CITY OF SAN MATEO
2026-2027
DRAFT ANNUAL ACTION PLAN

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PREPARED BY:
COMMUNITY DEVELOPMENT DEPARTMENT
HOUSING AND NEIGHBORHOOD SERVICES DIVISION
333 W 20TH AVENUE

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SAN MATEO, CA 94403
650-522-7220

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Executive Summary

AP-05 Executive Summary - 91.200(c), 91.220(b)

1. Introduction – As Amended

The U.S. Department of Housing and Urban Development (HUD) designated the City of San Mateo as a Participation Jurisdiction (PJ). HUD awards Community Development Block Grant (CDBG) funds to PJs across the United States based on formula calculations, including factors such as the community's population, pre-1940s housing stock, growth, and decline. San Mateo receives an annual Community Development Block Grant (CDBG) allocation. In Program Year (PY) 2026, the City will receive $802,758 in CDBG funding.

The City is also a member of the San Mateo Housing Consortium, with San Mateo County, the City of Redwood City, and the City of South San Francisco, sharing an allocation of HOME Investment Partnerships Program funding (HOME). Information about HOME funding is provided by San Mateo County Action Plan documents.

To receive the CDBG funds, the City must complete a Five-Year Consolidated Plan to assess community needs relating to housing, public services, public facilities, and infrastructure. Because of its membership of the San Mateo Housing Consortium, the City must complete its Consolidated plan in conjunction with the San Mateo Housing Consortium. The analysis looks at populations most affected by the current housing stock, the state of the economy, and the ability to meet daily living need as well as outline priorities and goals to address those needs. The San Mateo County Consolidated Plan contains the full data analysis for the area, and the City of San Mateo Consolidated Plan contains an abbreviated data analysis. The two documents work together to complete the full analysis and strategies for the area.

Once a year, the City of San Mateo drafts an Action Plan. The City's Annual Plan for program year 2026 is the fourth year of the multi-year 2023-27 Consolidated Plan. The Annual Plan outlines the projects the City will fund to address priority needs of low- and moderate-income populations in San Mateo. At the conclusion of each program year, the City of San Mateo drafts a final report, called the Consolidated Annual Performance and Evaluation Report (CAPER), to report on the City’s progress in meeting the Consolidated Plan goals.

This document will serve as the Program Year (PY) 2026 Action Plan for the City of San Mateo, with a program year from July 1, 2026, to June 30, 2027.

1st Amendment – The City of San Mateo proposes to amend its PY2026 Annual Action Plan to reallocate prior CDBG funds from the PY2025 Minor Home Repair project, as the agreement for the activity was

not executed. The amendment will reallocate funds to the PY2026 Minor Home Repair project, which provides home rehabilitation services.

Except for the changes outlined in this amendment, the PY2026 Action Plan remains unchanged and continues to reflect the plan approved by HUD.

2. Summarize the objectives and outcomes identified in the Plan

This could be a restatement of items or a table listed elsewhere in the plan or a reference to another location. It may also contain any essential items from the housing and homeless needs assessment, the housing market analysis or the strategic plan.

The City's Consolidated Plan identifies the following needs and has developed goals and activities that further HUD's program goals.

Goals and Activities

Need: Affordable Housing

Goal: The city of San Mateo continues to have a significant need for more affordable housing. To address this need, the City will continue to make efforts to increase, maintain, and improve the supply of affordable housing for low/mod-income families.

Activities: The City will use CDBG and other local funding sources for new construction, acquisition, and/or rehabilitation of affordable housing units throughout the city. Additionally, the City will preserve, repair, and maintain its existing housing stock to address health and safety issues, as well as make units more accessible, weatherized, sustainable, and energy efficient. The City will also continue to administer its First Time Homebuyer program and existing below-market housing units (rental and ownership).

- Safe at Home Program: $32,000 – 4 households
- National Rebuilding Day: $75,000

Need: Public Facilities Improvements

Goal: San Mateo residents and stakeholders articulated a continued need for improvements to public facilities in the city, primarily those located in areas with a high percentage of low/mod-income families. They also spoke to the need for public facilities improvements to better serve the needs of special needs populations, such as youth and seniors.

Activities: The City will use its CDBG funds, when feasible, to preserve, improve, and/or rehabilitate facilities used by non-profit agencies that provide public services, as well as City-owned community facilities, such as parks and recreation centers.

Need: Public Services

Goal: The continued provision of public services was identified through the community engagement process as a critical need in San Mateo. As such, the City will continue providing services to improve the quality of life for low/mod-income families and individuals, including those at risk of experiencing homelessness and special needs populations.

Activities: The City will continue allocating 15% of its entitlement and previous year's program income from the City's Community funding program. Collectively, these funds will be granted to non-profit organizations for public services to low/mod-income city residents. Additional funding will also be provided to assist microbusinesses. These funds will be granted to non-profit agencies to provide public services to individuals and businesses.

