's efforts to establish district elections, the ongoing General Plan Update effort, and the 2019 Community Conversations: Housing in San Mateo event series have provided opportunities for many additional collaborative outreach activities. For other outreach work, we partnered with other San Mateo County jurisdictions for a first-of-its-kind countywide outreach effort, through an award-winning collaboration called [21 Elements](#). Specific activities included:

Website, Social Media, and Printed Mailing. The City of San Mateo launched a [Housing Element Update website](#), and conducted extensive email and social media outreach beginning in March 2021. Physical mailers were sent city-wide in October 2021 (to 27,000 households), and a second targeted mailer was sent out in January 2022. Physical mailers included printed information in English and Spanish. City staff and consultants also participated in and helped shape the *Let's Talk Housing initiative*. Through this award-winning collaborative, the jurisdictions of San Mateo County worked together to increase awareness of and participation in the Housing Element Update process and make sure everyone is involved in shaping our shared future.

Community Meetings. The City organized three public Housing Element workshops and presented at five public commission/council meetings. These included:

- Community and Housing Needs Workshop /Community Relations Commission 9/29/21
- Housing Element Update/Planning Commission 10/12/21

- Housing Policy Workshop 11/2/21
- Housing Element Update/Senior Commission 11/8/21
- Housing Element Update/City Council 11/15/21
- Fair Housing Workshop 1/13/22
- Joint PC/CC Study Session - Housing Programs /Policies Study Session 2/7/22
- Planning Commission Recommendation 4/26/22
- Planning Commission Recommendation 5/3/22
- City Council Review and Direction 5/23/22
- City Council Study Session 11/7/22
- Planning Commission Recommendation 1/12/23
- City Council Local Adoption 1/24/23
- City Council Study Session 4/17/23
- City Council Study Session 6/5/23
- Final Planning Commission and City Council Adoption Spring 2024

Focus groups and presentations at the meetings of local community-based organizations included:

- Housing Element and General Plan Update/ Bay Area Community Health Advisory Council (BACHAC) 9/9/21
- Builders Focus Group 11/15/21
- Housing Element Update/Chamber of Commerce 12/14/21
- Housing Element Update/Downtown Merchants Association 12/14/21
- Housing Element Update/ SMFCSD PTA Association 1/10/22

The City also participated in several meetings and webinars in partnership with 21 Elements, including:

- Let's Talk Housing - Introduction to the Housing Element
 - 3/25/21 (Joint with Millbrae, Burlingame, Hillsborough, East Palo Alto)
 - 7/26/21 (Virtual countywide meeting about the Housing Element update in Spanish)
- All About RHNA - 4/23/21 (countywide)
- Listening Sessions (countywide)
 - Fair Housing 9/27/21
 - Housing Advocates 10/18/21
 - Builders 11/01/21
 - Service Providers 11/15/21

Outreach Activities. City staff and consultants conducted an online survey, in-person intercept surveys at pop-up events and other community events, and a statistically reliable community survey that included some Housing Element-related questions.



These efforts included:

- Harvest Festival at King Park in North Central 10/16/21
- Central Park Storytime in the Park 10/27/21
- Mi Rancho Market in North Central 10/29/21
- Chavez Market in Shoreview 11/18/21
- Macedonia Food Distribution, Various Tuesdays October to December
- Online Survey 10/11/21 to 1/16/22
- Intercept Surveys 10/16/21 to 12/21/21
- True North Community Survey 1/21/22 to 2/2/22

The City also supported an Equity Advisory Group with 21 Elements to ensure outreach was set up to meet people where they were at as much as possible. Specifically, all intercept surveys were conducted in printed and conducted in both English-language and Spanish-language, with English and Spanish speakers available to engage and facilitate completion of the surveys and record first person accounts of housing needs and challenges. Examples of the Spanish and English intercept surveys are included in Appendix F.

5.2 Accomplishments and Key Takeaways

5.2.1 Website, Social Media, and Printed Mailing

As a starting point for accomplishing extensive research, San Mateo launched a [Housing Element Update website](#) that included links to past event video recordings, meeting materials, outreach and survey summaries, and information about upcoming meetings and ways to get involved. It also contained draft Housing Element documents and collected community feedback. Email Blasts and social media efforts from March 2021 through January 2022 included invitations to participate in community workshops, public meetings, and online survey to several City-maintained email lists. The City was also successful in similar messages being circulated in the newsletters of at least five community groups including: San Mateo High School District Employees Newsletter, San Mateo-Foster City School District Parent Teacher Association (SMFCSD PTA) Newsletter, Chamber of Commerce Newsletter, Downtown San Mateo Association Newsletter, and to the affordable housing residents of Human Investment Project (HIP) Housing and MidPen Housing properties within San Mateo.

A citywide mailer was sent to every household (27,000) on October 18, 2021 and a second mailer targeted to renters was sent on January 2, 2022 also inviting community members to participate in community workshops, public meetings, and online surveys. Mailers included printed information in English and Spanish. An example of the mailer is included in Appendix F (Additional Community Outreach Collateral and Activities). Community intermediaries also distributed stacks of printed fliers with similar content to businesses with significant Spanish-speaking clientele in the North Central and Shoreview neighborhoods. an example is also included in Appendix F.

From September to November 2021, four joint Housing Element and General Plan Update-focused Facebook live events were conducted in Spanish by Peninsula Conflict Resolution Center (PCRC), a trusted community partner in Spanish-speaking communities to introduce the Housing Element and General Plan Update and keep community members informed about events and updates. Participants expressed an

interest in a variety of housing and community safety topics and supported the City's emphasis on getting input from the Latinx community.

The City also participated in, and helped shape, the [Let's Talk Housing initiative with 21 Elements](#), which included a countywide website available in five languages, detailing our timeline, engagement activities, and resources, videos about the process in several languages, and a social media presence. As of February 2022, the website had been visited more than 17,000 times, with more than 20% from mobile devices.

5.2.2 Community Meetings

The City held three public Housing Element workshops, presented at five public commission/council meetings, hosted a focus group discussion with housing architects and developers, and provided presentations to local community-based organizations including the Chamber of Commerce, Downtown Merchants Association, San Mateo-Foster City School District Parent Teacher Association (SMFCSD PTA) and neighborhood associations. The workshops were advertised and offered in Spanish and English-language formats.

In partnership with 21 Elements/Let's Talk Housing: *An Introduction to the Housing Element* event, provided a housing element overview with breakout discussion rooms that was part of a series of introductory meetings attended by more than 32 people in San Mateo and over 1,000 community members countywide. Additionally, *Let's Talk Housing* held an *All About RHNA* webinar and a countywide four-part webinar series to help educate and inform San Mateo County residents and stakeholders on regional and local housing issues. The four-part series took place on Zoom in fall of 2021, focusing on the following topics and how they intersect with the Bay Area's housing challenges and opportunities: Why Affordability Matters, Housing and Racial Equity, Housing in a Climate of Change, Putting it All Together for a Better Future. The series included speaker presentations, audience Q&A, breakout sessions for connection and debrief discussions.

The sessions were advertised and offered in Spanish, Mandarin and Cantonese, though participation in non-English channels was limited. The *All About RHNA* webinar provided an in-depth dive into sites methodology. On July 26th, San Mateo joined a virtual countywide meeting about the Housing Element update in Spanish, hosted by El Comité, a trusted community organization. English interpretation was provided so non-Spanish speaking staff could participate in the conversation, and a total of 57 people participated.

5.2.3 Outreach Activities

San Mateo conducted a Housing Element online survey from October 11, 2021 to January 16, 2022. The online survey received 594 responses. In the fall, to ensure survey results were as representative as possible, City staff and their consultant team also organized pop-up events and conducted an intercept survey and received 156 responses in the North Central and Shoreview Neighborhoods, as well as Macedonia food distribution events. True North Research, Inc. was retained to conduct statistically reliable community survey in January and February of 2022 across a variety of topics, including some housing-related questions.

Community-wide survey. In order to provide decision makers with a statistically reliable understanding of their residents' satisfaction, priorities, opinions, and concerns as they relate to City services, facilities, and policies, True North Research, Inc. was retained to conduct a community-wide survey. The survey was specifically designed to avoid the self-selection bias common in informal feedback mechanisms, public comment fora, and other mechanisms for public engagement. A statistically reliable community



survey was conducted in January and February of 2022 across a variety of topics, including some housing-related questions and was completed by 775 community members. Key Housing Element-related themes include:

- When residents were asked to indicate the one thing City government could change to make San Mateo a better place to live, now and in the future, providing more affordable housing was the most common (19%)
- Respondents were less satisfied with the City's efforts to facilitate the creation of affordable housing (33%), and address homelessness (42%)
- Approximately two-thirds of residents indicated that there is currently too little housing that is affordable
- Factors that were viewed as most important in planning for future housing were ensuring adequate water supplies, minimizing greenhouse gases, creating homes that are affordable for low- and middle-income residents, preserving open space and parklands, and creating pedestrian friendly areas that encourage people to walk rather than drive.
- 63% were willing to support higher density buildings up to 12 stories near downtown/transit

Housing Element Online Survey. Results of the "Housing Needs in San Mateo – Housing Element 2023-31" online survey conducted by the City between October 11, 2021 and January 16, 2022 are presented below. A total of 594 surveys were completed online by community members. The information in this report should be considered with a similar weight as other qualitative forms of feedback and should not be treated as statistically reliable. When compared to city averages overall, survey respondents tended to be older, more white, more likely to own their own home, more likely to live in a single-family home, and less likely to be low income. Some areas resulted in conflicting input from the community with many commenters emphasizing their belief that increasing housing supply was a top priority for the city, while many others emphasizing the view that "new housing is not needed or desired". Key themes are summarized below:

- Most important housing related challenges: "Service workers' salaries cannot support existing rents in San Mateo" and "Service workers, teachers, first responders, and small business owners are moving out of San Mateo."
- Best location to place additional housing: "New housing should be walkable/bikeable to shops and services," and "New housing should be concentrated near public transit." Key themes from open ended responses: "new housing should be located in high opportunity areas," and "new housing is not needed or not desired."
- Best strategies to manage production of new housing: "Encourage mixed-use projects that have both commercial and residential uses," "Create housing by redeveloping existing properties that have additional potential," and "Increase allowable density in areas that are close to transit." Key themes from open ended responses: "increase density throughout the city," "new housing is not needed or not desired" and "prioritize single family housing."
- What types of housing should be prioritized: "Smaller units that are less expensive to live in." Key themes from open ended responses: "support for building housing in general," "prioritize affordable housing, require affordable housing, or establish mandatory inclusionary zoning," and "prioritize senior housing."

- Best ways to address housing affordability: “Incentives for private developers to build more affordable housing,” “Locate affordable housing near transit and jobs,” and “Financial assistance for people who cannot afford housing, such as subsidized rent and down payment loans.” Key themes from open ended responses: “strengthen rent regulations or establish rent control” and “streamline regulations: reduce height, density, parking, or other regulations.”
- Most important ways to ensure housing opportunities are available to all members of San Mateo, especially those who have not had fair access to housing in the past: “Ensure affordable housing opportunities are created throughout the entire city” and “Improve infrastructure, transit and services in underserved neighborhoods.” Key theme from open ended responses: “more housing equals more opportunity, focus on expanding supply.”
- Common themes: Additional comments (296 open-ended responses) were analyzed for common themes, these included:
 - Housing is a priority issue: use whatever means are available to substantially increase supply
 - Improve public transportation and make walking and biking safer, this is also better for the environment
 - Infrastructure improvements should happen before housing is built, with particular emphasis on traffic congestion, roads, parking, and water
 - Locate new housing in Transit Oriented Developments (TOD)/increase density most in transit-rich areas
 - New housing is not needed or not desired

Intercept surveys. In the Fall, to ensure survey results were as representative as possible, City staff and their consultant team also organized pop-up events and conducted an intercept survey and received 156 responses in the North Central and Shoreview Neighborhoods, as well as Macedonia food distribution events. The locations, dates, and times of these events were selected with the advice of Peninsula Conflict Resolution Center (PCRC), who also helped to staff these events. Events at Mi Rancho Market in North Central (10/29/21), Chavez Market in Shoreview (11/18/21), and Macedonia food distribution events were staffed by English-Spanish bilingual community outreach staff. The information in this report should be considered with a similar weight as other qualitative forms of feedback and should not be treated as statistically reliable. When compared to City averages overall, intercept survey respondents were more likely to be Hispanic or Latinx, 35-50 years old, and reside in the 94401 zip code, which includes the North Central and North Shoreview neighborhoods. Key themes are summarized below:

- To manage the production of housing overall, there was notable interest in redeveloping existing properties that have potential for more housing (45%), creating accessory units on existing single-family properties (22%), and encouraging mixed-use projects that have both commercial and residential uses (21%).
- To address housing affordability, there was substantial interest in financial assistance programs for people who cannot afford housing, such as subsidized rent and down payment loans (47%), and public funding to construct new housing (26%).
- The current housing situation in San Mateo is affecting them or people they know due to the high cost of housing in general; the cost of housing’s impact on types of individuals (childcare workers, adult children, older adults); inability to purchase a home due to cost; self or others moving away due to price, traffic, and difficulty commuting.
- Some direct quotes: “Include up-scale neighborhoods in zoning changes,” “Always include



preferences for people w/ developmental disabilities + others,” “I have to move b/c its getting too expensive, I will move away from County to an in-law unit with relatives in Marin,” and “I’m homeless, I sleep on street behind the gas station. I can’t afford rent, I can hardly get food.”

Equity Advisory Group. In partnership with 21 Elements / Let’s Talk Housing, and in alignment with community outreach best practices, it was important to include the guidance of and foster partnerships with community organizations to help ensure everyone’s voices were heard during the Housing Element update. In response, an Equity Advisory Group (EAG) was formed consisting of 15 organizations or leaders across the county that are advancing equity and affordable housing. To date, EAG members have facilitated and hosted community meetings in partnership with 21 Elements, collected community housing stories to put a face to housing needs, advised on messaging, and amplified events and activities to their communities. All participating organizations are featured on the Let’s Talk Housing [website](#).

San Mateo County Fair Housing Survey. In partnership with 21 Elements / Let’s Talk Housing, and conducted by Root Policy, the San Mateo County Fair Housing Survey has gathered 108 responses from residents in the City of San Mateo as of January 20, 2022. Key challenges include:

- Income is too low to find housing
- Housing unit is too small
- Displacement
- Denied housing when looking due to “income too low”
- Difficulty for voucher holders to find an affordable unit
- Homes not meeting needs of a household member with a disability
- When asked what type of help they needed to improve their housing security, top answers included: Help me with a down payment/purchase (39%); Help me get a loan to buy a house (27%); and Help me with the housing search (23%). Other resources to improve quality of life were also identified in the survey results.

5.3 Draft Housing Element Public Review Period

During the formal 30-day public review period of the Draft Housing Element, which ran from April 6, 2022 to May 6, 2022, a total of 20 comment letters were received, and are included in [Appendix G](#). The comments received by the City offered a wide variety of opinions and input on the Draft Housing Element. Those that expressed opposition to the planned growth noted concerns about whether the City’s resources, specifically water supply, would be able to support the population increase and that single-family neighborhoods would be negatively impacted or even eliminated. Other comments pushed for the Housing Element to go further beyond the goals currently outlined in the plan, noting concern that the City is too optimistic in redevelopment potential of the sites contained in the Sites Inventory. They encouraged the City to include re-zoning of the single-family neighborhoods as a program while going further to remove existing constraints to development (namely Measure Y) to increase housing production potential. Both those for and against the draft plan agreed that if housing density were to increase, commensurate upgrades to transit options must be made to mitigate traffic impacts and not reduce quality of life for residents. Finally, some commenters emphasized the importance of working towards housing affordability as vital for protecting individuals with disabilities, for sheltering low-income families in danger of experiencing homelessness, and to affirmatively further fair housing through racial

equity.

On April 26 and May 3, 2022, the Planning Commission also received public comments and provided input on the Draft Housing Element. On May 23, 2022, the City Council held a special meeting to consider the Draft Housing Element, receive public comments and provide staff with direction. Overall, the Council expressed support for the Draft, with several modifications and updates, and directed staff to submit the draft to HCD for first review. The minutes from these meetings are included in Appendix G. Additionally, during this period, City staff conducted intercept outreach activities to inform the public of the draft plan and invite their attendance and participation in the public meetings. A key activity included engaging and distributing information to approximately 150 households in English and Spanish during the very popular annual citywide community event known as “Eggstravaganza” on April 16, 2022. Intercept materials, designed to engage families with young children were developed and distributed in English and Spanish-language formats. Examples are included in Appendix F.

5.4 How We Incorporated What We Heard into the Plan

The extensive outreach and community engagement conducted over the past year played a significant role in the development of the goals, policies, and programs within the 2023-2031 Housing Element. Feedback and insights from tenants, non-English speakers, lower-income residents, property owners and developers helped to highlight new policy opportunities and ways to strengthen and improve existing policies. And the overarching challenge of housing affordability and availability was heard during most every meeting and conversation. In addition, themes such as investing in disadvantaged communities, improving walkability in neighborhoods and access to transit, and addressing climate change helped inform policies in the Housing Element as well as the General Plan Update which is being prepared concurrently. The following is a summary list of topics and the associated policy(s) that were added or improved as a result of that community and stakeholder feedback.

- Support the production of more missing middle housing. **(Policies H 1.4, H 1.11 and H 1.12)**
- Improve awareness and availability of resources for landlords and tenants. **(Policies H 4.1, H 4.2, H 4.3 and H 4.4)**
- Streamline the permitting process and simplify the rules and regulations for new housing development. **(Policies H 1.6, H 1.7 and H 1.8)**
- Fair housing – setup a rental registry, adopt first right of refusal for existing tenants’ rules. **(Policies H 3.4 and H 3.6)**
- New housing should be sustainable and support the City’s climate action plan. **(Policies H 2.3 and H 2.5)**
- Provide more materials and information in languages other than English. **(Policies H 4.1 and H 4.4)**
- Improve walkability and access to transit in disadvantaged communities. **(Policy H 2.4)**
- Provide training/education about fair housing laws to landlord. **(Policy H 3.2)**
- Support the construction of more accessory dwelling units (ADUs). **(Policy H 1.4)**
- Establish a BMR unit set-aside for tenants with physical or developmental needs. **(Policy H 3.5)**



- Support the development of larger units with more bedrooms for families. **(Policy H 1.5)**

In response to the public comments made during and after the Public Review Period, and City Council discussion and direction, multiple additional revisions, clarifying edits, and corrections were made to the Draft prior to submittal to HCD. Those revisions and updates include:

All policies and programs were reviewed and, where appropriate, updated, to be more specific and action oriented.

- Sites inventory methodology was updated to remove outliers and distinguish average densities by project types; and additional information was provided for justification of the ADU projections.
- Constraints summary was modified based on updates to Appendix B.
- Policies and programs were updated to reflect public comments and decision-maker direction to increased housing support for people with disabilities including those with developmental disability; greater support for missing middle housing options; and increased attention to identifying new funding sources for housing programs.
- The Sites Inventory was reviewed and updated to add information related to site selection, anticipated GPU land use designation, and explanations for density projections were bolstered.
- The Constraints analysis was updated to include corrections and further information related to the City's fees.
- Staff followed-up with water providers (Cal Water and Estero Municipal Improvement District) to provide additional information on existing water infrastructure and future supply to support the projected growth in the Housing Element.
- Policies and programs related to transportation and circulation upgrades will be addressed as part of the updated Circulation Element in the GPU.

After the City submitted its draft to HCD on August 4, 2023 (seven days after publication), the City received six public comments with feedback related to the Housing Element submittal. These comments are available in full in Appendix G. Below is a summary of the comments received and if and how they were addressed in the Supplemental Housing Element information provided to HCD on August 30, 2023:

- The first comment received was from the Loma Prieta Chapter of the Sierra Club. The letter spoke out mostly in favor of the changes included in the newest submittal of the Housing Element, but it urged City staff to work closely with HCD reviewers to ensure timely certification to avoid environmental challenges that could be faced from builder's remedy developments. The City continues to meet regularly with HCD reviewers to ensure that strong communication is maintained between staff of both agencies.
- The second and third comments received was from the Housing Leadership Council of San Mateo County (HLC) and the San Mateo Chapter of the National Association for the Advancement of Colored People. Both letters recognized that the latest version of the Housing Element included some substantial changes in favor of housing, but maintained an overall stance that the element does not go far enough to meet its goals. They argued that the sites inventory overestimates its capacity and that its affirmatively furthering fair housing actions are not ambitious enough to make quantitative results against housing inequality. Within the element, staff included a breakdown of how capacity calculations in the inventory were reached, which was based upon averages of real housing development that have been completed from 2019 to present day in the

City. Staff also continue to collaborate with non-profit housing developers and community organizations to create housing set-asides within affordable developments and housing related services for special needs populations, which are actions that create measurable impacts based upon the analysis included in the element. Additionally, **Policies 1.2 (d), 1.4, 1.7 (d), 1.20 (d) and 3.6 (b)** were updated in response to HLC's comments.

- The fourth comment received was from the Housing Action Coalition. Their letter was mostly focused on the Housing Element sites inventory, stating that there were numerous mathematical errors and unrealistic assumptions for redevelopment. In response, City staff completed a thorough review of the entire sites inventory list and updated all entries to ensure mathematical errors are remedied. Overall, these changes did not affect the City's ability to meet its RHNA targets and the City's affordable housing goals remain feasible.
- The fifth comment received was from a community member that urged the City to consider road improvements when considering new housing development.
- The sixth comment received was from a community member that stated that the City underestimates its housing development capacity, particularly in heavy commercial corridors such as Hillsdale Mall, Bridgepointe, or along El Camino Real. Both traffic circulation and land use are being revisited through the City's 2040 General Plan Update within the Circulation and Land Use Elements respectively.

During the month of September, staff engaged with HCD and received preliminary comments that identified additional technical items to be addressed and clarified in the Housing Element. On September 20, 2023, the Housing Element submittal was rescinded to address the technical issues raised by HCD. On November 9, 2023, the Revised Third Draft of the Housing Element was published for public review. The public comment period ran from November 9, 2023 to November 15, 2023. During this period, seven public comments were received.

- The first and second comments were from community members which spoke out against new development (citing noise and traffic concerns) and in favor of preserving the Measure Y height limits. Both of these issues will be considered in the 2040 General Plan Update and at the ballot in November 2024.
- The third comment was from Mid-Pen Housing, a non-profit organization which develops affordable housing. The comment mostly spoke out in favor of the Housing Element and cited the City as a reliable partner for affordable housing development.
- The fourth and fifth comments were from property owners related to the Bohannon organization. The letters requested that the affordability allocation on their properties on the Sites Inventory be reduced to the City's inclusionary ordinance minimums of 15% of units in the lower-income bracket, and with none in the moderate-income category. However, RHNA adequate sites analysis is a separate concept from RHNA accomplishments. For the purpose of estimating capacity for RHNA, the City's obligation is to identify potential sites that are considered feasible for facilitating housing for the various income levels. Specifically, State law allows local jurisdictions to use a default density (30 units/acre) as a proxy for feasibility for facilitating lower income housing. Sites (between 0.5 acre and 10 acres) that are zoned 30 units/acre are presumed to be feasible for lower income housing. For sites larger than 10 acres, to avoid the concentration of lower income units, HCD generally advises local jurisdictions to use an income distribution that is more conservative, either based on the RHNA income distribution or the local jurisdiction's inclusionary



housing policy.

- For the Hillsdale Shopping Center site, the City uses a 15% lower income (based on the City's inclusionary housing requirement), a 15% moderate income, and 70% above moderate income. The 15% moderate income allocation is based on a general expectation that a development of this scale could include a range of housing types (apartments, condos, and townhomes), unit sizes, and price points. The City of San Mateo promotes a diverse housing stock that offers choices to its residents and strives to provide a range of housing options through quality design and sound planning principles.
- The developer is obligated to deed restrict the 15% lower income pursuant to the inclusionary housing requirement. However, the developer is not obligated to provide or deed restrict the moderate income units. If smaller rental units are included in the development, a desirable goal of the community, these units could be naturally affordable to moderate income households. The City will diligently monitor its ability to meet the RHNA for all income levels. If no moderate income units are achieved at the Hillsdale site, the City will identify replacement sites or alternative strategies to fulfill the RHNA.
- The sixth comment was from the Housing Action Coalition, which challenged the Housing Element's analysis of housing development trends. The letter asserted that the City changed the timeframe of recent housing development from 2017 – 2022 to 2019 – present in order to hide less than favorable results. However, this change was made to better reflect projects being proposed and built under the City's updated Inclusionary Policy, updated State Density Bonus provisions, various other new state housing laws as well as the economic changes brought on in the post-pandemic era, which has seen a large downturn in commercial and office development, and increased housing development. It can be reasonably assumed that these conditions will continue throughout this Housing Cycle and is more appropriate to use to predict housing development trends in San Mateo.

The letter also cites six examples of non-residential projects to argue that the City has overstated the likelihood of housing redevelopment on sites zoned for commercial and office uses. However, two of the examples given cite projects that are better classified as auxiliary to an existing use (allowing food trucks to use a parking lot of an existing office building and conversion of commercial space to office space). Both of these examples do not reflect new development. Three other examples are on smaller lots that are zoned for Service Commercial uses (C-4, which is a small subset of the City's commercial zoning that does not allow for housing due to the uses in this zone). In addition, these parcels are too small to be considered for the sites inventory and are not comparable to the mix of sites included on the Sites Inventory. The sixth project is a recently submitted pre-development application for a new office building on a former gas station site. This project is in very early stages of development, so the final size and mix of uses may change, and it is located on a site that is not on the Sites Inventory.

Lastly, this letter also raised concerns that the City's ADU projections are too ambitious and should include 2018 permitting data in the average estimate, which would lower the annual target to around 50 ADU permits. However, with the first year of the housing cycle almost completed, the City has already issued permits for 90 ADUs in 2023, which significantly exceeds the annual target of 55 ADU permits issued. Thus, the City appears to be on pace to meet or exceed its target of 440 ADU permits during this housing cycle.

- The seventh comment was from the Sierra Club which spoke out in favor of reincluding the Land Use Designation High 2 in the General Plan Update. The letter argued that the GPU's land use map should include heights of up to 10 stories and densities up to 200 units/acre to allow for projects to feasibly include more open space on the site and create a more pedestrian friendly environment. This decision to not include High 2 on the GPU's land use map does not significantly reduce the GPU's increase housing capacity and will still allow for well over 10,000 units of new housing capacity as committed to in **Policy H 1.20**.
- However, there have been multiple changes made to the Housing Element to strengthen it and ensure that housing can be realized in San Mateo to meet its RHNA obligations in response these comments, as well as earlier comments received. These updates include:
 - **Updated Policy H 1.1** (Implementation Action b.) to clearly commit to a mid-cycle review to ensure that realistic capacity and pipeline project assumptions are being achieved.
 - **Updated Policy H 1.7** to include a new implementation action to "rezone sites with quasi-public uses such as schools, churches, and other facilities of an educational, religious, charitable, or philanthropic nature, to "Quasi-Public," following completion of the General Plan Update and allow for housing as a permitted use in this zone district."
 - **Updated Policy H 1.20** to further strengthen the GPU commitments, including a new implementation action to initiate rezonings to implement the GPU land use map in 2025, and more specific targets, including a commitment to rezoning, for the backup plan if a Measure Y ballot initiative is not successful.
 - **Updated Policy H 3.6** to more comprehensively monitor rental rates, evictions and displacement and use the information to guide housing policy decisions.
 - **Updated "Section 6.3.2 Contributing factors and Fair Housing Action Plan"** to include metrics that show how actions included under Goal H-5: Affirmatively Furthering Fair Housing Plan directly address fair housing issues within the city.

5.4.1 Key Takeaways

- Housing is personal: People often have differing views on housing because it is a very personal issue tied to feelings of safety, belonging and identity. Often the comments reflected people's current housing situation. Many people shared meaningful stories of being priced out of their communities or of their children not being able to live in the community where they grew up.
- The price of housing is a major concern: Many voiced concerns about the high cost to rent or buy a home today, either for themselves, friends, or family. It is an issue that touches a lot of lives. There was significant concern raised that service workers, teachers, first responders, and small business owners were being priced out of San Mateo.
- More housing is needed: Generally, people believe we need more housing, particularly affordable housing. However, there are diverging views on how to accomplish this, where housing should go, and what it should look like. There was strong interest in locating higher density developments close to transit, in walkable, mixed-use areas.
- Single-family neighborhoods are polarizing: While some people voiced their interest in up zoning single-family neighborhoods or eliminating them altogether, other homeowners want to protect them and are concerned with the future of investments they have made.
- Affordable housing is a top concern: Many felt that more needs to be done to promote affordable



housing. They also felt that developers should be eligible for incentives and opportunities that make them more competitive, and that affordable housing should be spread throughout the entire city.

- Specific concern for individuals with all types of disabilities: There was interest in prioritizing the creation of new units and prioritizing accessible units for people with disabilities.
- Other common themes: equity, regional considerations, the difficulty of the development process, the interconnected nature of land-use and transportation decisions, and diversity.

Also, in partnership with 21 Elements/Let's Talk Housing, a series of four stakeholder listening sessions allowed jurisdictions to listen to and interact with stakeholder groups arranged by topic: Fair Housing, Housing Advocates, Builders, Service Providers. More than 30 groups participated. Key takeaways include:

Fair Housing: Concern for the end of the eviction moratorium, the importance of transit-oriented affordable housing and anti-displacement policies, and the need for education around accessibility regulations and tenant protections. Eight (8) stakeholder groups provided this feedback.

- Housing Advocates: Concern for rent increases and the need for ongoing outreach to underserved and diverse communities, workforce housing, deeply affordable and dense infill, and tenant protections for the most vulnerable. 6 stakeholder groups provided this feedback.
- Builders and Developers: Local funding, tax credit availability, and concern that appropriate sites limit their ability to develop affordable housing while limited sites, construction costs, and City development review requirements and processes limit the development of market-rate housing. 12 stakeholder groups provided this feedback.
- Service Providers: More affordable housing and vouchers or subsidies for market-rate housing are needed, along with on-site services and housing near transit, and jurisdictions should work with providers and people experiencing issues before creating programs. Ten (10) stakeholder groups provided this feedback.

The following key themes were collected as part of a builder's focus group discussion with housing developers, builders, and architects on policies and programs for San Mateo's Housing Element on November 15, 2021. The Constraints Analysis Section also includes key themes from the builders focus group and related feedback. Seven external participants, including non-profit housing developers, for-profit housing developers, and architects familiar with multi-family construction provided feedback. Key themes include:

- Relaxing height restrictions, particularly as they can conflict with minimum height requirements for ground floor uses.
- Streamlining the development review and entitlement process and establishing clearer objective development standards.
- Expanding incentive programs for affordable housing, including local density bonus incentives.
- Relaxing parking requirements, particularly in walkable areas close to transit.
- A walkable downtown is an amenity and could be a rationale for exceptions to other required amenities, including required open space.

5.5 Attachments included in Appendices F and G

Appendix F includes community feedback, communications and documentation that support the findings and conclusions in this Section.

- True North Survey Results (Excerpts)– February 21, 2022
- Community Engagement, Pop-Ups and Intercepts – Public Feedback Received
- Online Housing Element Survey Results
- Builders Focus Group – November 15, 2021 – Feedback Received
- Fair Housing Workshop – January 13, 2022 – Discussion and Poll Summary
- Housing Policy Workshop – November 2, 2021 – Discussion and Poll Summary
- Community Relations Commission – September 29, 2021 – Community Needs and Housing Needs Workshop – Speaker Notes
- San Mateo Countywide Housing Elements Listening Sessions – Summary Notes
 - Fair Housing – September 27, 2021
 - Housing Advocates – October 18, 2021
 - Builders – November 1, 2021
 - Service Providers – November 15, 2021
- Root Policy Fair Housing Survey Summary – Summary of Public Feedback
- Community Correspondence received by the City prior to April 6, 2022, and between May 7, 2022 and December 30, 2022.
- Planning Commission and City Council Minutes – April 26, 2022 to November 7, 2022
- Additional Community Outreach collateral and activities
 - Citywide mailer sent October 2021
 - Mailer targeted to renters sent January 2022
 - Housing Element Flyer
 - Intercept Surveys (English and Spanish), October-December, 2021
 - Where do you live/Donde Vives interactive activity results, October 16, 2021
 - “Eggstravaganza” outreach activity, April 16, 2022

Appendix G includes public review period comments received by the City during the 30-day public review period as well as subsequent public review periods when updated documents were published.

- 30-Day Public Review Period Comments Received – April 6, 2022 to May 6, 2022
- Second Public Review Period Comments Received – December 30, 2022 to January 9, 2023
- Third Public Review Period Comments Received – July 26, 2023 to August 9, 2023
- Fourth Public Review Period Comments Received – November 9, 2023 to November 15, 2023
- All other public Comments Received – January 10, 2023 to Present



Affirmatively Furthering Fair Housing (AFFH) Summary

6.1 What is Affirmatively Furthering Fair Housing?

Affirmatively Furthering Fair Housing

“Affirmatively furthering fair housing” means taking meaningful actions, in addition to combating discrimination, that overcome patterns of segregation and foster inclusive communities free from barriers that restrict access to opportunity based on protected characteristics. Specifically, affirmatively furthering fair housing means taking meaningful actions that, taken together, address significant disparities in housing needs and in access to opportunity, replacing segregated living patterns with truly integrated and balanced living patterns, transforming racially and ethnically concentrated areas of poverty into areas of opportunity, and fostering and maintaining compliance with civil rights and fair housing laws. The duty to affirmatively further fair housing extends to all of a public agency’s activities and programs relating to housing and community development. (Gov. Code, § 8899.50, subd. (a)(1).)”

Figure 3: AFFH Definition

Source: California Department of Housing and Community Development Guidance, 2021, page 14.

California Assembly Bill 686, which was signed into law in 2018 requires that all public agencies in the state affirmatively further fair housing (AFFH) beginning January 1, 2019. Public agencies receiving funding from the U.S. Department of Housing and Urban Development (HUD) are also required to demonstrate their commitment to AFFH. The federal obligation stems from the fair housing component of the federal Civil Rights Act mandating federal fund recipients to take “meaningful actions” to address segregation and related barriers to fair housing choice.

AB 686 requires all public agencies to “administer programs and activities relating to housing and community development in a manner that affirmatively furthers fair housing, and take no action inconsistent with this obligation”

AB 686 also makes changes to Housing Element Law to incorporate requirements to AFFH as part of the housing element and general plan to include an analysis of fair housing outreach and capacity, integration and segregation, access to opportunity, disparate housing needs, and current fair housing practices.

6.2 History of segregation in the region

The United States’ oldest cities have a history of mandating segregated living patterns—and Northern California cities are no exception. ABAG, in its recent Fair Housing Equity Assessment, attributes segregation in the Bay Area to historically discriminatory practices—highlighting redlining and discriminatory mortgage approvals—as well as “structural inequities” in society, and “self-segregation” (i.e., preferences to live near similar people).

Researcher Richard Rothstein’s 2017 book *The Color of Law: A Forgotten History of How Our Government*

Segregated America chronicles how the public sector contributed to the segregation that exists today. Rothstein highlights several significant developments in the Bay Area region that played a large role in where the region's non-White residents settled.

Pre-civil rights San Mateo County faced resistance to racial integration, yet it was reportedly less direct than in some Northern California communities, taking the form of “blockbusting” and “steering” or intervention by public officials. These local discriminatory practices were exacerbated by actions of the Federal Housing Administration which excluded low-income neighborhoods, where the majority of people of color lived, from its mortgage loan program.