- Community Overcoming Relationship Abuse (CORA): $17,200 – 100 served
- Friends for Youth: $17,200 – 8 served
- Legal Aid: $17,200 – 113 served
- LifeMoves: $17,200 – 54 served
- Rape Trauma Services: $17,200 – 85 served
- Samaritan House Core Services Program: $17,200 – 250 served
- Samaritan House Safe Harbor: $17,200 – 40 served
- Renaissance*: $40,000 – 50 served
- Upwards*: $40,000 – 8 served

**These are Economic Development activities that are not subject to the 15% Public Services cap*

Goals and Activities (cont.)

Need: Community Development

Goal: Residents and stakeholders through the community engagement process articulated a significant need for infrastructure improvements in areas with high concentrations of low/mod-income households.

Activities: The City will direct infrastructure improvements to its CDBG Priority Neighborhood. The City will utilize its CDBG funding for capital projects that include, but are not limited to, repairing deteriorating streets, improving accessibility and safety of streets and sidewalks, constructing accessible curb ramps, and other general public safety improvements. The Department of Public Works will manage projects.

- Public Works Street and Sidewalk Improvements: $461,626

Need: Affirmatively Further Fair Housing

Goal: As part of its 2023-31 Housing Element update, the City conducted an assessment of fair housing to understand fair housing issues and contributing factors that inhibit housing choice and access to opportunity in San Mateo. The City has incorporated its Affirmatively Furthering Fair Housing (AFFH) goals into its 2023-27 Consolidated Plan to ensure a holistic approach to achieving goals in both plans.

Activities: The City will allocate CDBG funds from the administrative budget to non-profit organizations that provide fair housing services to city residents. The City will also work towards the goals from the Assessment of Fair Housing.

- Project Sentinel: $26,241 – 12 served

3. Evaluation of past performance

This is an evaluation of past performance that helped lead the grantee to choose its goals or projects.

The City recognizes the ongoing needs of the San Mateo community and continues to fund core service needs. All of the public service, economic development, and fair housing programs have met or exceeded their goals for service, showing an ongoing need for the services they are providing the community. The cost of housing continues to be extremely high in San Mateo and as a result many of the activities focus on services related to housing.

The City's Minor Home Repair programs have been slower to meet their goals, but all organizations and City staff agree that there is a great need for their services. One concern from the sub grantees is that the rising costs of doing projects have made it difficult to find and complete enough home repairs to stay on track of meeting goals.

The outcomes for the goals identified in the 2023-2027 Consolidated Plan and reported in the 2024-2025 CAPER are as follows:

- Affordable Housing - 225 rental units constructed (Kiku Crossing affordable housing development) *utilizing HOME Program Income*
- Community Funding- Public service activities other than low/moderate income housing benefit – 17,572 persons assisted
- Maintain & Preserve Existing Housing - 4 homeowner housing units rehabilitated
- Microbusiness Assistance – 5 businesses assisted
- Street and Sidewalk improvements - 31,530 persons assisted

2024-2025 CAPER Progress

The progress made on tasks and projects reported in the 2024-2025 CAPER is summarized below:

- Call Community Pantry (Call Primrose): Served 1,463 low- and moderate-income residents with healthy and nutritious food through a community food pantry.
- Legal Services (Community Overcoming Relationship Abuse - CORA): Legal assistance was provided for victims of domestic abuse and their families. 157 families received services
- Mentoring Services (Friends for Youth): This activity provided school-based mentoring and other wrap-around services for 142 low- and moderate-income youth
- HomeSavers (Legal Aid of San Mateo County): Legal assistance was provided to 177 San Mateo residents.
- Shelter Operations (LifeMoves): Provided support for supportive services and interim housing programs for individuals experiencing homelessness. 54 people were provided services.
- Sexual Abuse Services for Children and Youth (Rape Trauma Services): This activity provides essential services for children and youth survivors of sexual trauma. 89 children and youth were served.
- Core Services Program (Samaritan House): This activity provided low- and moderate-income families with case management and emergency assistance for food, clothing, and shelter. Services were provided to 15,593 residents of the City.
- Safe at Home (Rebuilding Together Peninsula): This activity provided minor home repairs to address health and safety issues. Three low- and moderate-income households were served.
- Fair Housing Services (Project Sentinel): 12 persons were provided fair housing services.
- 2023 Traffic Signal and Pedestrian Improvement Project (City): This project is currently in progress and is located in a community with 62.32 percent low- and moderate-income households. A total of 31,530 households will benefit.

- Creating Economic Opportunity for Low-Income Men and Women (Renaissance): This activity provided customized small business assistance training. 49 residents were assisted.
- Boost Program (Upwards): This activity provided technical assistance to in-home childcare providers. 15 residents were assisted.

4. Summary of Citizen Participation Process and consultation process

Summary from citizen participation section of plan.

A Community Needs Assessment meeting was held in February 2026 by the Community Relations Commission (CRC). Outreach included notices to both social service providers and residents, a City E-newsletter entry, and an agenda posting on the City's website. Feedback from this meeting was used to guide the development of the draft 2026-2027 Annual Action Plan, which was presented to the CRC once again in April 2026 for review and later to the City Council in May 2026 for final approval.

5. Summary of public comments

This could be a brief narrative summary or reference an attached document from the Citizen Participation section of the Con Plan.

The public comment period was open from April 10, 2026, through May 10, 2026. The City accepted public comments prior and during public meetings for the Community Relations Commission (CRC).