According to the San Mateo County Historical Association, San Mateo County's early African Americans worked in a variety of industries, from logging, to agriculture, to restaurants and entertainment. Expansion of jobs, particularly related to shipbuilding during and after World War II attracted many new residents into the Peninsula, including the first sizable migration of African Americans. Enforcement of racial covenants after the war forced the migration of the county's African Americans into neighborhoods where they were allowed to occupy housing—housing segregated into less desirable areas, next to highways, and concentrated in public housing and urban renewal developments.

The private sector contributed to segregation through activities that discouraged (blockbusting) or prohibited (restrictive covenants) integrated neighborhoods. In the City of San Mateo, David Bohannon, developer of the Hillsdale neighborhood in the mid-1900s recorded deeds that specified that only “members of the Caucasian or White race shall be permitted” to occupy sold homes—the exception being “domestics in the employ[ment] on the premises.” This practice was the norm at the time, since the federal government refused to insure large-scale single-family developments throughout the country, unless they specifically prohibited non-Whites from purchasing the new single-family homes. Henry Doelger in Daly City, as well as Bohannon in San Mateo, both developed large tracts of single-family homes with racially-based restrictive covenants. City staff has uncovered restrictive covenants still extant on properties being provided rehabilitation assistance, even though such covenants have long been unenforceable. From Hillsdale Boulevard to about 20th Avenue, between Alameda de las Pulgas and El Camino Real, single-family homes in the area almost exclusively had restrictive covenants. Bohannon went on to develop many race-restricted neighborhoods in the Bay Area, became president of the National Association of Home Builders (NAHB), became national president of the Urban Land Institute (ULI), and was inducted into California's Homebuilding Foundation Hall of Fame.

The timeline of major federal Acts and court decisions related to fair housing choice and zoning and land use appears on the following page. As shown in the timeline, exclusive zoning practices were common in the early 1900s. Courts struck down only the most discriminatory practices and allowed those that would be considered today to have a “disparate impact” on classes protected by the Fair Housing Act. For example, the 1926 case *Village of Euclid v. Ambler Realty Co.* (272 U.S. 365) supported the segregation of residential, business, and industrial uses, justifying separation by characterizing apartment buildings as “mere parasite(s)” with the potential to “utterly destroy” the character and desirability of neighborhoods. At that time, multifamily apartments were the only housing options for people of color, including immigrants.

The Federal Fair Housing Act was not enacted until nearly 60 years after the first racial zoning ordinances appeared in U.S. cities. This coincided with a shift away from federal control over low-income housing toward locally-tailored approaches (block grants) and market-oriented choice (Section 8 subsidies)—the latter of which is only effective when adequate affordable rental units are available.



6.3 San Mateo's Fair Housing Assessment

The Fair Housing Assessment (Appendix D) follows the April 2021 State of California State Guidance for AFFH. The study was conducted as part of the 21 Elements process, which facilitates the completion of Housing Elements for all San Mateo County jurisdictions. It includes the following sections:

6.3.1 Primary Findings

Primary findings from the Fair Housing Assessment for the City of San Mateo describes fair housing enforcement and outreach capacity, integration and segregation, access to opportunity, disparate housing needs, and contributing factors and the City's fair housing action plan.

- **16% of fair housing complaints filed in San Mateo County from 2017 to 2021 (57 total) were in the City of San Mateo (9 total), which is approximately aligned with the city share of the county's population (14%).** The most common issues cited in the city were refusal to rent and discrimination in terms, conditions, privileges relating to rental. Most complaints were on the basis of disability status (6 complaints) and race (3 complaints) in the city.

Racial and ethnic minority populations are **disproportionately impacted by poverty, low household incomes, overcrowding, and homelessness** compared to the non-Hispanic White population in the City of San Mateo. Additionally, racial and ethnic minorities are more likely **to live in moderate resource areas and be denied for a home mortgage loan.**

- Racial and ethnic minority populations generally have higher rates of poverty (Figure II-5) and lower household incomes (Figure II-4) compared to the non-Hispanic White population in the City of San Mateo.
- Racial and ethnic minorities are more likely than non-Hispanic White households to experience overcrowding (Figure IV-17). Low- and moderate-income households are also more likely to be overcrowded (Figure IV-18).
- People who identify as American Indian or Alaskan Native, Black, White, and Hispanic are overrepresented in the homeless population compared to their share of the general population (Figure IV-22).
- Hispanic, Asian, and Black residents are more likely to live in moderate resource areas compared to high resource areas (Figure III-12). It is important to note there are no designated low resource areas in the City of San Mateo.
- **Hispanic and American Indian or Alaska Native households have the highest denial rates for mortgage loan applications in 2018 and 2019 (Figure IV-33).**

Geospatially, **the northeast area of the city** is disproportionately impacted by high poverty, low education opportunity, low economic opportunity, low environmental scores, high social vulnerability scores, concentrations of cost burdened households, overcrowding, and moderate resource scores. These areas are generally on either side of Highway 101 and stretch to the San Francisco Bay waterfront, encompassing the North Central and Shoreview neighborhoods. These areas have:

- Higher poverty rates between 10% and 20% (Figure II-28).
- Education opportunity scores between 0.25 and 0.5—meaning they have lower education scores compared to the rest of the city (Figure III-1).

- Low economic opportunity scores between zero and 0.5 (Figure III-7).
- Low environmental scores—which account for PM2.5, diesel PM, drinking water, pesticides, toxic release, traffic, cleanup sites, groundwater threats, hazardous waste, impaired water bodies, and solid waste sites (Figure III-9). The northeast area of the City of San Mateo has particularly poor environmental outcomes for traffic, impaired water, groundwater threats, hazardous waste, and asthma.
- The composite opportunity score for the City of San Mateo shows Census Tracts in the northeast area of the city fall within moderate resource areas while the rest of the city is within high or highest resource areas (Figure III-14).
- The Social Vulnerability Index (SVI) provided by the Centers for Disease Control and Prevention (CDC) ranks census tracts based on their ability to respond to a disaster and includes four themes of socioeconomic status, household composition, race or ethnicity, and housing and transportation. The northeast area of the city is most vulnerable according to the SVI (Figure III-15).
- **Concentration (60% to 80% of households) of cost burdened households (Figure IV-13).**
- Overcrowded households are concentrated in the same areas as cost burdened households (Figure IV-19).
- These areas are also within Special Flood Hazard Areas (Figure IV-31) and are vulnerable to displacement (Figure IV-28).

The City of San Mateo has a slight concentration of residents with a disability with 9% of the population compared to 8% in the county (Figure III-17). Residents living with a disability in the city are more likely to be unemployed and are largely concentrated in areas around Highway 101. Finally, the aging population is putting a strain on paratransit access countywide.

- **Unemployment is disproportionately high among residents living with a disability at 12% compared to 3% for residents without a disability in the City of San Mateo—particularly when compared to the county (Figure III-20).**

Racial and ethnic minority students in the City of San Mateo—served by the San Mateo Union High School District and the San Mateo-Foster Elementary School District—**experience lower educational outcomes compared to other students.** Many high schoolers in the county met admission standards for a University of California (UC) or California State University (CSU) school. However, **Pacific Islander, Hispanic, and Black students in the San Mateo Union district were less likely to meet the admission standards.** Although San Mateo Union High School has relatively low dropout rates—4% of students—compared to other districts in the county, **dropout rates among Hispanic (7%), Black (6%), and Pacific Islander students are higher** (Figures will be included in the access to education supplement).

- **Nearly half of all renter households in the City of San Mateo are cost burdened—spending more than 30% of their gross income on housing costs—and one in four are extremely cost burdened—spending more than 50% of their gross income on housing costs (Figure IV-9). There are disparities in housing cost burden in the City of San Mateo by race and ethnicity and family size (Figure IV-11 and Figure IV-12).**
- 15% of respondents to the resident survey conducted for this AFFH said that schools in their neighborhood were of poor quality.



Resident needs collected through local survey. A survey administered to capture residents' needs and support the AFFH found the following housing challenges. Nearly 150 residents completed the survey:

- About 26% of residents said their house or apartment is too small for their family;
 - 36% for racial and/or ethnic minority households;
 - 42% for single parent households
- 14% of renters said they worry that if they request a repair they will experience rent increase or get evicted;
 - 16% for racial and/or ethnic minority households
 - 21% for single parent households
- 27% of respondents indicated they had been discriminated against when looking for housing in San Mateo County;
 - 31% for racial and/or ethnic minority respondents;
 - 43% for residents with a disability;
- 10% (14% for single parent households) of renters are often late on rent and 14% (20% for residents with a disability) can't afford utilities.

6.3.2 Contributing factors and Fair Housing Action Plan

The disparities in housing choice and access to opportunity discussed above stem from historical actions, socioeconomic factors that limit employment and income growth, the inability of the broader region to respond to housing demand, regional barriers to open housing choice, and, until recently, very limited resources to respond to needs.

Fair housing issue: Hispanic households have disproportionate housing needs. These needs are evident in mortgage denial gaps, geographic distribution of affordable housing, cost burden, and overcrowding.

Contributing factors:

- Higher rates of mortgage denial rates among Hispanic households stems from decades of discrimination in housing markets and challenges building wealth through economic mobility and homeownership.
- Although voucher holders and affordable housing (as captured in the HCD Location Affordability Index) are not as highly concentrated in the City of San Mateo as in many surrounding jurisdictions, the northern portion of the city offers the most affordable homes. As such, residents living in these areas have lower incomes and higher rates of poverty. Preference may be at play as well: A recent article in Cityscape found that Hispanic homebuyers—when controlled for demographics, loan characteristics, and finances—are more likely to purchase homes in neighborhoods with fewer non-Hispanic White homeowners and lower economic opportunity.^[1]
- Hispanic residents are more likely than others to work low wage jobs that do not support the City's or region's housing prices, resulting in higher rates of cost burden and overcrowding. Although, it is customary for Hispanic households to live in multigenerational settings, which may account for higher rates of perceived overcrowding, overcrowding is also an indicator of lack of access to affordable and right-sized housing.
- Hispanic residents are primarily concentrated in the northeastern area of the city where residents

face higher poverty and cost burden as well as poor opportunity outcomes according to TCAC's opportunity maps.

Fair housing issue: Hispanic residents and single female parent households are concentrated in census tracts with higher poverty, low economic and environmental opportunity, high-cost burden, overcrowding, and flood hazards compared to the rest of the City of San Mateo.

Contributing factors:

- Concentration of naturally occurring affordable ownership and rental housing opportunities in the northeast areas of the city further concentrates poverty, cost burden, and overcrowding in areas with low economic and environmental outcomes.
- There is a relative lack of affordable housing opportunities in higher resourced areas of the city.
- Highway 101 creates a major barrier between the Shoreview neighborhood—where the geographic concentrations of these groups exist—and the rest of the City of San Mateo.

Fair housing issue: Persons with disabilities have higher housing needs due to challenges accessing employment and housing discrimination and are concentrated in areas with lower environmental and economic opportunity scores.

Contributing factors:

- The unemployment rate for the City of San Mateo's residents with a disability is four times that of persons without a disability. The exact reasons for this disparity are unclear and are likely related to limited job opportunities, access to employment, and market discrimination.
- The undersupply of accessible housing units, particularly for renters, creates a scarcity of units for residents living with a disability.
- There were six complaints—out of the nine total complaints in the city—filed with HUD in the City of San Mateo from 2017 to 2020 where the issues cited included a failure to make reasonable accommodations. Landlords and property owners are required to provide reasonable accommodations to residents living with a disability upon request.
- There are concentrations of the population living with a disability west of Highway 101 in the North Central neighborhood. This area of the city has a concentration of low- and moderate-income households (more than 50% per census tract) and scores low on TCAC's environmental and economic opportunity scores.

Fair housing issue: Persons with disabilities and persons of color are most likely to file complaints of housing discrimination due to discriminatory terms, conditions, privileges, or services and facilities and failure to make reasonable accommodations.

Contributing factors:

- Housing discrimination residents with disabilities and Hispanic households.
- Lack of understanding of reasonable accommodation requirements by landlords and property owners.

The prioritization of contributing factors is based on the ability of the City to make significant impacts on the concerns. They are as follows:

Fair housing issue: Hispanic households have disproportionate housing needs. These needs are evident



in mortgage denial gaps, geographic distribution of affordable housing, cost burden, and overcrowding.

Contributing factors:

- **LOW:** Higher rates of mortgage denial rates among Hispanic households stems from decades of discrimination in housing markets and challenges building wealth through economic mobility and homeownership.

Actions to address:

Policy H 3.2 – Investigate Fair Housing Cases: continue to fund fair housing service providers to address potential households facing displacement and/or fair housing challenges, who often have disparate needs in lower-income, poorly resourced areas.

Policy H 4.3 – Expand Community Education and Outreach: The City plans a robust and adaptive community engagement program with targeting to underrepresented groups, including those with special needs, disparate housing needs, and others.

- **LOW:** Although voucher holders and affordable housing (as captured in the HCD Location Affordability Index) are not as highly concentrated in the City of San Mateo as in many surrounding jurisdictions, the northern portion of the City offers the most affordable homes. As such, residents living in these areas have lower incomes and higher rates of poverty.

Actions to address:

Policy H 2.4 – Implement Capital Improvements in Lower-Resourced Neighborhoods: The City will continue to invest CDBG and other funding into lower resource neighborhoods, which include households shown to have disparate housing needs. This will include proactive outreach to the affect communities to ensure the most critical needs are addressed. See also excerpts from the Environmental Justice efforts, located after the AFFH programs, below.

Policy H 5.1.3: Explore the potential to implement a loan program for ADU construction If a City-funded ADU loan program is determined to be infeasible. The City will support the design of a regional forgivable loan program for homeowners to construct an ADU that is held affordable for extremely low-income households for 15 years.

- **MEDIUM:** Hispanic residents are more likely than others to work low wage jobs that do not support the City's or region's housing prices, resulting in higher rates of cost burden and overcrowding. Although, it is customary for Hispanic households to live in multigenerational settings, which may account for higher rates of perceived overcrowding, overcrowding is also an indicator of lack of access to affordable and right-sized housing.

Actions to address:

Policy H 1.5 -- Encourage Family Housing: prioritizes creation of housing that addresses the needs of large families, providing greater housing choice.

Policy H 4.4 – Enable Affirmative Marketing: This would require developers of affordable housing to create a Marketing Plan during the final phase of construction on a project-by-project basis, focusing on outreach to special needs individuals and those least likely to apply based on racial make-up of neighborhood, including those with disparate housing needs.

- **HIGH:** Hispanic residents are primarily concentrated in the northeastern area of the city where residents face higher poverty and cost burden as well as poor opportunity outcomes according to

TCAC's opportunity maps.

Actions to address:

Policy H 1.2 – Utilize Public Funding and Properties for New Affordable Housing: provides funding for a variety of housing types, addressing the needs of lower-income households, including on sites owned by the City.

Policy H 1.3 – Increase Affordable Housing Production: adopting an updated Density Bonus/Community Benefits program that provides additional incentives and/or streamlining options for housing projects that provide additional affordable units or the most needed unit types (including those with special needs) beyond minimum state requirements.

Policy H 2.4 – Implement Capital Improvements in Lower-Resourced Neighborhoods: The City will continue to invest CDBG and other funding into lower resource neighborhoods, which include households shown to have disparate housing needs. This will include proactive outreach to the affect communities to ensure the most critical needs are addressed. See also excerpts from the Environmental Justice efforts, located after the AFFH programs, below.

Policy H 2.5 – Promote Housing Resilience: this specifically address climate change-related environmental issues in disadvantaged neighborhoods impacted by flooding in the North Shoreview neighborhood.

Fair housing issue: Hispanic residents and single female parent households are concentrated in census tracts with higher poverty, low economic and environmental opportunity, high cost burden, overcrowding, and flood hazards compared to the rest of the City of San Mateo.

Contributing factors:

- **HIGH:** Concentration of naturally occurring affordable ownership and rental housing opportunities in the northeast areas of the city further concentrates poverty, cost burden, and overcrowding in areas with low economic and environmental outcomes.

Actions to address:

Policy H 3.3 – Expand Tenant Protections: this action would extend the measures found in AB1482 by requiring relocation payments to tenancy of less than one year, requiring right to return policies for tenants displaced by substantial renovations, and strengthening the enforcement penalty structure to further protect tenants.

Policy H 5.2.1: Add more City supported housing with affordability restrictions in moderate and high resource areas and areas of affluence. Affirmatively market the housing to households with disproportionate housing needs including persons with disabilities, farmworkers, single parents, and Hispanic households (e.g., Spanish and English, targeted to northeast neighborhoods).

Policy H 5.4.1: Establish tenant protections in local ordinance to extend measures of AB1482 related to relocation, documentation, and right to return policy in eviction cases

Policy H 5.4.5: Ensure that future improvements in disadvantaged communities will not produce a net loss of affordable housing or the displacement of residents and seek to increase the amount of affordable housing in disadvantaged communities

- **HIGH:** There is a relative lack of affordable housing opportunities in higher resourced areas of the city.

Policy H 1.4 – Incentivize Accessory Dwelling Unit Development: expands the resources available for



homeowners to add ADUs, which provide an important source of affordable housing. Recent analysis of ADUs permitted indicates these are being developed in highest or high resource areas, or areas of affluence, providing additional mobility options within in San Mateo:

Policy H 1.7 – Update Zoning Code Development Standards: includes an action to create an affordable housing overlay to support the development of affordable housing on religious or educational institutions’ sites, thereby increasing mobility into lower-density areas.

Policy H 3.5 – Study the Creation of Below Market Rate Set Asides: conduct a best practices review to determine the feasibility of prioritizing groups with special needs, including large families, single female heads of households, and others with disparate housing needs and implement as directed by City Council.

Policy H 5.1.1 – Adjust the City's Below Market Rate (inclusionary) program to provide larger density bonuses, and/or increased City support in exchange for affordable units in high resource areas or in areas of affluence that address the needs of residents with disproportionate housing needs (e.g., accessible/visit able units for persons with disabilities,— child-friendly developments with day care on site for single parents, and 3-4 bedroom units for larger families).

Policy H 5.2.1 – Add more City supported housing with affordability restrictions in moderate and high resource areas and areas of affluence. Affirmatively market the housing to households with disproportionate housing needs including persons with disabilities, farmworkers, single parents, and Hispanic households (e.g., Spanish and English, targeted to northeast neighborhoods).

Policy H 5.2.4 – In conjunction with San Mateo County, develop a housing mobility program that provides support to tenants seeking to move to high opportunity areas in the region.

- **LOW:** Highway 101 creates a major barrier between the Shoreview neighborhood—where the geographic concentrations of these groups exist—and the rest of the City of San Mateo.

Policy H 2.4 – Implement Capital Improvements in Lower-Resourced Neighborhoods: The City will continue to invest CDBG and other funding into lower resource neighborhoods, which include households shown to have disparate housing needs. This will include proactive outreach to the affect communities to ensure the most critical needs are addressed. See also excerpts from the Environmental Justice efforts, located after the AFFH programs, below.

Policy H 2.5 – Promote Housing Resilience: this specifically address climate change-related environmental issues in disadvantaged neighborhoods impacted by flooding in the North Shoreview neighborhood.

Policy H 5.4.5 – Ensure that future improvements in disadvantaged communities will not produce a net loss of affordable housing or the displacement of residents and seek to increase the amount of affordable housing in disadvantaged communities

Fair housing issue: Persons with disabilities have higher housing needs due to challenges accessing employment and housing discrimination and are concentrated in areas with lower environmental and economic opportunity scores.

Contributing factors:

- **LOW:** The unemployment rate for the City of San Mateo’s residents with a disability is four times that of persons without a disability. The exact reasons for this disparity are unclear and are likely related to limited job opportunities, access to employment, and market discrimination.
- **HIGH:** The undersupply of accessible housing units, particularly for renters, creates a scarcity of

units for residents living with a disability.

Actions to address:

Policy H 1.2 – Utilize Public Funding and Properties for New Affordable Housing: provides funding for a variety of housing types, addressing the needs of lower-income households, including on sites owned by the City.

Policy H 1.3 – Increase Affordable Housing Production: adopting an updated Density Bonus/Community Benefits program that provides additional incentives and/or streamlining options for housing projects that provide additional affordable units or the most needed unit types (including those with special needs) beyond minimum state requirements.

Policy H 1.4 – Incentivize Accessory Dwelling Unit Development: expands the resources available for homeowners to add ADUs, which provide an important source of affordable housing. Recent analysis of ADUs permitted indicates these are being developed in highest or high resource areas, or areas of affluence, providing additional mobility options within in San Mateo:

Policy H 5.1.1 – Adjust the City's Below Market Rate (inclusionary) program to provide larger density bonuses, and/or increased City support in exchange for affordable units in high resource areas or in areas of affluence that address the needs of residents with disproportionate housing needs (e.g., accessible/visit able units for persons with disabilities, child-friendly developments with day care on site for single parents, and 3-4 bedroom units for larger families).

- **MEDIUM:** There were six complaints—out of the nine total complaints in the city—filed with HUD in the City of San Mateo from 2017 to 2020 where the issues cited included a failure to make reasonable accommodations. Landlords and property owners are required to provide reasonable accommodations to residents living with a disability upon request.

Actions to address:

Policy H 3.2 – Investigate Fair Housing Cases: continue to fund fair housing service providers to address potential households facing displacement and/or fair housing challenges, who often have disparate needs in lower-income, poorly resourced areas.

Policy H 5.4.1: Establish tenant protections in local ordinance to extend measures of AB1482 related to relocation, documentation, and right to return policy in eviction cases

Policy H 5.4.2: Partner with Project Sentinel to perform fair housing training for landlords and tenants. Focus enforcement efforts on race-based discrimination, reasonable accommodations and source of income discrimination.

- **HIGH:** There are concentrations of the population living with a disability west of Highway 101 in the North Central neighborhood. This area of the city has a concentration of low- and moderate-income households (more than 50% per census tract) and scores low on TCAC's environmental and economic opportunity scores.

Actions to address:

Policy H 5.2.2: Incentivize developers through direct subsidies, fee waivers, and/or density bonuses, to increase accessibility requirements beyond the federal requirement of 5% for subsidized developments.

Policy H 5.2.3: Prioritize City funding proposals for City funded affordable housing that are committed to serving hard to serve residents (e.g., extremely low income, special needs, on site services)



Fair housing issue: Persons with disabilities and persons of color are most likely to file complaints of housing discrimination due to discriminatory terms, conditions, privileges, or services and facilities and failure to make reasonable accommodations.

Contributing factors:

- **HIGH:** Housing discrimination against residents with disabilities and Hispanic households.

Actions to address:

Policy H 3.2 – Investigate Fair Housing Cases: continue to fund fair housing service providers to address potential households facing displacement and/or fair housing challenges, who often have disparate needs in lower-income, poorly resourced areas.

Policy H 5.4.1: Establish tenant protections in local ordinance to extend measures of AB1482 related to relocation, documentation, and right to return policy in eviction cases

Policy H 5.4.2: Partner with Project Sentinel to perform fair housing training for landlords and tenants. Focus enforcement efforts on race-based discrimination, reasonable accommodations and source of income discrimination.

- **HIGH:** Lack of understanding of reasonable accommodation requirements by landlords and property owners.

Actions to address:

Policy H 5.4.2: Partner with Project Sentinel to perform fair housing training for landlords and tenants. Focus enforcement efforts on race-based discrimination, reasonable accommodations and source of income discrimination.

Policy H 5.4.3: Create a webpage specific to fair housing including resources for residents who feel they have experienced discrimination, information about filing fair housing complaints with HCD or HUD, and information about protected classes under the Fair Housing Act. The webpage will have accessibility features and a Spanish language version.

Policy H 5.4.4: Ensure that all multi-family residential developments contain signage in both English and Spanish to explain the right to request reasonable accommodations for persons with disabilities. Make this information available and clearly transparent on the City's website and fund landlord training and outreach on reasonable accommodations.

The Fair Housing Action Plan (FHAP) at the end of this report details how the City of San Mateo proposes to respond to the factors contributing to the fair housing challenges identified in this analysis.

- The Affirmatively Furthering Fair Housing (AFFH) Action Plan, developed in response to this analysis as well as community input, is included in Appendix D and as Goal 5 in the Housing Element. The AFFH Action Plan details how the City proposes to respond to the factors contributing to the fair housing challenges identified in this analysis. The updated Appendix D includes extensive new narrative on a variety of topics in response to State HCD comments, including more information on the history of the City's development; the prioritization of contributing factors; detail on fair housing legal cases and inquiries; data on changes in racial composition in the city; enhanced discussion of special needs groups; and greater analysis of R/ECAPs and RCAAs.

Housing Plan

The City of San Mateo has many positive attributes, especially being a desirable residential community to live in, work, and play in. Thus, one of the City's primary objectives is to expand housing opportunities and increase the diversity of housing supply. There should be a variety of housing types and sizes, a mixture of rental and ownership housing, and housing that supports special needs populations, including single-female heads of household, people with disabilities, those who are unhoused and farmworkers. This variety of housing opportunities will need to accommodate a diverse population, leading to a variety of household sizes, all age groups and a wide range of income levels in order for the City to continue to thrive into the future.

In addition, San Mateo will need to increase its housing supply to meet the housing demand caused by current and future job growth. The types of new housing created should accommodate all income levels consistent with the Regional Housing Needs Allocation. The goals, policies, and actions contained in this Housing Plan support these overarching objectives while also ensuring that the City will meet its statutory obligations, affirmatively further fair housing and facilitate housing production at all income levels.

7.1 Goals, Policies, and Programs Summary

The City has identified five goals to guide the Housing Element's policies and programs. The first three are based upon the "3Ps" framework that seeks to address the region's housing needs through a combination of Production, Preservation and Protection and is endorsed by the Association of Bay Area Governments (ABAG). The fourth goal, or "fourth P," is Promotion of community engagement and public outreach to support social resilience, and the fifth goal is to Affirmatively Further Fair Housing (AFFH). This goal provides a framework for how the City will comprehensively address fair housing issues and meet State law requirements. Many of the policies and programs that support AFFH also support the Housing Element's other goals, which just further highlights how the issue of fair housing is interwoven with achieving the City's larger housing production, preservation, protection and promotion goals.

Goal H-1: Production of New Housing at all Income Levels, with a Focus on Affordable Housing

The need for additional affordable housing was the most prominent and pervasive sentiment noted throughout the Housing Element outreach process. Households of various sizes and socioeconomic backgrounds have reported feeling the pressure of the high costs of housing. To meet the targets set by RHNA, the City must facilitate the production of abundant and affordable new housing in a wide diversity of forms.

To support this goal, the City will be employing two approaches, with the first being directly involved in housing production. This can be done by utilizing public funds to build more units, partnering with nonprofits and other groups to support the production of all types of housing, including ADUs, and using local ordinances to require that developers create more affordable units that can serve a diverse variety of populations and providing incentives for additional affordable unit development. In addition, the policies outlined below would encourage and streamline housing development through the adoption of objective design standards, updates to the Zoning Code, creating minimum densities for housing projects, developing policies for missing middle housing, and streamlining the application review and processing timelines for affordable development projects. And, to address the housing constraint associated with the growth limits imposed by Measure Y, there is a policy to support adoption of General Plan 2040 and



facilitation of a community conversation about Measure Y to build consensus around a path forward for updating the growth limits. The 21 policies to support this goal are:

- **Policy H 1.1** – Monitor Regional Housing Needs Allocation
- **Policy H 1.2** – Utilize Public Funding and Properties for New Affordable Housing
- **Policy H 1.3** – Increase Affordable Housing Production
- **Policy H 1.4** – Support Increased Accessory Dwelling Unit Development
- **Policy H 1.5** – Encourage Family Housing
- **Policy H 1.6** – Streamline Housing Application Review
- **Policy H 1.7** – Update Zoning Code Development Standards to Support Housing Production
- **Policy H 1.8** – Adopt Objective Design Standards
- **Policy H 1.9** – Establish Minimum Densities for Mixed-Use Projects
- **Policy H 1.10** – Establish By-Right Housing Designation for Prior Housing Sites
- **Policy H 1.11** – Implement the SB 9 Ordinance
- **Policy H 1.12** – Encourage Development of Missing Middle Housing
- **Policy H 1.13** – Update Special Needs Group Housing Requirements
- **Policy H 1.14** – Update Supportive Housing Requirements
- **Policy H 1.15** – Update Mobile Home Parks Requirements
- **Policy H 1.16** – Update Farmworker Housing Requirements
- **Policy H 1.17** – Permitting and Development Fee Review
- **Policy H 1.18** – Increase Senior Housing Production
- **Policy H 1.19** – Ensure Adequate Water Supply for the Development of New Housing
- **Policy H 1.20** – Adopt San Mateo General Plan 2040

Goal H-2: Preservation of Existing Housing that is Affordable to Lower- and Middle-Income Residents

As the city continues to grow, it remains important to maintain and preserve existing affordable housing as well as non-deed restricted housing that is naturally affordable for middle and lower-income households. The most direct method of achieving this goal would be to prevent the conversion of existing affordable units from becoming market rate by renegotiating agreements, using public funds to acquire the units, or requiring developers to replace any lost units. Alternatively, the City can indirectly preserve affordable housing by improving the quality of life for individuals and families who currently reside in them. Residents that are able to thrive in low-income housing are less likely to be displaced. Therefore, the City proposes to incentivize upgrades to low-income homes through rehabilitation, accessibility modifications, or energy efficiency changes. In addition, enhancements to low-income neighborhoods can also be achieved through capital improvements and resiliency projects that protect against threats posed by climate change. The six policies to support this goal are:

- **Policy H 2.1** – Fund Housing Rehabilitation Efforts

- **Policy H 2.2** – Support Retention of Existing Lower Income Units
- **Policy H 2.3** – Increase Energy and Water Efficiency in Existing Units
- **Policy H 2.4** – Implement Capital Improvements in Lower-Resourced Neighborhoods
- **Policy H 2.5** – Promote Housing Resilience
- **Policy H 2.6** – Require Replacement Units

Goal H-3: Protection of Current Residents to Prevent Displacement

San Mateo’s demographics will fluctuate as the city continues to grow and evolve. But while change is inevitable, the loss of the existing community is not. Therefore, it remains a priority for the City to prevent gentrification and displacement through protection of lower-income residents. Policy tools included within this goal, such as commercial linkage fees, relocation fees, documentation requirements for landlords, and right to return policies, help balance the scales against the market forces that lead to displacement while extending vital tenant protections. Programs are included to address homelessness and increase shelter capacity that can protect housing insecure individuals and families from having to leave the city entirely. These programs allow service providers an opportunity to intervene and lead clients to housing stability. The City also proactively affirms its commitment to combat inequities in housing that exist across people of protected classes through affirmative marketing, prioritizing special needs tenants in below market rate units, monitoring rental rates, displacement, and trends in evictions, and undertaking several actions to affirmatively further fair housing. The seven policies to support this goal are:

- **Policy H 3.1** – Prevent Homelessness
- **Policy H 3.2** – Investigate Fair Housing Cases
- **Policy H 3.3** – Evaluate Housing Revenue Sources
- **Policy H 3.4** – Expand Tenant Protections
- **Policy H 3.5** – Study the Creation of Below Market Rate Set Asides
- **Policy H 3.6** – Monitor Rental Rates and Displacement
- **Policy H 3.7** – Evaluate Opportunities for Expanding Homeless Shelters

GOAL H-4: Promotion of Community Engagement and Public Outreach

To increase effectiveness and successfully achieve the Housing Element’s goals and policies, the City should increase access and awareness of housing programs through use of new technology as part of a robust and proactive public outreach strategy. By expanding availability of digital resources, the barriers of proximity, transportation, and time opportunity cost can be reduced for many. In addition, by providing education and information on regulatory requirements and specific programs and protections offered locally, regionally, and by the state, the City can improve access to housing for all income groups, special needs communities, and households found in AFFH analysis to have disproportionate needs. Public outreach in a diversity of methods, forms and languages can be used to reach the widest breadth of residents and program beneficiaries to ensure those in need can find supportive programs and service providers. Targeted digital, print, and in-person outreach and engagement methods can also be effective at reaching the communities most affected by housing policies and programs. Partnering with community



intermediaries to conduct outreach in Spanish and English language formats has been effective and will be a key component of affirmative marketing efforts moving forward. Such activities in the neighborhoods where priority communities live, and at events where there is a high rate of attendance by members of households with disproportionate needs, including pop-ups at priority neighborhood grocery stores, and key public events. The five policies to support this goal are:

- **Policy H 4.1** – Update the Housing Webpage
- **Policy H 4.2** – Support a Countywide Below Market Rate Unit Waitlist
- **Policy H 4.3** – Expand Community Education and Outreach
- **Policy H 4.4** – Enable Affirmative Marketing
- **Policy H 4.5** – Conduct Outreach to Sites Inventory Property Owners

Goal H-5: Affirmatively Furthering Fair Housing

To reinforce the objective that AFFH is a top priority for the City, an AFFH Fair Housing Action Plan with programs and actions has been included as the fifth goal of the Housing Element. This Action Plan cross references items that are interwoven with the Housing Plan's other four goals, policies, and programs. The actions to achieve the Fair Housing goal are meant to address the fair housing issues found in the AFFH analysis, specifically for groups that have disparate housing impacts when compared to the whole of San Mateo. This includes, for example, Hispanic and single-female heads of households who have disproportionate housing needs while being concentrated in census tracts that have high rates of poverty. Persons with disabilities are also more likely to experience housing discrimination due to low economic opportunity and failure of landlords to provide reasonable accommodations. Each of the actions identified have specific quantified objectives to reach the target households. The 14 policies to support this goal are:

- **Policy H 5.1.1** – Adjust the City's Below Market Rate (inclusionary) program to provide larger density bonuses, and/or increased City support in exchange for affordable units that address the needs of residents with disproportionate housing needs.
- **Policy H 5.1.2** – Participate in a regional down payment assistance program with affirmative marketing to households with disproportionate housing needs including persons with disabilities, single parents, and Hispanic households.
- **Policy H 5.1.3** – Support the design of a regional forgivable loan program for homeowners to construct an ADU that is held affordable for extremely low-income households for 15 years.
- **Policy H 5.2.1** – Add more City supported housing with affordability restrictions in moderate and high resource areas; and affirmatively market the units to households with disproportionate housing needs including persons with disabilities, farmworkers, single-parents, and Hispanic households.
- **Policy H 5.2.2** – Incentivize developers through direct subsidies, fee waivers, and/or density bonuses, to increase accessibility requirements beyond the federal requirement of 5% for subsidized developments.
- **Policy H 5.2.3** – Prioritize City funding proposals for City-funded affordable housing that are committed to serving hard to serve residents.
- **Policy H 5.3.1** – As part of the General Plan Update, conduct an area plan for the North Shoreview

and North Central neighborhoods and prioritize land use and design around Highway 101 to improve access and reduce the division of the urban form produced by the highway.