6. Summary of comments or views not accepted and the reasons for not accepting them

The City accepts all comments related to the PY2026 Action Plan.

7. Summary

The City's 2026 Annual Plan has been developed based on the City's service priority needs as well as the goals set forth in the 2023-27 Consolidated Plan.

PR-05 Lead & Responsible Agencies - 91.200(b)

1. Agency/entity responsible for preparing/administering the Consolidated Plan

The following are the agencies/entities responsible for preparing the Consolidated Plan and those responsible for administration of each grant program and funding source.

Agency Role	Name	Department/Agency
CDBG Administrator	SAN MATEO	Community Development Department
HOME Administrator	SAN MATEO	Community Development Department

Table 1 – Responsible Agencies

Narrative

The City of San Mateo receives its own allocation of CDBG funds. The City is a member of the San Mateo County Housing Consortium to share the HOME allocation. San Mateo County administers both the HOME funding source and utilizes their experience successfully implementing other HUD-funded programs, working with low- and moderate-income beneficiaries and community service providers.

Consolidated Plan Public Contact Information

City of San Mateo
Neighborhood Improvement and Housing Division
330 W. 20th Ave
San Mateo, CA 94403
Phone: (650) 522-7223
Email: housing@cityofsanmateo.org

AP-10 Consultation - 91.10, 91.200(b), 91.215(l)

1. Introduction

The City participated in a consultation process as part of a cohort of other communities in San Mateo County during the development of this Annual Action Plan. The cohort included the City of San Mateo, San Mateo County, Redwood City, Daly City, and South San Francisco. Through this process, stakeholders from government agencies, housing providers and service providers shared information and identified community needs.

The City consulted with the County's Center on Homelessness to address the needs of individuals and families experiencing or at risk of homelessness. Through the Coordinated Entry System, individuals are assessed and prioritized for housing and services based on need. Stakeholders noted barriers such as limited shelter capacity and funding gaps, as well as an increasing number of seniors experiencing homelessness. Supportive services including case management, job training, and street medicine partnerships help connect individuals to care, while programs such as Rapid Rehousing and Permanent Supportive Housing were identified as effective strategies for helping households exit homelessness and achieve housing stability.

Provide a concise summary of the jurisdiction's activities to enhance coordination between public and assisted housing providers and private and governmental health, mental health and service agencies (91.215(l)).

Throughout the Annual Action Plan period, the City will maintain its relationships with organizations that serve the public, especially low- and moderate-income residents. Efforts will include:

- Working with other participating jurisdictions in San Mateo County to coordinate and streamline the CDBG process
- Working with non-profit social service providers, the County of San Mateo, other participating jurisdictions, and other stakeholders to coordinate needed services in the community
- Providing funds through the community funding program to non-profit service providers
- Working with non-profit organizations, private developers, and the County of San Mateo to build and maintain affordable housing.
- Working with the Continuum of Care, Homeless Outreach Team, and non-profit service providers to coordinate homeless services.

Describe coordination with the Continuum of Care and efforts to address the needs of homeless persons (particularly chronically homeless individuals and families, families with children, veterans, and unaccompanied youth) and persons at risk of homelessness.

The Continuum of Care (COC) guides the implementation of the county's housing and service system to meet the needs of homeless individuals and families. The City of San Mateo participates in COC meetings and monitors decision-making to better understand latest trends in homeless outreach. The COC coordinates the following activities:

- System planning (identifying gaps, developing strategies to fill gaps, responding to emerging best practices, etc.)
- Setting funding priorities for Emergency Solutions Grant and COC funds
- Assessing system performance and making system redesigns as needed
- Coordinating with other planning entities such as the Community Action Agency
- Undertaking a wide range of efforts to meet the needs of homeless individuals and families

Chronically Homeless: COC has created a multi-disciplinary, bilingual, Homeless Outreach Team (HOT) to conduct intensive outreach and engagement with unsheltered and chronically homeless individuals and families located throughout the County, with specialized HOT teams in the cities of San Mateo, Redwood City, South San Francisco, Half Moon Bay, Pacifica, and East Palo Alto. Aside from the COC's HOT team, the City of San Mateo's Police Department has their own HOT team that specializes in assisting chronically homeless individuals in San Mateo by providing case management and immediate services.

Families with children: To reduce the number of unsheltered families, the COC has developed a rapid re-housing program. The San Mateo County Human Services Agency has provided funding for a motel voucher program to assist families with children that are waiting to access shelter. Additionally, the City's Emergency Rental Assistance Program is aimed at preventing low-income households from evictions when they are experiencing temporary financial hardships that prevent them from paying rent.

Veterans: Needs include housing and assistance for homeless, employment and education services, and improved and increased liaisons with the Veterans Benefits Administration. The City provided funding through the States' Permanent Local Housing Allocation (PLHA) funding for Montara at Bay Meadows, a 67-unit affordable housing building. Eleven units are dedicated to house veterans.

Youth: Currently, HUD COC funds are provided to the San Mateo County Mental Health Association to operate its Support and Advocacy for Young Adults in Transition Program, which provides case management and housing search/stabilization services to homeless youth. The San Mateo County Housing Authority administers the Family Unification Program vouchers.

Describe consultation with the Continuum(s) of Care that serves the jurisdiction's area in determining how to allocate ESG funds, develop performance standards for and evaluate outcomes of projects and activities assisted by ESG funds, and develop funding, policies and procedures for the operation and administration of HMIS

The City of San Mateo does not receive Emergency Solutions Grant (ESG) funding. However, the City does participate in COC meetings as part of its ongoing responsibility in receiving HUD funding, and Housing staff sit on the County's Housing and Community Development Committee (HCDC), which makes funding recommendations for ESG and CDBG. County DOH has delegated responsibility for management of all ESG funds, plus the portion of the County CDBG funds used for homeless activities, to the COC Lead Agency and the San Mateo County Human Services Agency (HSA). Management responsibilities include issuing requests for proposals for ESG funding, awarding contracts, gathering community input, data analysis, and contract monitoring. The COC Lead Agency is also the Homeless Management Information System (HMIS) Lead Agency and develops the policies and procedures for operation and administration of HMIS for ESG funded projects.

2. Agencies, groups, organizations and others who participated in the process and consultations

Table 2 – Agencies, groups, organizations who participated

1	**Agency/Group/Organization**	City of San Mateo
	Agency/Group/Organization Type	Agency - Managing Flood Prone Areas Agency - Management of Public Land or Water Resources Agency - Emergency Management Other government - Local Grantee Department
	What section of the Plan was addressed by Consultation?	Infrastructure
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	The City consults with other departments on a regular basis to understand the needs of the community that may not be directly under the grantee department's responsibility.
2	**Agency/Group/Organization**	FRIENDS FOR YOUTH, INC
	Agency/Group/Organization Type	Services-Children Regional organization
	What section of the Plan was addressed by Consultation?	Housing Need Assessment Non-Homeless Special Needs
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	Organization provided input through the Landscape Analysis.
3	**Agency/Group/Organization**	Project Sentinel
	Agency/Group/Organization Type	Services - Housing Service-Fair Housing Regional organization Neighborhood Organization

	What section of the Plan was addressed by Consultation?	Housing Need Assessment
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	The City consults with the organization regularly on the needs of the community throughout the program year.
4	**Agency/Group/Organization**	Rape Trauma Services
	Agency/Group/Organization Type	Services-Children Services-Victims of Domestic Violence Services-homeless Services - Victims Regional organization
	What section of the Plan was addressed by Consultation?	Housing Need Assessment Homeless Needs - Families with children Homelessness Strategy
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	The City consults with the organization regularly on the needs of the community throughout the program year.
5	**Agency/Group/Organization**	LEGAL AID SOCIETY OF SAN MATEO COUNTY
	Agency/Group/Organization Type	Services - Housing Service-Fair Housing Regional organization
	What section of the Plan was addressed by Consultation?	Housing Need Assessment
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	The City consults with the organization regularly on the needs of the community throughout the program year.

6	**Agency/Group/Organization**	LifeMoves
	Agency/Group/Organization Type	Housing Services-homeless Regional organization
	What section of the Plan was addressed by Consultation?	Homeless Needs - Chronically homeless Homeless Needs - Families with children Homelessness Needs - Veterans Homelessness Needs - Unaccompanied youth Homelessness Strategy
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	The City consults with the organization regularly on the needs of the community throughout the program year.
7	**Agency/Group/Organization**	Samaritan House
	Agency/Group/Organization Type	Housing Services-homeless Services-Health Regional organization Food, clothing
	What section of the Plan was addressed by Consultation?	Housing Need Assessment Homeless Needs - Chronically homeless Homeless Needs - Families with children Homelessness Needs - Veterans Homelessness Needs - Unaccompanied youth Homelessness Strategy Basic human needs

	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	The City consults with the organization regularly on the needs of the community throughout the program year.
8	**Agency/Group/Organization**	RENAISSANCE ENTREPRENEURSHIP CENTER
	Agency/Group/Organization Type	Services-Employment Regional organization
	What section of the Plan was addressed by Consultation?	Market Analysis Economic Development
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	The City consults with the organization regularly on the needs of the community throughout the program year. Organization provided input through the Landscape Analysis.
9	**Agency/Group/Organization**	HOUSING AUTHORITY OF SAN MATEO COUNTY
	Agency/Group/Organization Type	Housing Other government - County
	What section of the Plan was addressed by Consultation?	Housing Need Assessment Public Housing Needs Market Analysis
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	A representative assisted the City with the public housing response/narrative of the Action Plan.