- **Policy H 5.3.2** – Continue to fund minor home repairs and public services in low opportunity census tracts identified in the analysis and implement a preference for projects in these areas.
- **Policy H 5.3.3** – Monitor affordable housing projects that are at risk of conversion to market rate; support regional and local efforts to examine displacement of affordable housing and lower income households; and assist with the retention of special needs housing that is at risk of expiring affordability requirements.
- **Policy H 5.4.1** – Establish tenant protections in local ordinance to extend measures of AB 1482 related to relocation, documentation, and right to return policy in eviction cases.
- **Policy H 5.4.2** – Partner with Project Sentinel to perform fair housing training for landlords and tenants; and focus enforcement efforts on race-based discrimination and reasonable accommodations.
- **Policy H 5.4.3** – Create a webpage specific to fair housing including resources for residents who feel they have experienced discrimination, information about filing fair housing complaints with HCD or HUD, and information about protected classes under the Fair Housing Act.
- **Policy H 5.4.4** – Ensure that all multifamily residential developments contain signage to explain the right to request reasonable accommodations for persons with disabilities. Make this information available and clearly transparent on the City's website and fund landlord training and outreach on reasonable accommodations.
- **Policy H 5.4.5** – Ensure that future improvements in disadvantaged communities will not produce a net loss of affordable housing or the displacement of residents and seek to increase the amount of affordable housing in disadvantaged communities.

Other Policies in Support of Goal H-5

It should be noted that, in addition to the programs and policies specifically in response to the AFFH analysis contained under Goal H-5, many of the general goals and policies of the Housing Element will also have positive impacts in addressing disparate housing needs, mobility concerns, housing choice, place-based strategies, and safeguards against displacement. The following includes, but is not limited to, those general policies with a beneficial impact on AFFH concerns:

- **Policy H 1.2 – Utilize Public Funding and Properties for New Affordable Housing:** provides funding for a variety of housing types, addressing the needs of lower-income households, including on sites owned by the City.
- **Policy H 1.3 – Increase Affordable Housing Production:** adopting an updated Density Bonus/Community Benefits program that provides additional incentives and/or streamlining options for housing projects that provide additional affordable units or the most needed unit types (including those with special needs) beyond minimum state requirements.
- **Policy H 1.4 – Incentivize Accessory Dwelling Unit Development:** expands the resources available for homeowners to add ADUs, which provide an important source of affordable housing. Recent analysis of ADUs permitted indicates these are being developed in highest or high resource areas, or areas of affluence, providing additional mobility options within in San Mateo:



Table 7: ADUs with Permits Issued by Resource Area (2017 to 2021)

TCAC Area (2021)	# of Units	Percent
Highest Resource	30	15.7%
High Resource	83	43.5%
Moderate Resource*	78	40.8%
TOTAL	191	100.0%

- Policy H 1.5 – Encourage Family Housing: prioritizes creation of housing that addresses the needs of large families, providing greater housing choice.
- Policy H 1.7 – Update Zoning Code Development Standards: includes an action to create an affordable housing overlay to support the development of affordable housing on religious or educational institutions' sites, thereby increasing mobility into lower-density areas.
- Policy H 1.20 – Complete the General Plan 2040 Update (GPU) process: upon adoption, the plan would increase housing capacity by at least 10,000 units, increase the base densities in the 10 Study Areas by at least 25 units/acre and height limits by at least two stories, create substantial new opportunities for housing, including that which is affordable, throughout the city in locations that are near transit, jobs, and services; and will place an updated Measure Y ballot initiative to allow for the increased heights and densities in the adopted General Plan on the November 2024 election. If the Measure Y ballot initiative does not pass, within six months, alternative plans will be presented to the City Council, including a plan for rezoning, to address the housing production constraint of Measure Y and to add at least 1,700 units of new capacity around the city to increase the City's RHNA buffer by at least 25%.
- Policy H 2.1 – Fund Housing Rehabilitation Efforts: providing funding to lower income households for rehabilitation and accessibility improvements helps prevent displacement because of poor housing conditions.
- Policy H 2.4 – Implement Capital Improvements in Lower-Resourced Neighborhoods: The City will continue to invest CDBG and other funding into lower resource neighborhoods, which include households shown to have disparate housing needs. This will include proactive outreach to the affected communities to ensure the most critical needs are addressed. See also excerpts from the Environmental Justice efforts, located after the AFFH programs, below.
- Policy H 2.5 – Promote Housing Resilience: this specifically address climate change-related environmental issues in disadvantaged neighborhoods impacted by flooding in the North Shoreview neighborhood.
- Policy H 2.6 – Require Replacement Units: this would extend replacement requirements beyond the Housing Crisis Act sunset date of 2034, thereby helping to prevent potential displacement in the future.
- Policy H 3.2 – Investigate Fair Housing Cases: continue to fund fair housing service providers to address potential households facing displacement and/or fair housing challenges, who often have disparate needs in lower-income, poorly resourced areas.

- **Policy H 3.3 – Expand Tenant Protections:** this action would extend the measures found in AB1482 by requiring relocation payments to tenancy of less than one year, requiring right to return policies for tenants displaced by substantial renovations, and strengthening the enforcement penalty structure to further protect tenants.
- **Policy H 3.5 – Study the Creation of Below Market Rate Set Asides:** conduct a best practices review to determine the feasibility of prioritizing groups with special needs, including large families, single female heads of households, and others with disparate housing needs and implement as directed by City Council.
- **Policy H 4.1 – Update the Housing Webpage:** this would improve the City’s webpage with comprehensive housing-related materials in multiple languages, with a specific effort to ensure that households with disproportionate housing needs are targeted with this information.
- **Policy H 4.3 – Expand Community Education and Outreach:** The City plans a robust and adaptive community engagement program with targeting to underrepresented groups, including those with special needs, disparate housing needs, and others.
- **Policy H 4.4 – Enable Affirmative Marketing:** This would require developers of affordable housing to create a Marketing Plan during the final phase of construction on a project-by-project basis, focusing on outreach to special needs individuals and those least likely to apply based on racial make-up of neighborhood, including those with disparate housing needs.

Programs in Support of ELI Households and Those with Special Needs

Although some programs, such as those under **Policies H 1.13, H 1.14, H 1.16, H 1.18**, and programs addressing AFFH concerns, explicitly target special needs and ELI households, all programs in this Housing Element will ensure an ongoing review of how these programs do, or do not, reach ELI and special needs households. This information will be tracked wherever possible and reported on an annual basis through the Annual Progress Report requirements.

Related Environmental Justice Activities

The 2040 General Plan Update has identified two Equity Priority Communities within the City of San Mateo - North Central and North Shoreview. Within the Housing Element, **Policy H 2.4** (Implement Capital Improvements in Lower-Resourced Neighborhoods) focuses resources toward these two neighborhoods in support of AFFH and Environmental Justice objectives. The 2040 General Plan Update further articulates the City’s commitment to Environmental Justice in these Equity Priority Communities, and proposes a number of actions to improve conditions that address additional AFFH concerns in the Land Use Element, including, but not limited to:

Action LU 8.8 – Streetscape and Safety Improvements. Work with residents in equity priority communities to identify sidewalk, lighting, landscaping, and roadway improvements needed to improve routes to parks, schools, recreation facilities, and other destinations within the community. Prioritize investments to address health disparities in equity priority communities in the annual Capital Improvement Program.

Action LU 8.9 – Equity Priority Community Mapping. Regularly update the map identifying equity priority communities with data from CalEnviroScreen or other sources, including information from community members.

Action LU 8.10 – Equity Priority Communities Plan. Prepare a plan for the equity priority communities that addresses the needs of each community, including health, safety, and improved circulation with



community input. The plan shall seek to ensure the streets in each community are measurably safe, include ADA accessibility, and have adequate on-street parking. Changes included in the plan shall be developed and enacted with the express purposes of improving health, safety, and welfare for the members of each community.

Action LU 8.11 – City Services. Work with residents in equity priority communities to identify services that the City or other partners could provide to improve safety, sanitation, and security in these neighborhoods.

Action LU 8.12 – Neighborhood Beautification. Support and promote neighborhood clean-up and beautification initiatives in equity priority communities, including in partnership with neighborhood organizations.

7.2 Implementation Plan

7.2.1



Table 8: Goal H-1: Production - Implementation Plan

GOAL H-1: Production of New Housing at all Income Levels, with a Focus on Affordable Housing							
Number	Policy	Lead Dept./Division	Funding Source(s)	Program Measure(s)	Implementation Action(s)	Target Timeline	New/Existing Program
H 1.1	Monitor Regional Housing Needs Allocation and Pipeline projects	Housing Division	N/A	Monitor housing production against ABAG Fair Share Allocation in compliance with no net loss requirements during planning period. In addition, monitor pipeline projects and new development applications to ensure production outcomes are meeting projections.	a) Provide an annual report on housing production to the City Council each March, prior to submittal of the Annual Progress Report to HCD by April 1 st . The report will include an assessment on the City’s RHNA progress and, as needed, identify additional sites to ensure ongoing compliance with “no net loss” provisions of State law. b) Conduct a mid-cycle review of realistic capacity projections and pipeline project housing production to ensure outcomes are aligned with projections. Update sites inventory to include additional sites to ensure ongoing compliance with “no net loss” provisions of State law.	a) 2023 – 2031 (Annually) b) 2027 (Mid-cycle review)	a) Existing b) New

H 1.2	Utilize Public Funding and Properties for New Affordable Housing	City of San Mateo	City funds and state, and federal funds, as available	Produce City supported housing projects with affordability restrictions utilizing local public funds; and use this funding to leverage other regional, state, and federal funding sources to increase the number of affordable housing units developed in each project. Encourage developers to include ELI units in their projects.	a) When City budgetary conditions do not anticipate a deficit, consider setting aside 20% of general fund property tax revenues from former RDA areas (aka "Boomerang Funds"), as well as the Affordable Housing Commercial Linkage Fee Funds, to use for affordable housing development, prioritizing funding allocation to projects that include units for extremely low income (ELI) households. b) Identify ways to create a stand-alone Housing Trust Fund using available funding sources and utilizing that fund to leverage new funding sources, including the Bay Area Housing Finance Authority (BAHC) and the Bay Area Preservation Pilot (BAPP). c) Prioritize available local housing funds to assist in the production of at least 543 below market rate units by 2031, including within the study areas of the General Plan that allow high-density housing by holding developer roundtable meetings at least once per year. Encourage developers to include ELI units in their projects. d) Support development of 71 units of affordable housing on the City owned parking lot at 4th and Railroad as part of the public-private partnership (Bespoke project). i. Development team has been selected as part of an RFP process, an Exclusive Negotiating Agreement (ENA) has been executed with the developer, and the project's pre-application review has been completed. ii. Complete the Planning Application Process for the project within 18 months of Housing Element adoption. iii. Facilitate permitting and project construction during the planning period. e) Support affordable housing development, including ELI units, on	a) 2023 – 2031 (Ongoing) b) 2025 c) 2023 – 2031 (Ongoing) d) 2024 e) 2023 – 2031	a) Existing b) New c) New d) Existing e) New
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GOAL H-1: Production of New Housing at all Income Levels, with a Focus on Affordable Housing							
Number	Policy	Lead Dept./Division	Funding Source(s)	Program Measure(s)	Implementation Action(s)	Target Timeline	New/Existing Program
					the City owned property at 4142 S. El Camino Real. i. Complete site analysis within 24 months of Housing Element adoption. ii. Issue RFP within 48 months of Housing Element adoption. iii. Select a development partner and negotiate a lease within 60 months of Housing Element adoption. iv. Facilitate development of the site throughout the planning period. Geographic Targeting: high and highest resource and RCAA areas. This item is connected to Policy H 5.1.2 and H 5.2.3.		

GOAL H-1: Production of New Housing at all Income Levels, with a Focus on Affordable Housing							
Number	Policy	Lead Dept./Division	Funding Source(s)	Program Measure(s)	Implementation Action(s)	Target Timeline	New/Existing Program
H 1.3	Increase Affordable Housing Production	Community Development Department	N/A	Update the City’s Inclusionary Housing requirements for ownership and rental residential developments to allow for alternative compliance options other than on-site construction and to establish an updated Density Bonus/Community Benefits program that incentivizes production of additional affordable units.	a) Amend the Affordable Housing Ordinance (SMMC Chapter 27.16.050) and Inclusionary Housing Policy to allow for alternative compliance options to onsite inclusionary unit development within one year of Housing Element adoption. b) Adopt an updated Density Bonus/Community Benefits program that provides additional incentives and/or streamlining options for housing projects that provide additional affordable units or the most needed unit types beyond minimum state requirements. Both of these actions would include an assessment of applicable state law to ensure that the City meets or exceeds all requirements. c) Target ELI populations to the extent feasible. Geographic Targeting: high resource and RCAA areas. Outcome: 15% of new units will be developed in high/highest resource areas and/or RCAA areas. This item is connected to Policy H 5.1.1 and H 5.2.2.	a) 2024 b) 2025	New



H 1.4	Support Increased Accessory Dwelling Unit Development	Planning Division	N/A	Implement and maintain programs to encourage and support ADU production to increase missing middle and lower income housing opportunities.	a) Amend the City’s ADU Ordinance (SMMC Chapter 27.19) to align with current State law and to resolve any inconsistencies identified by HCD. b) Maintain and expand the ADU information and resources available to homeowners and applicants provided on the City’s website. c) Collaborate with 21 Elements and other jurisdictions in San Mateo County to find ways to enhance available ADU resources, establish uniform standards and requirements, and effective ways to monitor ADU affordability. d) Monitor ADU occupancy and rent levels to verify that affordability allocations. Tools to monitor will include, but are not limited to, collaboration with 21 Elements or ABAG to develop a uniform approach to tracking ADU affordability countywide, and surveying ADU applicants during the building permit review process to understand intended use, occupancy and rent charged. e) Continue to offer flat fees for ADU building permits, and review ADU permit fees every 2-3 years. If fees are found to be a barrier to ADU production, the City will make reductions as necessary to reduce cost barriers. f) Provide an annual report on ADU permitting data to verify that Housing Element production targets are being achieved. If ADU production targets are not achieved for two consecutive years, then, within six months, pursue additional actions, including fee reductions, increased homeowner resources and assistance, funding assistance, identifying additional sites and/or code amendments, to incentivize ADU production. Geographic Targeting: high resource and RCAA areas.	a) 2024 b) 2023 – 2031 (Ongoing) c) 2023 – 2031 (Ongoing) d) 2023 - 2031 (Ongoing) e) 2023 – 2031 (Ongoing) f) 2023 – 2031 (Annually)	a) New b) Existing c) New d) New e) Existing f) New
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GOAL H-1: Production of New Housing at all Income Levels, with a Focus on Affordable Housing							
Number	Policy	Lead Dept./Division	Funding Source(s)	Program Measure(s)	Implementation Action(s)	Target Timeline	New/Existing Program
					Outcome: 30% of new ADUs units will be developed in high/highest resource areas and/or RCAA areas. This item is connected to Policy H 5.1.3.		
H 1.5	Encourage Family Housing	Planning Division	N/A	Increase the number of new construction housing units that can accommodate families (larger units) when possible and require subsidized projects to include family-sized units.	a) Present options to City Council for requiring a minimum percentage of three-bedroom units in City subsidized projects; b) Present options to City Council for requiring a minimum percentage of family-sized units in private development projects as part of the Inclusionary Policy update. c) Should such policy recommendations not materialize into code amendments, explore alternative methods to promote family sized units through the community benefits program. This item is connected to Policy H 5.1.1 and H 5.2.3.	a. 2025 b) 2025 c) 2025	New New New



GOAL H-1: Production of New Housing at all Income Levels, with a Focus on Affordable Housing							
Number	Policy	Lead Dept./Division	Funding Source(s)	Program Measure(s)	Implementation Action(s)	Target Timeline	New/Existing Program
H 1.6	Streamline Housing Application Review	Community Development Department	N/A	Reduce the development review timeline for housing projects by streamlining the development review process and simplifying design review and submittal requirements.	a) Update the City Council resolutions that establish the pre-application and development review processes to eliminate the pre-application requirement for housing projects and eliminate the third-party design review requirement for housing projects that meet objective standards. b) Amend the Zoning Code to allow residential projects with up to 25 units to be approved administratively. c) Update permit application submittal requirements. d) Develop Zoning Code amendments to align City requirements with SB 330 and make a recommendation to the City Council.	a) 2024 b) 2023 c) 2023-2031 (Ongoing) d) 2025	New New New New

H 1.7	Update Zoning Code Standards to Support Housing Production	Planning Division	N/A	Update Zoning Code development standards that apply to multi-family residential projects to reduce or eliminate constraints, incentivize production of additional housing units and support development of a variety of housing types.	a) Evaluate the standards and requirements in all zone districts that allow for multi-family residential and amend the Zoning Code as needed to reduce or eliminate constraints to housing construction. Specifically: 1) exclude covered parking and other elements as needed from Floor Area Ratio (FAR) calculation for housing projects with affordable units, 2) specify where Single-Room Occupancy (SRO) units are permitted consistent with government Code 65583(c)(1), and 3) specify that Manufactured Homes that are built on a permanent foundation are subject to the same zoning requirements and development standards as single-family homes. b) Amend the Zoning Code to reduce off-street parking requirements for residential units (SMMC Chapter 27.64) as follows: Studio and 1 Bedroom units to 1 space, 2 Bedrooms and above to 1.5 spaces; and for projects within ½ mile of transit, consistent with AB2097, no off-street parking shall be required. As part of this amendment, staff will review all other parking related requirements and make recommendations to reduce or eliminate any other parking related requirements identified as a constraint. c) Amend the Zoning Code to make residential uses, which currently require a special use permit, a permitted use in the C1, C2, C3, E1 and E2 districts for non-R Overlay areas. d) Rezone sites with quasi-public uses such as schools, churches, and other facilities of an educational, religious, charitable, or philanthropic nature, to “Quasi-Public,” following completion of the General Plan Update and allow for a variety of housing types, such as duplexes and multi-family, as permitted uses in this zone district.	a) 2025 b) 2025 c) 2024 d) 2025 e) 2026	New New New New
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GOAL H-1: Production of New Housing at all Income Levels, with a Focus on Affordable Housing							
Number	Policy	Lead Dept./Division	Funding Source(s)	Program Measure(s)	Implementation Action(s)	Target Timeline	New/Existing Program
					e) Evaluate the feasibility of an affordable housing quasi-public overlay or code amendment to support the production of affordable housing on quasi-public sites, such as religious or educational institutions.		
H 1.8	Adopt Objective Design Standards	Planning Division	N/A	Adopt Objective Design Standards to expedite production of housing.	Adopt Objective Design Standards for multi-family residential projects and mixed-use projects with a residential component.	2023	New
H 1.9	Establish Minimum Densities for Mixed-Use Projects	Planning Division	N/A	Create minimum residential density requirements to ensure mixed-use development will contain an appropriate amount of housing in commercial/office developments.	a) Amend the Zoning Code to require that properties designated for mixed-uses, in the Sites Inventory List, allow 100 percent residential use and require that residential use occupy 50 percent or more of the total floor area of a mixed-use project consistent with Government Code Section 65583(h), and establish a minimum residential density for mixed-use projects elsewhere in the city that include a residential component. b) Study and present to City Council options for requiring a residential component in all mixed-use projects in certain zones or areas.	a) 2024 b) 2024	New New
H 1.10	Establish By-Right Housing Designation for Prior Housing Sites	Planning Division	N/A	Designate housing sites that have carried over from the prior Housing Element to allow housing development by-right.	Amend the Zoning Code to establish a By-Right designation for housing sites reused from prior Housing Elements for housing projects that propose a minimum of 20% affordable units. Zoning for these sites must be at least 30 units/acre to meet default density requirements for lower-income households per Gov. Code Section 65583.2(c).	2024 (must be completed within one year of statutory deadline of the Housing Element update)	New

GOAL H-1: Production of New Housing at all Income Levels, with a Focus on Affordable Housing							
Number	Policy	Lead Dept./Division	Funding Source(s)	Program Measure(s)	Implementation Action(s)	Target Timeline	New/Existing Program
H 1.11	Implement the SB 9 Ordinance	Planning Division	N/A	Implement the Zoning Code to allow duplexes and lot splits on appropriate single-family sites.	Continue to implement Zoning Code Chapter 27.21 (Two-Unit Development Residential Overlay District), adopted in September 2022, which facilitates the provisions of SB 9 in single-family districts (R1). Geographic Target: high or highest resource and RCAA areas and areas of lower density. Outcome: Facilitate at least 5-10 SB 9 applications, resulting in 10-30 units developed over the planning period	2023 – 2031 (ongoing)	New
H 1.12	Encourage Development of Missing Middle Housing	Planning Division	N/A	Support small infill residential construction (Missing Middle, 4-10 units) through policy updates and Zoning Code amendments.	a) Evaluate residential zoning districts that have sites with potential for Missing Middle Housing (R2, R3 and R4 zones) and identify development standards that create barriers for small-scale development, including minimum lot size, setbacks, floor area ratio, parking, and open space requirements, and amend the Zoning Code to remove any constraints, maximize developable area and increase capacity. b) Research and evaluate policies and code amendments to allow for Missing Middle housing under SB 10 and schedule for City Council consideration and adoption. Geographic Target: high and highest resource areas, RCAA areas, and lower density neighborhoods. Outcome: approximately 50 units of “missing middle”, workforce housing is developed in multi-family housing zones.	a) 2026 b) 2026	New New



GOAL H-1: Production of New Housing at all Income Levels, with a Focus on Affordable Housing							
Number	Policy	Lead Dept./Division	Funding Source(s)	Program Measure(s)	Implementation Action(s)	Target Timeline	New/Existing Program
H 1.13	Update Special Needs Group Housing Requirements	Planning Division	N/A	Research current code requirement regarding special needs group homes for people with disabilities for consistency with Fair Housing Requirements. The City commits to revising procedural requirements to permit group homes for seven or more persons in all zones allowing residential uses based on objective criteria to facilitate approval certainty similar to other residential uses of the same form.	a) Review and amend the Zoning Code to allow group homes and residential care facilities for persons with special needs, including those who are ELI, in all residential zones, only subject to those objective standards that apply to other residential uses of the same type in the same zone in conformance with state law. b) Review and amend the Zoning Code definition for family, and other related regulations, to ensure consistency with State and Federal fair housing laws related to persons with disabilities. This effort may also include consideration of new definitions such as single-unit and multi-unit dwellings to accommodate various housing situations. c) Study best practices and develop a universal design ordinance that may better address housing needs for persons with disabilities. This item is connected to Policy H 5.1.1 and H 5.2.3	a) 2025 b) 2025 c) 2027	New
H 1.14	Update Supportive Housing Requirements	Planning Division	N/A	Review and amend zoning code regarding multi-family housing development.	Amend the Zoning Code to be consistent with AB 2162 to allow by-right 100% affordable housing that has 25% or 12 units of permanent supportive housing, where multi-family or mixed-use housing is permitted. This item is connected to Policy H 5.1.1 and H 5.2.3.	To be completed by December 31, 2024.	New
H 1.15	Update Mobile Home Parks Requirements	Planning Division	N/A	Amend zoning code requirements regarding mobile home parks.	Amend the Zoning Code to allow mobile home parks as a special use in all residential zones to be consistent with Government Code Section 65852.7	2025	New
H 1.16	Update Farmworker Housing Requirements	Planning Division	N/A	Amend zoning code requirements regarding farmworker housing.	Amend the Zoning Code to define and allow farmworker housing within the Agricultural District consistent with Government Code Section 17021.6. The City will comply with Health and Safety Code section 17021.5.	2025	New

GOAL H-1: Production of New Housing at all Income Levels, with a Focus on Affordable Housing							
Number	Policy	Lead Dept./Division	Funding Source(s)	Program Measure(s)	Implementation Action(s)	Target Timeline	New/Existing Program
H 1.17	Permitting and Development Fee Review	Community Development Department	N/A	Regularly review development application, building permit and impact fees to identify opportunities to reduce per unit costs for housing developments, with a focus on reducing per unit costs for small multi-family projects (Missing Middle).	a) Study cumulative permit fee costs for new housing development of various sizes and use information to identify opportunities to reduce per unit permitting costs; with fee reductions for small multi-family projects being prioritized. Present findings to the City Council with recommendations for adoption. b) Conduct a comprehensive review and update of the fee schedule every 5-6 years, with a focus on evaluating and adjusting fees with potential barriers to housing production. Next review will be conducted in 2027 (last fee study completed in 2021).	a) 2026 b) 2027 (Ongoing)	New New
H 1.18	Increase Senior Housing Production	Community Development Department	N/A	Evaluate potential policies and code amendments to support the production of housing for seniors.	Evaluate code amendments and/or policies to encourage and support the development of senior housing, especially senior housing that serves the ELI and lower income senior households, including through shared- housing arrangements, community care facilities, supportive housing, and assisted living for seniors, and make a recommendation to the City Council.	2028	New



GOAL H-1: Production of New Housing at all Income Levels, with a Focus on Affordable Housing							
Number	Policy	Lead Dept./Division	Funding Source(s)	Program Measure(s)	Implementation Action(s)	Target Timeline	New/Existing Program
H 1.19	Ensure Adequate Water Supply for the Development of New Housing	Community Development Department	N/A	Support the City’s water and sewer providers to ensure adequate capacity for new housing development.	a) Upon adoption of the Housing Element, provide a copy of the Element to California Water Company, Estero Municipal Improvement District, and San Mateo Public Works Dept, for greater awareness of affordable housing priorities and collaboration, in compliance with AB 1087. b) Support efforts by Cal Water and EMID to expand their water supplies with new water sources and develop water efficiency and conservation methods to offset demand from new development projects. c) Pursuant to AB 1087, work with Cal Water and EMID to establish a procedure to prioritize water allocation for developments that include units set aside as affordable housing for lower income households, including affordable housing within larger, mixed-use developments and larger residential subdivisions d) Establish a written procedure for the City to grant priority sewer service to developments with units that are affordable to lower-income households.	a) 2023 b) 2023 – 2031 (Ongoing) c) 2023 d) 2023	New New New New

GOAL H-1: Production of New Housing at all Income Levels, with a Focus on Affordable Housing							
Number	Policy	Lead Dept./Division	Funding Source(s)	Program Measure(s)	Implementation Action(s)	Target Timeline	New/Existing Program
H 1.20	Adopt San Mateo General Plan 2040	Community Development Department	N/A	Adopt a General Plan Update that provides sufficient development capacity to meet the City’s housing needs through 2040.	a) Complete the General Plan 2040 Update (GPU) process and present to the City Council for adoption. The City is committed to adopting a General Plan that will create capacity for at least 10,000 new housing units and will increase the base densities in the 10 Study Areas by at least 25 units/acre and height limits by at least two stories. b) Commence with rezoning citywide, in phases, to implement the land use map following GPU adoption. c) The GPU public outreach and engagement process will include information on Measure Y and how it creates a constraint on housing production. d) The City will place an updated Measure Y ballot initiative to allow for the increased heights and densities in the adopted General Plan on the November 2024 election. e) If the Measure Y ballot initiative does not pass in November 2024, present alternative plans within six months to the City Council, including a plan for rezoning, to address the housing production constraint of Measure Y with an emphasis on higher densities in high and highest resource areas, and to add at least 1,700 units of new capacity around the city, thereby increasing the City’s RHNA buffer by at least 25%.	a) 2024 b) 2025-2026 c) 2023 - 2024 d) November 2024 e) May 2025, if needed	a) Existing b) New c) New d) New



7.2.2

Table 9: Goal H-2: Preservation - Implementation Plan

GOAL H-2: Preservation of Existing Housing that is Affordable to Lower- and Middle-Income Residents							
Number	Policy	Lead Dept./Division	Funding Source(s)	Program Measure(s)	Implementation Action(s)	Target Timeline	New/Existing Program
H 2.1	Fund Housing Rehabilitation Efforts	Housing Division	CDBG/CALHome	a) Fund minor home repairs and accessibility improvements b) Provide opportunity for home rehabilitation loans for low- income residents. c) Allow accessibility improvements on rental properties with owner permission.	a) Complete annual goals of 10 minor home repairs and 14 accessibility modifications through grants for lower-income residents, targeting ELI households where appropriate. b) Provide home rehabilitation loans for lower-income residents up to a total of approximately \$500,000 available. c) Affirmatively market the availability of these funds to both homeowners and renters to increase awareness. Marketing efforts include translating flyers into Spanish and distributing flyers to various locations throughout the city, including libraries, senior and community centers and non-profit agencies. Outreach will be conducted biannually. Geographic Target: low resource areas (40% of loans and improvements), and areas with significant infrastructure needs This item is connected to Policy H 5.3.2.	2023 - 2031 (Annually by June 30)	Existing Existing New
H 2.2	Support Retention of Existing Lower Income Units	Housing Division	TBD (potential sources include: PLHA)	a) Identify funding source for preservation b) Monitor affordable housing projects that are at risk of conversion to market rate. c) Support regional and local efforts to examine displacement of affordable housing and lower income households. d) Assist with the retention of special needs housing that is at risk of expiring affordability requirements.	Bridgepointe Condominiums affordability requirements for 59 affordable units expire in 2027, out of which 24 are very low-income units (35 are at 120% AMI). Belmont Building affordability requirements for 6 units expire in 2032. The rental property is owned by a for-profit entity, potential for loss of units is high. Proactively coordinate with owners to preserve the 24 very low-income units as affordable, including identifying potential funding sources, advertise conversion units to non-profits, conduct tenant outreach and education, add a displacement preference for new affordable housing for people displaced, including those displaced as a result of conversion. Outreach and negotiate with owners for affordability extensions. Provide noticing to tenants and affected public entities in accordance with Gov. Code, § 65863.10, 65863.11, and 65863.13 This item is connected to Policy H 5.3.3.	a) 2026 (Bridgepointe Condominiums) b) 2031 (Belmont Building)	New New
H 2.3	Increase Energy and Water Efficiency in Existing Units	Community Development Department, City Manager’s Office	CDBG/City Funds	Increase energy and water efficiency in all existing residential units. Fund weatherization upgrades for low- and moderate-income homeowners.	a) Complete seven weatherization upgrades through grants for lower-income residents annually, targeting ELI households when appropriate. b) Implement energy-efficiency and electrification strategies identified in the City’s Climate Action Plan through updates to the City’s Reach Codes as part of the building permit review process. Outreach will be conducted biannually. Geographic Target: low resource areas, and areas with significant infrastructure needs This item is connected to Policy H 5.3.2.	a) 2023 - 2031 (Annually, June 30) b) Reach codes are updated every three years.	Existing New

GOAL H-2: Preservation of Existing Housing that is Affordable to Lower- and Middle-Income Residents

Number	Policy	Lead Dept./Division	Funding Source(s)	Program Measure(s)	Implementation Action(s)	Target Timeline	New/Existing Program
H 2.4	Implement Capital Improvements in Lower-Resourced Neighborhoods	Housing Division	CDBG	Invest more resources in lower resource neighborhoods (utilize federal CDBG to provide capital improvements).	a) Use available CDBG funds to make CIP improvements in identified Equity Priority Neighborhoods (including North Central and North Shoreview neighborhoods). Potential improvements may include: street work, crosswalk implementation, ADA ramp installation, striping, sidewalk improvements, traffic signal replacement, and other pedestrian/bicycle enhancements. Allocate available CDBG funds on an annual basis. b) Implement Bike Master Plan and Pedestrian Master Plan through capital improvements in Equity Priority Neighborhoods. c) Conduct proactive public outreach to identify and prioritize capital improvements that best align with a neighborhood’s most critical needs. d) Apply for funding biannually, consistent with CIP efforts and CDBG to pursue at least eight improvement projects over eight years in Equity Priority Areas. Geographic Target: low resource areas, and areas with significant infrastructure needs; Equity Priority Areas. Outcome: Pursue eight improvement projects over eight years in Equity Priority Areas	2023 - 2031 (Annually)	Existing
H 2.5	Promote Housing Resilience	Public Works Department	City Funds	Use resources to protect housing at risk of damage due to changing environmental conditions.	Provide Flood Improvements for the North Shoreview neighborhood through the levee project with Public Works.	Started in Fall 2020, with completion anticipated in Spring 2023	Existing
H 2.6	Require Replacement Units	Planning Division	N/A	Require equivalent replacement units for all housing units lost during any construction or demolition projects (Housing Crisis Act).	a) Conduct a study to determine whether the City should update the zoning ordinance and other policies to permanently require replacement of units (beyond Housing Crisis Act sunset date of 2034). This action must be completed within three years from the start of the planning period. b) The City will require replacement housing units subject to the requirements of Government Code Section 65915(c)(3), when a development project or demolition occurs on sites with existing residential units that are restricted or have been occupied by a lower income household in the past five years. Consistent with H 2.6.	a) 2026 b) Effective Immediately	New New



7.2.3

Table 10: Goal H-3: Protection - Implementation Plan

GOAL H-3: Protection of Current Residents to Prevent Displacement							
Number	Policy	Lead Dept./Division	Funding Source(s)	Program Measure(s)	Implementation Action(s)	Target Timeline	New/Existing Program
H 3.1	Prevent Homelessness	Housing Division	CDBG/PLHA/City	Support programs, organizations and facilities to prevent homelessness through City actions, while coordinating with County and Continuum of Care.	a) Allocate PLHA, CDBG, and other local funds to support homeless prevention; these may include the following programs: LifeMoves Rapid Rehousing Program, Safe Harbor Shelter, Vendome Hotel supportive units, LifeMoves First Step for Housing program, HIP Housing home sharing and Montara assisted units for the formerly homeless. b) Support the County in its efforts to convert the Stone Villa Hotel into a 44-room temporary shelter space as part of the Project Homekey programs. c) Adopt an emergency rental assistance program, with a goal to contribute \$200,000 annually, to support individuals and families at risk of becoming homeless.	a) 2023 – 2031 (Annually by June 30) b) 2023 – 2031 (Annually) c) 2025	Existing New New
H 3.2	Investigate Fair Housing Cases	Housing Division	CDBG	Continue funding and support for outreach services for homeowners and renters at risk of being displaced and/or facing fair housing challenges.	As CDBG funding permits, achieve the Annual Fair Housing Activity Goals: - Investigate all complaint cases; - Provide consultation to at least 30 individuals; - Increase public Education/Outreach to tenants, landlords, and housing professionals by 50% over eight years (from 26 to at least 40 persons); and - Provide legal assistance to at least 185 renters. These numbers are subject to change based on funding availability. See Goal H-5/AFFH Action Plan for full list of items.	2023 - 2031 (Annually by June 30)	Existing
H 3.3	Evaluate Housing Revenue Sources	Community Development Department	N/A	a) Conduct a feasibility study to determine a potential increase of the Commercial Linkage Fee to ensure commensurate housing funding with commercial development. b) Explore other funding opportunities to support affordable housing development. Efforts include actively tracking available Federal, State, Regional and Local funding opportunities for affordable housing and determining how to leverage these funds to build or rehabilitate more affordable housing.	a) Conduct a feasibility study on increasing the fee to generate additional housing funds gathered from commercial development, analyze the study, conduct community outreach and make a recommendation to the City Council. Proceed as directed by Council. b) Examine other possible revenue sources and bring the proposals before City Council for consideration. Actively track available funding opportunities and coordinate with City partners, including non-profit housing developers on how best to leverage these resources.	a) 2026 b) 2023 - 2031 (Annually, as opportunities become available)	New New