10	**Agency/Group/Organization**	Community Overcoming Relationship Abuse
	Agency/Group/Organization Type	Services-Victims of Domestic Violence Services-homeless Services - Victims
	What section of the Plan was addressed by Consultation?	Housing Need Assessment Homeless Needs - Families with children Homelessness Strategy
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	Organization provided input through the Landscape Analysis.
11	**Agency/Group/Organization**	Rebuilding Together Peninsula
	Agency/Group/Organization Type	Housing Services - Housing
	What section of the Plan was addressed by Consultation?	Housing Need Assessment Market Analysis
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	The City consults with the organization regularly on the needs of the community throughout the program year.
12	**Agency/Group/Organization**	ASSOCIATION OF BAY AREA GOVERNMENTS
	Agency/Group/Organization Type	Regional organization Planning organization

	What section of the Plan was addressed by Consultation?	Housing Need Assessment Market Analysis Economic Development
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	The City consults with the organization regularly on the needs of the community throughout the program year.
13	**Agency/Group/Organization**	San Mateo County Health Department
	Agency/Group/Organization Type	Services-Persons with HIV/AIDS Services-Health Health Agency Publicly Funded Institution/System of Care Other government - County
	What section of the Plan was addressed by Consultation?	Homeless Needs - Chronically homeless Homeless Needs - Families with children Homelessness Needs - Veterans Homelessness Needs - Unaccompanied youth Homelessness Strategy
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	Provided input through the Landscape Analysis.
14	**Agency/Group/Organization**	CITY OF DALY CITY
	Agency/Group/Organization Type	Other government - Local
	What section of the Plan was addressed by Consultation?	Housing Need Assessment Market Analysis

	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	The City consults with the organization regularly on the needs of the community throughout the program year as well as coordinating efforts to fund community based organizations.
15	**Agency/Group/Organization**	San Mateo County Department of Housing
	Agency/Group/Organization Type	Other government - County
	What section of the Plan was addressed by Consultation?	Housing Need Assessment Market Analysis
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	The City consults with the organization regularly on the needs of the community throughout the program year as well as coordinating efforts to fund community based organizations.
16	**Agency/Group/Organization**	U.S. Department of Housing and Urban Development, San Francisco Regional Field Office
	Agency/Group/Organization Type	Other government - Federal
	What section of the Plan was addressed by Consultation?	Housing Need Assessment Market Analysis
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	The City consults with the department on various compliance issues and strategies for spend down of funding.
17	**Agency/Group/Organization**	City of Redwood City
	Agency/Group/Organization Type	Other government - Local
	What section of the Plan was addressed by Consultation?	Housing Need Assessment Market Analysis

	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	The City consults with the organization regularly on the needs of the community throughout the program year as well as coordinating efforts to fund community based organizations.
18	**Agency/Group/Organization**	County of San Mateo
	Agency/Group/Organization Type	Services - Broadband Internet Service Providers
	What section of the Plan was addressed by Consultation?	Market Analysis
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	The City consulted with the County of San Mateo's Information Systems Department to identify the strategies to increase access to broadband services to low and moderate income communities in San Mateo (city).

Identify any Agency Types not consulted and provide rationale for not consulting

The City strove to include as broad a group of community stakeholders as possible.

Other local/regional/state/federal planning efforts considered when preparing the Plan

Name of Plan	Lead Organization	How do the goals of your Strategic Plan overlap with the goals of each plan?
Continuum of Care	San Mateo County Human Services Agency	The City has identified the core service needs of Basic Human Needs and Preserving or Providing Affordable Housing, both of which supports homelessness programming.

Name of Plan	Lead Organization	How do the goals of your Strategic Plan overlap with the goals of each plan?
Housing Element	City of San Mateo	The Housing Element documents the housing needs in San Mateo and includes the programs and policies to address its Four Goals: Maintain the quality and character of residential neighborhoods; Provide a diversity of housing types, responsive to household size, income and age needs; Ensure that all new housing is developed or remodeled in a sustainable manner; Encourage conservation improvements and measures to the existing housing stock.
Local Hazard Mitigation Plan	City of San Mateo - Fire	The plan focuses on the protection of the community from risks associated with disaster. Included are goals to protect community, housing stock, and economic resources. This plan overlaps with the Consolidated Plan as it identifies social vulnerability of low-income households to disasters.

Table 3 - Other local / regional / federal planning efforts

Narrative

Discussions on addressing community needs remains to be the point of focus in many community discussions. The City has fostered partnerships with various stakeholders through collaboration on affordable housing projects and initiatives. The information shared during these discussions and partnerships have been incorporated into this Annual Action Plan.

AP-12 Participation - 91.401, 91.105, 91.200(c)

1. Summary of citizen participation process/Efforts made to broaden citizen participation - Amendment

Summarize citizen participation process and how it impacted goal-setting

The City of San Mateo followed guidelines specified in its Community Participation Plan, engaging as many stakeholders as possible in setting goals and prioritizing the community's needs for the Annual Action Plan. The following actions were taken:

- October 31, 2025 - Sent notification via email to the listserv of community members signed up for Community Relations Commission events.
- November 4, 2025 – Newspaper Ad
- November 19, 2025 – Regular Meeting of the Community Relations Commission. Community Needs Assessment on the significance for the public to determine community priorities for CDBG-funded activities.
- February 4, 2026 – Email to non-profit partners with event information
- February 18, 2026 - Regular meeting of the Community Relations Commission for the Needs Assessment. Staff gave a brief presentation on the applications received and discussed the funding recommendations.
- April 2, 2026 – Newspaper Ad.
- April 10, 2026 - Email to non-profit partners, neighborhood associations, and other community stakeholders with event information, sent notification via email to the listserv of community members signed up for Community Relations Commission events.
- April 10, 2026 - City web posting, and email notification of the Annual Plan draft.
- April 15, 2026 - Regular meeting of Community Relations Commission, public hearing for the draft Annual Action Plan.
- May 18, 2026 - Regular meeting of the City Council for approval of the final Annual Action Plan for submission to HUD.
- 30-Day Comment period – April 10th – May 10th.