GOAL H-3: Protection of Current Residents to Prevent Displacement							
Number	Policy	Lead Dept./Division	Funding Source(s)	Program Measure(s)	Implementation Action(s)	Target Timeline	New/Existing Program
H 3.4	Expand Tenant Protections	Community Development Department	N/A	Expand tenant protections in local ordinance to extend measures of AB1482 related to relocation, documentation, and right to return policy in eviction cases.	a) Extend AB1482 provisions to require tenant relocation payments for No Fault evictions for those with tenure less than one year. b) Make recommendations to the City Council for establishing tenant protection policies that include the requirement of documentation from landlords who use the substantial remodel exemption to evict tenants and a Right to Return policy for tenants displaced from homes due to demolition or substantial remodels. c) Amend the City’s Tenant Relocation Ordinance (SMMC Chapter 7.50) to strengthen the City’s ability to aid and support tenants displaced from unsafe or substandard units. d) Conduct outreach to the community on a biannual basis. This item is connected to Policy H 5.4.1.	a) 2024 b) 2026 c) 2024 d) 2023 – 2031 (biannually)	- New - New - New - New
H 3.5	Study the Creation of Below Market Rate Set Asides	Community Development Department	N/A	Examine the feasibility of establishing priority allocation for households with special needs, extremely low-income households and large families in City-assisted and private development projects with BMR units.	Conduct a best practices research on prioritization of households with special needs, extremely low-income households and large families. Analyze the data, conduct community outreach and make recommendations to the City Council. Proceed as directed by Council.	2026	New
H 3.6	Monitor Rental Rates and Displacement.	Community Development Department	N/A	Monitor rents, evictions, and tenant displacement citywide.	a) Research options and best practices for a rental registry list, including determining necessary financial and human resources needed to establish such a program. Make recommendations to City Council. b) Collaborate with regional partners, such as 21 Elements or ABAG, to develop ways to monitor rental rates, evictions and displacement citywide and countywide to track trends and use the information to guide policy priorities.	a) 2024 b) 2024-2031 (ongoing)	- New - New
H 3.7	Evaluate Opportunities for Expanding Homeless Shelters	Community Development Department	N/A	Examine best practices and policies to expand shelter capacity for individuals experiencing homelessness. Study feasibility of new shelter programs and collaborate with the County to end homelessness.	a) Study best practices for expansion of homeless shelter sites. Analyze the data, conduct community outreach and recommendations to City Council. Proceed as directed by Council. b) Regularly evaluate zoning to ensure enough sites are available to accommodate the capacity for emergency shelters, based on the countywide Point in Time Homeless Count. c) Review and amend the zoning code to allow emergency shelters in C2, C3, and other zones as needed to ensure there is sufficient capacity on available sites to accommodate the need for emergency shelter as identified in the most recent point-in-time count conducted before the start of the planning period, and to amend the definition of emergency shelters in compliance with Government Code 65583. d) Review and amend the zoning code as needed to comply with Government Code 65583 including to remove the 300 feet buffer from a single-family dwelling, clarify that emergency shelters are not required to be more than 300 feet apart and adopt objective development standards, such as parking for shelters in compliance with Government Code Section 65583(a)(4)(A)(ii). e) Review and amend the zoning code as needed to comply with requirements of AB 101 (2019) to allow Low Barrier Navigation Centers (LBNC) as a permitted use by right in areas zoned for mixed use and nonresidential zones permitting (by right or through a Special Use Permit) multifamily uses if it meets specific requirements in Government Code sections 65660 – 65668.	a) 2023 – 2031 (Ongoing) b) 2023 – 2031 (Ongoing) c) 2023-2031 (Ongoing) d) 2025 e) 2025	- New - New - New - New



7.2.4

Table 11: Goal H-4: Promotion - Implementation Plan

GOAL H-4: Promotion of Community Engagement and Public Outreach							
Number	Policy	Lead Agency/Department/Division	Funding Source(s)	Program Measure(s)	Implementation Action(s)	Target Timeline	New/Existing Program
H 4.1	Update the Housing Webpage	Housing Division	N/A	Increase community outreach and availability of resources in multiple languages through the Housing Webpage.	a) Maintain and improve webpage with comprehensive housing related information and materials, and coordinate with providers to market programs electronically. b) Provide information in multiple languages using common terms. c) Ensure that households with disproportionate housing needs are targeted for information through, for example, liaisons with service providers. Ensure targeting reaches ELI households. See H.4.4 regarding partnering with community intermediaries to conduct outreach activities using these informational resources. This item is connected to Policy H 5.4.3.	2023 - 2031 (Ongoing)	Existing New
H 4.2	Support a Countywide Below Market Rate Unit Waitlist	County of San Mateo	N/A	Support development of the countywide affordable rental waitlist to streamline and centralize occupancy of BMR units by joining the County's waiting list process	Support the county's online portal for a BMR waitlist by transitioning the City's BMR waiting list to the Countywide system. In addition, work with BMR property managers/owners to advertise available BMR units on the County's portal to streamline the rental process.	2023 (Transition to Countywide portal) (and ongoing)	Existing
H 4.3	Expand Community Education and Outreach	Community Development Department	N/A	Support and engage in efforts to educate community stakeholders and residents, including those with special needs or with disproportionate needs (such as farmworkers, people with disabilities including those with developmental disability, and single-female head of household), about housing gaps and the effects of programs and policies on addressing those gaps. Proactively create opportunities for all communities to have a voice and be involved in shaping policies and programs.	a) Housing initiatives and policy implementation shall be supported with robust and adaptive community engagement including surveys, workshops, pop-up events, mailings, and targeted outreach to underrepresented groups. Outreach will be conducted biannually. b) Continue to participate in Countywide (and other) efforts to share best practices on equitable engagement and inclusive outreach. (e.g. Home For All "Learning Network") c) Actively provide information on County and State resources for tenant protections, discriminatory practices (CC&R's), special needs groups, and households with disproportionate housing needs.	2023 - 2031 (Ongoing)	Existing New New

GOAL H-4: Promotion of Community Engagement and Public Outreach

Number	Policy	Lead Agency/Department/Division	Funding Source(s)	Program Measure(s)	Implementation Action(s)	Target Timeline	New/Existing Program
H 4.4	Enable Affirmative Marketing	Housing Division	N/A	Develop Marketing Plan with developers of affordable housing projects during final phase of construction on a project-by-project basis. Focus outreach to special needs individuals and those least likely to apply based on racial make-up of neighborhood.	a) Research other best practices to create an affirmative marketing strategy and implement strategies in San Mateo where appropriate. b) Include farm workers, ELI households. people with disabilities, and households with disproportionate housing needs, as new target group where appropriate. c) Include Spanish marketing materials and ensure bilingual interpretation services are available. The City will conduct outreach and education on a project-by-project basis and will ensure that programs target/affirmatively market to households in impacted neighborhoods, including North Central and North Shoreview, among others. d) Partner with community intermediaries to conduct outreach activities on social media and in the community in Spanish and English language, including events with a significant representation of hard to reach communities such as the annual Dia de los Muertos and Eggstravaganza events (minimum of two per year) as well as pop-ups in the North Central and North Shoreview neighborhoods, (minimum of two per year) This item is connected to Policy H 5.1.2 and H 5.2.1.	a) 2026 b) 2023 – 2031 (ongoing) c) 2023 – 2031 (ongoing)	New New Existing
H 4.5	Conduct Outreach to Sites Inventory Property Owners	Community Development Department	N/A	Conduct focused outreach to the owners of properties on the Sites Inventory to determine interest in redevelopment or construction of additional housing.	Conduct focused outreach to the owners of properties on the Sites Inventory to determine interest in redevelopment or construction of additional housing on their site(s). The outreach shall include provision of information on the City’s development process, fees, and timelines associated with such applications. Initial outreach shall be conducted within two years of adoption and shall be ongoing throughout the housing cycle.	2023 – 2031 (ongoing)	New



7.2.5

Table 12: Goal H-5: AFFH - Implementation Plan

Actions	Fair Housing Issues	Contributing Factors	Fair Housing Category	Action	Type of Action	Responsible Party	Objectives	Quantified Objectives	Timeline
Action Area 1. Enhancing housing mobility strategies: consist of removing barriers to housing in areas of opportunity and strategically enhancing access.									
Policy H 5.1.1: Adjust the City's Below Market Rate (inclusionary) program to provide larger density bonuses, and/or increased City support in exchange for affordable units in high or highest resource areas or in areas of affluence that address the needs of residents with disproportionate housing needs (e.g., accessible/visit able units for persons with disabilities child-friendly developments with day care on site for single parents, and 3-4 bedroom units for larger families).	Hispanic and single female parent households are concentrated in low opportunity census tracts. Persons with disabilities face a shortage of accessible, affordable housing.	Lack of affordable housing in high opportunity areas; Lack of accessible affordable units	Disparities in access to opportunities	Provide incentives to developers of affordable housing for low-income households and households with special needs	Land use resources	City of San Mateo	Expand the variety of housing units produced under the inclusionary housing program. Currently developments of 11 or more units require 15% affordable to moderate income families for ownership and 15% for low - income families for renters.	a) Perform a feasibility analysis to redesign the program to allow a menu of options, including targeting of units for ELI households. b) Ensure analysis includes review of housing for households with disproportionate housing needs, along with income levels. This item is connected to Policy H 1.3, Policy H 1.5., Policy H 1.14, and Policy H 1.15. Geographic Targeting: Citywide Metrics: Increase affordable housing in high-resource areas or areas of affluence by 15.	a) Complete feasibility analysis by Fall 2023; b) Implement redesigned program by Spring 2024.
Policy H 5.1.2: Participate in a regional down payment assistance program with affirmative marketing to households with disproportionate housing needs including persons with disabilities, single parents, and Hispanic households (e.g., Spanish and English, targeted to northeast neighborhoods).	Hispanic households, single female parent households and persons with disabilities have disproportionate housing needs.	Historic discrimination and continued mortgage denials; Concentration in low opportunity census tracts; High housing costs and low wages	Disparities in access to opportunities	Promote equal housing opportunity	Financial resources	Regional Partnership with HEART (San Mateo County has program with them)	Improve accessibility to home mortgage loans for Hispanic households who have the highest loan denial rates, as well as single female parent households, ELI households, and people with disabilities. Provide wealth building through homeownership for moderate income households.	a) Affirmatively market down payment assistance to 1,000 households with disproportionate housing needs, including persons with disabilities, single parents and Hispanic households; b) Provide down payment assistance to 30 total households; c) Provide homebuyer education to 200 households. d) Assist households in proportion to the demographic profile of the city In addition, the City will work with other jurisdictions to conduct outreach and education. Ensure that programs target/affirmatively market to households in impacted neighborhoods, including North Central and North Shoreview, among others. This item is connected to Policy H 4.4. Geographic Targeting: North Central and North Shoreview Neighborhoods	a) Meet quantified objectives by the end of the Housing Element period from 2023-2031; b) Conduct homebuyer/outreach and education quarterly in partnership with HEART

Actions	Fair Housing Issues	Contributing Factors	Fair Housing Category	Action	Type of Action	Responsible Party	Objectives	Quantified Objectives	Timeline
Policy H 5.1.3: Explore the potential to implement a loan program for ADU construction If a City-funded ADU loan program is determined to be infeasible. The City will support the design of a regional forgivable loan program for homeowners to construct an ADU that is held affordable for extremely low-income households for 15 years.	Hispanic and single female parent households are concentrated in low opportunity census tracts. Persons with disabilities face a shortage of accessible, affordable housing.	Lack of affordable housing in high opportunity areas/areas of affluence; Lack of accessible affordable units	Disparities in access to opportunities	Incentivize accessory dwelling units (ADUs)	Land use and financial resources	21 Elements/HEART	Increase opportunities for lower-income households to find housing that is affordable.	Explore the potential for a City ADU loan program. Work with 21 Elements collaborative to design a regional loan forgiveness program. Ensure that programs target/affirmatively market to households in impacted neighborhoods, including North Central and North Shoreview, among others. To enhance mobility in high resource/areas of affluence, additionally target to areas outside lower resource areas. Target those with disproportionate housing needs, with a goal to reach 5 households annually. Provide support to 21 Elements in the development of a countywide ADU forgivable loan program. Promote the use of Housing Choice Vouchers (HCVs) for ADUs to allow lower income households the opportunity to live in lower density neighborhoods. The goal is to reach 20% of households with HCVs annually. Provide targeted outreach to ELI households. This item is connected to Policy H 1.4. Geographic Targeting: Impacted neighborhoods, including North Central and North Shoreview.	Explore City loan program Summer 2024. If joining regional collaborative, begin design in Summer 2025 and complete by winter 2026.
ADDITIONAL MOBILITY ACTIONS FROM THE GENERAL GOALS, POLICIES AND PROGRAMS									
Policy H 1.4 – Support Increased Accessory Dwelling Unit Development: expands the resources available for homeowners to add ADUs, which provide an important source of affordable housing.									
Policy H 1.7 - Update Zoning Code Development Standards: includes an action to create an affordable housing overlay to support the development of affordable housing on religious or educational institutions’ sites, thereby increasing mobility into lower-density areas.									



Actions	Fair Housing Issues	Contributing Factors	Fair Housing Category	Action	Type of Action	Responsible Party	Objectives	Quantified Objectives	Timeline
Action Area 2. Encouraging new housing choices and affordability in high or highest resource areas and areas of affluence: promoting housing supply, choices, and affordability in areas of high opportunity and outside of areas of concentrated poverty.									
Policy H 5.2.1: Add more City supported housing with affordability restrictions in moderate and high/highest resource areas and areas of affluence. Affirmatively market the housing to households with disproportionate housing needs including persons with disabilities, farmworkers, single parents, and Hispanic households (e.g., Spanish and English, targeted to northeast neighborhoods).	Hispanic and single female parent households are concentrated in low opportunity census tracts. Persons with disabilities face a shortage of accessible, affordable housing.	Lack of affordable housing in high opportunity areas; Lack of accessible affordable units; Concentration of Naturally Occurring Affordable Housing (NOAH) in low opportunity census tracts.	Disproportionate housing need for low-income households and protected classes	Provide additional resources to facilitate the development of housing for low-income households and households with special needs in higher opportunity/areas of affluence.	Financial resources	City of San Mateo	Affirmatively market the housing to households with disproportionate housing needs including persons with disabilities, single parents, farmworkers, and Hispanic households (e.g., Spanish and English, targeted identified neighborhoods).	Require developers to affirmatively market approximately 1,000 units to those with disproportionate housing needs over the eight-year period (approximately 125 annually) by preparing and submitting and affirmative marketing plan to the City for review. The affirmative marketing plan shall include items, such as advertising (print, social media) and targeting community organizations that serve households with disproportionate housing needs Ensure that programs target/affirmatively market to households with disproportionate housing needs. Of the 1,000 affordable units, approximately 15% will benefit special needs and/or ELI households. Continue to update the housing inventory and provide on the City’s website so that developers can target housing in moderate and high opportunity areas, as well as areas of affluence. This item is connected to Policy H 1.2. and Policy H 4.4. Geographic Targeting: Areas of higher opportunities and affluence.	2023 - 2031 (Annually); as development projects come in for approvals/financing

Actions	Fair Housing Issues	Contributing Factors	Fair Housing Category	Action	Type of Action	Responsible Party	Objectives	Quantified Objectives	Timeline
Policy H 5.2.2: Incentivize developers through direct subsidies, fee waivers, and/or density bonuses, to increase accessibility requirements beyond the federal requirement of 5% for subsidized developments.	Persons with disabilities and persons of color have disproportionate housing needs.	Lack of accessible affordable units; Lack of access to economic opportunity; Concentration in low income and low opportunity census tracts.	Disproportionate housing need for low-income households and protected classes	Promote equal housing opportunity	Financial resources	City of San Mateo	Increase development of accessible units beyond minimum requirements	a) Update development agreements for projects with City subsidies to include additional accessible units. b) Update the City's Inclusionary Housing Policy to require projects that receive City subsidies to increase the percentage of units that meet accessibility requirements. This item is connected to Policy H 1.3 c) The City will proactively outreach to developers throughout the planning period every two years, beginning in 2024. Geographic Targeting: Citywide Metrics: Approximately 10% of units within projects with City subsidies will be accessible.	a) 2023 - 2031 (ongoing) as development opportunities come available. b) 2026 Update Inclusionary Housing Policy c. Every two years, beginning in 2024
Policy H 5.2.3: Prioritize City funding proposals for City funded affordable housing that are committed to serving hard to serve residents (e.g., extremely low income, special needs, on site services)	Persons with disabilities and persons of color have disproportionate housing needs.	Lack of accessible affordable units; Lack of access to economic opportunity; Concentration in low income and low opportunity census tracts.	Disparities in access to opportunity	Promote equal housing opportunity	Financial resources	City of San Mateo	Create more housing for hard to serve households.	Conduct a best practices review and develop a program to prioritize City funding for housing projects. This item is connected to Policy H 1.5, Policy H 1.14, and Policy H 1.15. Geographic Targeting: Citywide, but target high resource and RCAA areas. Metrics: A minimum of 15% of City-funded affordable housing units will be committed to serving hard to serve residents, including ELI households	2028 Conduct a review of best practices and develop a program for City Council adoption
Policy H 5.2.4: In conjunction with San Mateo County, develop a housing mobility program that provides support to tenants seeking to move to high opportunity areas in the region.	Hispanic and single female parent households are concentrated in low opportunity census tracts.	Lack of accessible affordable units; Lack of access to economic opportunity; Concentration in low income and low opportunity census tracts.	Disparities in access to opportunity	Promote equal housing opportunity	Financial resources	City of San Mateo and San Mateo County	Increase the number of households with housing vouchers living in areas of high opportunity throughout the region.	There will be a 20% increase in the number of voucher holders, including ELI households, moving to areas of high opportunity.	Identify resources and develop a housing mobility program to provide housing counseling to voucher holders.