1st Amendment

- On October 14, 2026 – Newspaper Ad
- October 14, 2026, to November 14, 2026 – 30-Day Comment Period

- November 18, 2026 – Community Relations Commission meeting

Citizen Participation Outreach - Amended

Sort Order	Mode of Outreach	Target of Outreach	Summary of response/attendance	Summary of comments received	Summary of comments not accepted and reasons	URL (If applicable)
1	Internet Outreach	Non-targeted/broad community	October 31, 2025. Sent notification via email to the listserv of community members signed up for Community Relations Commission events.	No comments were received.	N/A	
2	Newspaper Ad	Non-targeted/broad community	November 4, 2025, newspaper ad.	No comments were received.	N/A	
3	Public Hearing	Non-targeted/broad community	November 19, 2025. Community members were in attendance for the regular meeting of the Community Relations Commission.	Two comments received during the Community Needs Assessment.	All comments have been accepted.	

Sort Order	Mode of Outreach	Target of Outreach	Summary of response/attendance	Summary of comments received	Summary of comments not accepted and reasons	URL (If applicable)
4	Internet Outreach	Non-targeted/broad community	February 4, 2026, email to non-profit organizations on Funding Recommendations workshop.	No comments were received.	N/A	
5	Public Meeting	Non-targeted/broad community	February 18, 2026. Several members of the community, representatives from local non-profits, and other stakeholders were in attendance for the special meeting of the Community Relations Commission.	Comments received to address the needs of public service organizations.	All comments have been accepted.	
6	Newspaper Ad	Non-targeted/broad community	April 2, 2026. Newspaper Ad.	No comments were received.	N/A	

Sort Order	Mode of Outreach	Target of Outreach	Summary of response/attendance	Summary of comments received	Summary of comments not accepted and reasons	URL (If applicable)
7	Internet Outreach	Non-targeted/broad community	April 10, 2025. Email to non-profit partners, neighborhood associations, and other community stakeholders with event information, sent notification via email to the listserv of community members signed up for Community Relations Commission events.	No comments were received.	N/A	
8	Internet Outreach	Non-targeted/broad community	April 10, 2025. City web posting of the draft Annual Plan.	No comments were received.	N/A	
9	Public Hearing	Non-targeted/broad community	April 15, 2026. Regular meeting of Community Relations Commission, public hearing for the draft Annual Plan.	One comment received from a subrecipient	Comment has been accepted.	

Sort Order	Mode of Outreach	Target of Outreach	Summary of response/attendance	Summary of comments received	Summary of comments not accepted and reasons	URL (If applicable)
10	Public Meeting	Non-targeted/broad community	May 18, 2026. Regular meeting of the City Council for approval of Annual Plan for submission to HUD.	One comment received from a subrecipient.	Comment has been accepted.	
11	Comment Period	Non-targeted/broad community	30-day comment period from April 10, 2026, to May 10, 2026.	No comments were received.	N/A	
12	Newspaper Ad	Non-targeted/broad community	October 13, 2026, newspaper ad.			
13	Comment period	Non-targeted/broad community	30-day comment period from October 14, 2026, to November 14, 2026.			
14	Public Meeting	Non-targeted/broad community	November 18, 2026. Regular meeting of Community Relations Commission			

Table 4 – Citizen Participation Outreach

Expected Resources

AP-15 Expected Resources - 91.420(b), 91.220(c)(1,2)

Introduction – As Amended

During the early development of the Action Plan, the City did not yet know the exact amount of funding it would receive for 2026, so allocations were initially based on 2025 funding levels. Once HUD released the final allocation amounts, the Action Plan was updated to reflect those amounts.

Expected resources from CDBG include the City's 2026 entitlement grant of $802,758.00. The City also anticipates utilizing $84,509 of prior year resources, consisting of unused funds from prior year activities: minor home repair, public services, and admin activities.

1st Amendment – The amount of prior year resources will increase by $67,000 for a total of $151,509.30 in prior year resources available in PY2026.

Anticipated Resources – As Amended

Program	Source of Funds	Uses of Funds	Expected Amount Available Year 1				Expected Amount Available Remainder of ConPlan $	Narrative Description
			Annual Allocation: $	Program Income: $	Prior Year Resources: $	Total: $		
CDBG	public - federal	Acquisition Admin and Planning Economic Development Housing Public Improvements Public Services	802,758.00	8,000.00	~~84,509.30~~ 151,509.30	~~895,267.30~~ 962,267.30	802,758.00	Annual Allocation includes CDBG 2026 entitlement of $802,758. Prior Year Resources includes unspent CDBG funds from prior entitlement year (2024) totaling to $84,509.30. 1st Amendment – Prior year resources include $67,000 from PY25 reallocated to PY2026

Table 1 - Expected Resources – Priority Table

Explain how federal funds will leverage those additional resources (private, state and local funds), including a description of how matching requirements will be satisfied

San Mateo is a participating jurisdiction that receives an annual CDBG allocation and is also part of a cohort with other participating jurisdictions to streamline the accessibility of resources to the public. The City will use its entitlement to fund non-profit agencies that provide public services, economic development, minor home repair, and capital improvements to public facilities.

While the City does not receive HOME funds directly, the City is part of a HOME consortium with the County of San Mateo, City of Redwood City, and City of South San Francisco. Jurisdictions in the consortium combined their HOME entitlements to create a larger impact on the community.

Besides the consortium, the City receives HOME loan repayments from funded projects prior to the development of the consortium.

Through the State, the City receives an annual allocation of the Permanent Local Housing Allocation (PLHA) to support the City's goal to increase affordable housing availability. This allocation has supported affordable housing projects since 2019. In 2024, the City received $293,103 in PLHA funds, and in 2025, the City received an additional $224,653. There is a continuous effort to address housing concerns, such as the limited amount of affordable housing, throughout the City.

If appropriate, describe publically owned land or property located within the jurisdiction that may be used to address the needs identified in the plan

The City is continuing to increase the availability of affordable housing, a goal described in the 2023-31 Housing Element. There are two publicly-owned properties that will offer affordable housing in San Mateo. Kiku Crossing is located on East 4th Avenue, a former public parking lot. This property will offer 225 affordable units for families and individuals. Construction was completed in Winter of 2023, and leasing began in fall 2024; the development was fully occupied as of November 2024. Another project still in progress is Bespoke, also located a former City parking lot on South B Street. Bespoke will provide 71 units of affordable housing and a first-floor space for the nonprofit Self-Help for the Elderly in partnership with an affordable housing developer and a commercial developer. The Exclusive Negotiation Agreement (ENA) period for the City and the developer team to finalize the Development Agreement, Disposition and Development Agreement, and other key agreements to allow for this mixed-use project to be built on the City's owned parcel and adjacent parcels was extended to April 2026. The project is set for a Planning Commission and City Council public hearing in late April and mid-May 2026.

Discussion

Annual Goals and Objectives

AP-20 Annual Goals and Objectives - 91.420, 91.220(c)(3)&(e)

Goals Summary Information -As Amended

Sort Order	Goal Name	Start Year	End Year	Category	Geographic Area	Needs Addressed	Funding	Goal Outcome Indicator
1	Maintain & Preserve Existing Housing	2023	2027	Affordable Housing	Citywide	Affordable Housing	CDBG: ~~$107,000.00~~ $174,000.00	Homeowner Housing Rehabilitated: 10 Household Housing Unit
2	Community Funding	2023	2027	Non-Housing Community Development	Citywide	Public Services	CDBG: $120,400.00	Public service activities other than Low/Moderate Income Housing Benefit: 650 Persons Assisted
3	Street and Sidewalk Improvements	2023	2027	Non-Housing Community Development	CDBG Priority Neighborhood	Community Development	CDBG: $461,626.30	Public Facility or Infrastructure Activities other than Low/Moderate Income Housing Benefit: 20000 Persons Assisted
4	Public Facilities	2023	2027	Non-Housing Community Development	Citywide	Public Facilities Improvements	CDBG: $.00	
5	Microbusiness Assistance	2023	2027	Economic Development	Citywide	Economic Development	CDBG: $80,000.00	Businesses assisted: 58 Businesses Assisted
6	AFFH: Adjust City's BMR Program	2023	2024	Affordable Housing	Citywide	Affordable Housing		

Sort Order	Goal Name	Start Year	End Year	Category	Geographic Area	Needs Addressed	Funding	Goal Outcome Indicator
7	AFFH: Down Payment Assistance Program	2023	2031	Accessible Homeownership	Citywide	Affordable Housing		
8	AFFH: Forgivable Loans for ADUs	2025	2026	Affordable Housing Increased Housing Supply and Affordable Housing	Citywide			
9	AFFH: Affirmatively Market City Housing	2023	2031	Affordable Housing	Citywide			
10	AFFH: Prioritize Funding for Affordable Housing	2027	2028	Affordable Housing	Citywide			
11	AFFH: Incentivize Developers	2023	2031	Affordable Housing	Citywide			
12	AFFH: Conduct an Area Plan for Neighborhoods	2023	2031	Land Use resources	Citywide			
13	AFFH: Preference Home Repairs in LMI Census Tracts	2023	2031	Financial resources	Citywide			
14	AFFH: Monitor Affordable Housing	2023	2031	Affordable Housing	Citywide			
15	AFFH: Expand Tenant Protections	2023	2026	Displacement risk	Citywide			
16	AFFH: Fair Housing Training for Landlords/Tenants	2023	2027	Equal opportunity housing	Citywide		CDBG: $26,241.00	Other: 66 Other

Sort Order	Goal Name	Start Year	End Year	Category	Geographic Area	Needs Addressed	Funding	Goal Outcome Indicator
17	AFFH: Create a Fair Housing Webpage	2024	2031	Equal opportunity housing	Citywide			
18	AFFH: Ensure Properties Explain Accommodations	2024	2026	Equal opportunity housing	Citywide			
19	AFFH Goal: Prevent Displacement	2023	2031	Affordable Housing	Citywide			