Actions	Fair Housing Issues	Contributing Factors	Fair Housing Category	Action	Type of Action	Responsible Party	Objectives	Quantified Objectives	Timeline
Action Area 3. Improving place-based strategies to encourage community conservation and revitalization including preservation of existing affordable housing: involves approaches that are focused on conserving and improving assets in areas of lower opportunity and concentrated poverty. In addition to those described below, see Policy H Policy H2.4 – Implement Capital Improvements in Lower-Resourced Areas above, as well as excerpts from the General Plan Update’s actions towards environmental justice, following this section.									
Policy H 5.3.1: As part of the General Plan, conduct an area plan for the North Shoreview and North Central neighborhoods and prioritize land use and design around Highway 101 to improve access and reduce the division of the urban form produced by the highway.	Hispanic and single female parent households are concentrated in low opportunity census tracts.	Lack of affordable housing in high opportunity areas; Lack of accessible affordable units; Concentration of NOAH in low opportunity census tracts.	Segregation/ integration patterns; disparities in access to opportunities	Conserve and improve the existing affordable housing stock	Land use resources	City of San Mateo	Reduce overcrowding, improve health and safety, and improve mobility and access to services in impacted neighborhoods.	Prepare an area plan for North Shoreview and North Central neighborhoods. Geographic Targeting: North Shoreview and North Central neighborhoods. Metrics: Increase housing capacity in North Shoreview and North Central by a minimum of 15%.	2029 Create plan through the General Plan Update implementation process
Policy H 5.3.2: Continue to fund minor home repairs, infrastructure improvements and public services, implementing a preference for projects in low opportunity census tracts identified in the analysis.	Hispanic and single female parent households are concentrated in low opportunity census tracts. Persons with disabilities lack accessible, affordable housing.	Lack of affordable housing in high opportunity areas; Lack of accessible affordable units.	Disparities in access to opportunity	Conserve and improve the existing affordable housing stock	Financial resources	City of San Mateo	Fund minor home repairs and accessibility improvements in order to help people with disabilities and elderly residents remain in their homes. Provide opportunity for home rehabilitation loans for low-income residents. Continue funding for service providers reaching households with disproportionate housing needs, Make additional infrastructure improvements in low resource areas.	Complete annual goals of 10 minor home repairs and 14 accessibility modifications through grants for low-income residents. Provide home rehabilitation loans for low- income homeowners and landlords making accessibility modifications. Fund service providers that target households with disproportionate housing needs, including services for seniors, ELI households, youth, and fair housing. Affirmatively market to Hispanic and single female heads of household biannually; ensure that programs target/affirmatively market to households in impacted neighborhoods, including North Central and North Shoreview, among others. Bi-annually apply for funding through the CIP or other actions to address infrastructure needs. This item is connected to Policy H 2.1 and Policy H 2.3. Geographic Targeting: Citywide, but will target impacted neighborhoods, including North Central and North Shoreview.	2023-2031 (Fund annually; consistent with Policy H 2.1; outreach biannually in target neighborhoods)

Actions	Fair Housing Issues	Contributing Factors	Fair Housing Category	Action	Type of Action	Responsible Party	Objectives	Quantified Objectives	Timeline
Policy H 5.3.3: Monitor affordable housing projects that are at risk of conversion to market rate. Support regional and local efforts to examine displacement of affordable housing and lower income households. Assist with the retention of special needs housing that is at risk of expiring affordability requirements. Facilitate ownership transfer to nonprofit organizations.	Hispanic households, single parent households and persons with disabilities have disproportionate housing needs.	Historic discrimination and continued mortgage denials; Concentration in low opportunity census tracts; High housing costs and low wages	Outreach capacity and enforcement	Conserve and improve the existing affordable housing stock	Human resources	City of San Mateo	Monitor affordable units whose subsidies are set to expire within the planning period develop a plan for preservation of the units to keep them affordable long term.	Bridgepointe Condominiums affordability requirements for 59 affordable units expire in 2027, out of which 24 are very low- income units (35 are at 120% AMI). Belmont Building affordability requirements for 6 units expire in 2032. The rental property is owned by a for-profit entity, potential for loss of units is high. Proactively coordinate with owners to preserve the 24 very low- income units as affordable, including identifying potential funding sources, advertise conversion units to non-profits, provide conduct tenant outreach and education, add a displacement preference for new affordable housing for people displaced, including those displaced as a result of conversion. Provide noticing to tenants and affected public entities in accordance with Gov. Code, § 65863.10, 65863.11, and 65863.13 Outreach and negotiate with owners for affordability extensions beginning at least two years prior to the affordability expiration date. This item is connected to Policy H 2.2 Geographic Targeting: N/A, Bridgepoint Condominiums and Belmont Building.	a) 2027 (Bridgepointe Condominiums) b) 2032 (Belmont Building); Consistent with Policy H 2.2



Actions	Fair Housing Issues	Contributing Factors	Fair Housing Category	Action	Type of Action	Responsible Party	Objectives	Quantified Objectives	Timeline
Action Area 4. Protecting existing residents from displacement: strategies that protects residents in areas of lower or moderate opportunity and concentrated poverty and preserves housing choices and affordability.									
Policy H 5.4.1: Establish tenant protections in local ordinance to extend measures of AB1482 related to relocation, documentation, and right to return policy in eviction cases.	Persons with disabilities and persons of color have disproportionate housing needs.	Lack of accessible affordable units; Lack of access to economic opportunity; Concentration in low income and low opportunity census tracts; Historic discrimination and continued mortgage denials; High housing costs and low wages	Disparities in access to opportunity	Address governmental and non-governmental constraints	Human resources	City of San Mateo	Increase tenant protections to prevent displacement of those with disproportionate housing needs.	a) Extend AB1482 provisions to require tenant relocation payments for No Fault evictions for those with tenure less than one year. b) Make recommendations to the City Council for establishing tenant protection policies that include the requirement of documentation from landlords who use the substantial remodel exemption to evict tenants and a Right to Return policy for tenants displaced from homes due to demolition or substantial remodels. c) Amend the City’s Tenant Relocation Ordinance (SMMC Chapter 7.50) to strengthen the City’s ability to aid and support tenants displaced from unsafe or substandard units. This item is connected to Policy H 3.4. Geographic Targeting: Citywide.	a) 2024 b) 2026 c) 2024; consistent with Policy H 3.4
Policy H 5.4.2: Partner with Project Sentinel to perform fair housing training for landlords and tenants. Focus enforcement efforts on race-based discrimination, reasonable accommodations and source of income discrimination.	Persons with disabilities and persons of color have disproportionate housing needs.	Lack of accessible affordable units; Lack of access to economic opportunity; Concentration in low income and low opportunity census tracts; Lack of understanding of reasonable accommodation requirements by landlords and property owners.	Outreach capacity and enforcement	Promote equal housing opportunity	Human resources	City of San Mateo/Project Sentinel	Increase awareness of fair housing laws and tenants' rights to reduce unlawful discrimination and displacement.	Provide annual funding to Project Sentinel to provide training every two years in the Spring, targeting 200 landlords each training. Awareness will be increased through outreach to landlords. Geographic Targeting: Citywide.	Annually as part of CDBG allocation in the spring (Annually by July 1)

Actions	Fair Housing Issues	Contributing Factors	Fair Housing Category	Action	Type of Action	Responsible Party	Objectives	Quantified Objectives	Timeline
Policy H 5.4.3: Create a webpage specific to fair housing including resources for residents who feel they have experienced discrimination, information about filing fair housing complaints with HCD or HUD, and information about protected classes under the Fair Housing Act. The webpage will have accessibility features and a Spanish language version.	Persons with disabilities and persons of color have disproportionate housing needs.	Lack of accessible affordable units; Lack of access to economic opportunity; Concentration in low income and low opportunity census tracts; Lack of understanding of reasonable accommodation requirements by landlords and property owners.	Outreach capacity and enforcement	Promote equal housing opportunity	Human resources	City of San Mateo	Increase awareness of fair housing laws and tenants' rights to reduce unlawful discrimination and displacement.	Provide information on the City's website about housing discrimination, laws, and protections. Fair Housing resources will also be advertised on the City's eNewsletter, social media channels and various email listservs. Update the webpage every two years, along with other transparency updates. Geographic Targeting: Citywide Metrics will be used to focus outreach: Advertise Fair Housing resources to the community every six months. See H 4.4 regarding partnering with community intermediaries to conduct outreach activities fair housing resources in priority communities. This item is connected to Policy H 4.1. and H 4.4	2024 and bi-annually thereafter; consistent with Policy H 3.4
Policy H 5.4.4: Ensure that all multi-family residential developments contain signage in both English and Spanish to explain the right to request reasonable accommodations for persons with disabilities. Make this information available and clearly transparent on the City's website and fund landlord training and outreach on reasonable accommodations.	Persons with disabilities and persons of color have disproportionate housing needs.	Lack of accessible affordable units; Lack of access to economic opportunity; Concentration in low income and low opportunity census tracts; Lack of understanding of reasonable accommodation requirements by landlords and property owners.	Outreach capacity and enforcement	Promote equal housing opportunity	Human resources	City of San Mateo	Increase awareness of fair housing laws and tenants' rights to reduce unlawful discrimination and displacement.	Initially, create ongoing condition of approval to ensure both BMR and all-affordable developments contain this information. Explore options for recording against the property and/or including in the affordable housing agreement. Geographic Targeting: Citywide.	Create ongoing conditions of approval by fall 2024; conduct best practices review on options to record reasonable accommodation language by January 2025, and implement a program by January 2026



Actions	Fair Housing Issues	Contributing Factors	Fair Housing Category	Action	Type of Action	Responsible Party	Objectives	Quantified Objectives	Timeline
Policy H 5.4.5: Ensure that future improvements in disadvantaged communities will not produce a net loss of affordable housing or the displacement of residents and seek to increase the amount of affordable housing in disadvantaged communities.	Persons with disabilities and persons of color have disproportionate housing needs.	Lack of accessible affordable units; Lack of access to economic opportunity; Concentration in low income and low opportunity census tracts; Lack of investment in older housing stock.	Disparities in access to opportunity	Promote equal housing opportunity	Human resources	City of San Mateo	Ensure that lower-income and protected class households are not displaced because of community improvements.	In conjunction with Policies 5.3.1, and 5.3.2, when improvements are planned to be made to disadvantaged communities, conduct a review of existing housing units that may be impacted by such improvements. Consistent with H2.6, ensure units that may be lost are replaced. Geographic Targeting: Citywide, with a focus on disadvantaged community such as North Central and North Shoreview.	To be completed as part of the larger General Plan Update, with the expected date of completion by 2027. The development of a no-net loss of affordable housing policy will be completed by 2027.

Quantified Objectives

The quantified objectives section estimates the number of units likely to be constructed, rehabilitated, or conserved/preserved by income level during the 2023-2031 planning period. The quantified objectives do not represent a ceiling on development, but rather set a target goal for the jurisdiction to achieve, based on needs, resources, and constraints.

According to HCD, the sum of the quantified objectives for the programs should ideally be equal to or surpass the community's identified housing needs. However, State law recognizes that the total housing needs identified may exceed available resources and the community's ability to satisfy this need within the content of the general plan. Under these circumstances, the quantified objectives need not match the identified existing housing needs but should establish the maximum number of housing units that can be constructed, rehabilitated, and conserved over an eight-year time frame. The quantified objectives do not necessarily meet the goals of RHNA because they are not a full projection of anticipated housing development within the Housing Element Cycle. It is an estimate of actual production, given available resources and projected pipelines projects.

With respect to affordable units, the City has estimated the potential subsidies available during the planning period and has calculated the potential number of units that could be assisted and/or constructed with these funds. In addition, staff has compiled a list of known or expected development projects in the next few years, including preservation projects, anticipated to be completed within the next eight years.

Based on these estimates, along with the known pipeline projects that have been initially reviewed, approved or are under construction, **the total quantified objective for affordable units is 1,804**. This includes 323 conserved/preserved affordable units, 553 City funded new construction affordable units and 928 non-subsidized affordable units in new private development.

The total development cost for the City's RHNA allocation of affordable units (3,975 total units) would exceed \$4 billion dollars, of which there is approximately a \$2 billion financing gap. Thus, the quantified objectives do not completely account for San Mateo's RHNA but do establish the maximum number of housing units that can realistically be constructed, rehabilitated, and conserved in the City over an eight-year timeframe with current resources. A breakdown of the total quantified objectives for housing production over the next eight years and how they align with the City's overall RHNA are outlined in the two tables below.

Table 13: Quantified Objectives for Cycle 6 (2023 – 2031)

Conservation/Preservation	Affordable Total	ELI	VLI	LI	MOD	Market
Bridgepointe Condominiums	59		24		35	396
Belmont Building	6		6			
Rehabilitation Projects	258			258		
Sub Total	323	0	30	258	35	396
Total Conservation	719					



New Construction	Affordable Total	ELI	VLI	LI	MOD	Market
Kiku Crossing (City Funded)	223	43	45	135		2
445 S. B St. (City Funded)	70	14	36	20	0	1
Future Affordable TBD (City Funded)*	260	70	120	70		
Concar Passage	73		73			888
303 Baldwin Ave. (Trags)	6		6			58
Bay Meadows Res 6	5			5		49
Bay Meadows MU 3	7			7		60
Waters Park	19		19			180
406 E. 3 rd Ave. (Windy Hill)	3		3			22
500 E. 3 rd Ave. (Block 21)	12		12			92
500 E. 4 th Ave. (Block 20)	9		9			76
1885 S. Norfolk St. (Fish Market)	26		26			234
Hillsdale Terrace	6		6			62
200/210 S. Fremont St.	2				2	12
Peninsula Heights	29			29		261
222 S Fremont St.	4			4		36
477 E. Hillsdale Blvd. (Hillsdale Inn)	23		23			207
222 E. 4 th Ave. (Draeger's Market)	10			10		0
401 Concar Dr. (Hayward Park Station Parking Lot)	28		16		12	163
616 S. B. St. (Nazareth Vista)	5		5			43
477 9 th Ave.	12		12			108
1919 O'Farrell St.	4		4			45
668 E. 3 rd Ave.	7			7		52
1218 Monte Diablo	12		4	8		63
Accessory Dwelling Units	374		22	132	220	66
Future Private Development TBD**	252		152	60	40	1,670
Sub Total	1,481	127	593	487	274	4,450
Total Construction	5,931					

Total Quantified Objectives	Affordable Total	ELI	VLI	LI	MOD	Market
Total (Preserved Units plus New Construction)	1,804	127	623	745	309	4,846
Grand Total	6,650					

*Future Affordable TBD is a estimate of potential publicly funded housing production based on 8-year projections of the City's various housing funds and an assumption that costs will average to \$100k per unit.

**Future Private Development TBD is a estimate of potential inclusionary below market rate units to be built in upcoming private developments using projections from the previous Housing Element.

Table 14: Quantified Objectives Alignment with San Mateo’s RHNA

Income	Quantified Objective	Eight-Year RHNA Figure	% of RHNA to be Produced
ELI/VLI	750	1,777	42%
LI	745	1,023	73%
MOD	309	1,175	26%
Market	4,846	3,040	159%
TOTAL	6,650	7,015	95%



Prior Accomplishments Summary

The update of the Housing Element provides an opportunity to reflect on past achievements and challenges. The following summary highlights key accomplishments and challenges from the previous Housing Element's 5th Cycle planning period (2015 to 2022), as well as identifies opportunities for where the City took lessons learned and applied them as future tasks for current Housing Element. A detailed evaluation of the prior housing element can be found in Appendix E - Review of Prior Housing Element.

The following achievements were made:

- Progress towards meeting affordable housing goals
- New policies to generate affordable housing funds
- Market rate housing goals were met
- The rate of ADU production have increased greatly
- Accessing new funding sources from non-local sources
- Increasing efficiency in the housing development process
- Interventions to preserve affordable housing
- Addressing housing needs for special needs populations

The following challenges were experienced:

- A divided vision for the future of the city
- High land and construction costs, including external factors
- Outdated housing programs and policies
- Falling short of the quantified objectives

The following opportunities were identified:

- Rewrite the zoning code (refer to **Policy H 1.7, H 1.12, H 1.13, H 1.14, H 1.15, H 1.16, H 1.18**)
- The General Plan update (refer to **Policy H 1.20**)
- New opportunities for Transit Oriented Development (refer to **Policies H 1.7, H 1.8, H 1.9**)
- Creative solutions to site limitations (refer to **Policy H 1.7, H 1.9, H 1.11, H 1.12, H 4.5**)
- More uses for technology to increase efficiency of housing programs (refer to **Policy H 4.1, H 4.2**)
- New affordable housing opportunities identified (refer to **Policy H 1.2, H 1.3, H 3.3**)

The Housing Element's 5th Cycle (2015-2022) quantified objectives goal for total housing units, including market rate housing, was 3,164 units. Following the final year of this 5th Housing Cycle, a total of 2,579 units were completed from the projects identified in the quantified objectives. The following two tables summarize the quantified objectives from the last Housing Element Update and detail the City's progress in achieving those objectives.

Table 15: Quantified Objectives, 2015 - 2022

Conservation/Preservation	Total	ELI	VLI	LI	MOD
Lesley Park Towers	200		200		
Humboldt House	9		9		
Sub Total	209	0	209	0	0

New Construction	Total	ELI	VLI	LI	MOD
2000 S. Delaware	60				60
Bay Meadows Affordable Site	60	20	40		
Bay Meadows BMR	65			25	40
Station Park Green BMR	60		60		
Other BMR	150		45	25	80
Other Affordable TBD	85	30	45	10	
Sub Total	480	50	190	60	180
AFFORDABLE TOTAL	689	50	399	60	180
Private Sector/Market Rate	2,475				
GRAND TOTAL	3,164				

Table 16: Quantified Objective Actuals, 2015 – 2022*

Conservation/Preservation	Total	ELI	VLI	LI	MOD
Lesley Park Towers	200		200		
Humboldt House	9		9		
1110 Cypress	7			7	
Sub Total	216	0	209	7	0

New Construction	Total	ELI	VLI	LI	MOD
2000 S. Delaware	60				60
Bay Meadows Affordable Site	67	14	36	17	
Bay Meadows BMR	54			31	23
Station Park Green BMR	60		60		
Other BMR	123		82	29	12
Other Affordable (Kiku Crossing)	223	43	45	135	
Sub Total	587	57	223	212	95
AFFORDABLE TOTAL	803	57	432	219	95
Private Sector/Market Rate	1,776				
GRAND TOTAL	2,579				

*Information represents final housing numbers for the 5th Housing Cycle (2015-2022), based on the City's Annual Progress Report (APR) submitted April 1, 2023.