Table 2 – Goals Summary

Goal Descriptions

1	**Goal Name**	Maintain & Preserve Existing Housing
	Goal Description	Provide funds to preserve, repair, and maintain existing housing stock. Emphasis on repairs that clear health and safety issues, retrofits to homes for more sustainability and energy efficiency, and make properties more accessible for individuals with special needs. This is the fourth year of the 2023 Consolidated Plan, and the outcome will be a part of the larger goal for the entire Consolidated Plan period of 2023-2027.
2	**Goal Name**	Community Funding
	Goal Description	Provide grants to non-profit organizations for provision of public services to low- and moderate-income individuals, families, and businesses in San Mateo. This is the fourth year of the 2023 Consolidated Plan, and the outcome below will be a part of the larger goal for the entire Consolidated Plan period of 2023-2027.

3	**Goal Name**	Street and Sidewalk Improvements
	Goal Description	Repair deteriorated streets, as well as provide accessibility and public safety improvements to streets and sidewalks for pedestrians, bicycles and autos in the CDBG Priority Neighborhood. This is the fourth year of the 2023 Consolidated Plan, and the outcome below will be a part of the larger goal for the entire Consolidated Plan period of 2023-2027.
4	**Goal Name**	Public Facilities
	Goal Description	Provide funds for repairs and health/safety measures to be completed at buildings used by non-profit agencies for provision of public services. This is the fourth year of the 2023 Consolidated Plan, and the outcome below will be a part of the larger goal for the entire Consolidated Plan period of 2023-2027.
5	**Goal Name**	Microbusiness Assistance
	Goal Description	Provide grants to non-profit service providers who assist low- and moderate-income residents who own or are attempting to start a small business. This is the fourth year of the 2023 Consolidated Plan, and the outcome below will be a part of the larger goal for the entire Consolidated Plan period of 2023-2027.

6	**Goal Name**	AFFH: Adjust City's BMR Program
	Goal Description	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 (e.g., accessible/ visitable units for persons with disabilities, child-friendly developments with day care on site for single parents, and 3-4 bedroom units for larger families. Contributing factors to be addressed: • Accessibility, development of affordable units. Fair housing issues/impediments: • Disproportionate housing needs; • Displacement due to rent increases for Spanish speaking and large households; • Lack of accessible housing for persons with disabilities; and • Limited housing for families. Metrics and milestones: • Perform feasibility analysis to redesign the program to allow a menu of options. Ensure analysis includes review of housing for households with disproportionate needs, along with income levels. Timeframe for achievement: • Complete feasibility analysis by Fall 2023. Implement redesigned program by Spring 2024.

7	**Goal Name**	AFFH: Down Payment Assistance Program
	Goal Description	Participate in a regional downpayment assistance program with affirmative marketing to households with disproportionate housing needs including disabilities, single parents, and Hispanic households (e.g. Spanish and English, targeted to northeast neighborhoods). Contributing factors to be addressed: • Inaccessible homeownership due to financial barriers. • Lack of support for affordable housing, creating barriers to approval. Fair housing issues/impediments: • Disproportionate housing needs. Metrics and milestones: • Affirmatively market down payment assistance to 20 Hispanic households; • Provide homebuyer education to 200 households; • Work with other jurisdictions to conduct outreach and education; and • Ensure programs affirmatively market to impacted neighborhoods, including North Central and North Shoreview. Timeframe for achievement: Meet quantified objectives by end of Housing Element period in 2031; Conduct homebuyer/ outreach and education quarterly in partnership with HEART (Housing Endowment and Regional Trust of San Mateo County).

8	**Goal Name**	AFFH: Forgivable Loans for ADUs
	Goal Description	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. Contributing factors to be addressed: • Lack of affordable housing in high opportunity areas. • Lack of accessible, affordable units. Fair housing issues/impediments: • Disparities in access to opportunities. Metrics and milestones: • Design regional loan forgiveness program. • Target those with disproportionate housing needs with affirmative marketing with goal to reach five households annually. Timeframe for achievement: Begin design in summer 2025; complete by winter 2026.

9	**Goal Name**	AFFH: Affirmatively Market City Housing
	Goal Description	Add more city supported housing with affordability restrictions in moderate and high resource areas. Affirmatively market the housing to households with disproportionate housing needs including persons with disabilities, single parents, and Hispanic households (e.g., Spanish and English, targeted to northeast neighborhoods). Contributing factors to be addressed: • Lack of affordable housing supply; • Lack of accessible affordable units; and • Concentration of naturally occurring affordable housing in low opportunity census tracts. Fair housing issues/impediments: • Disproportionate housing needs. • Lack of accessible housing for persons with disabilities. Metrics and milestones: • Require developers to affirmatively market 1,000 units to those with disproportionate housing needs over the eight-year period (approximately 125 annually). • Continue to update housing inventory. Timeframe for achievement: 2031 (annually); as development projects come in for approvals/ financing.

10	**Goal Name**	AFFH: Prioritize Funding for Affordable Housing
	Goal Description	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). Contributing factors to be addressed: • Lack of accessible affordable housing; • Lack of affordable housing supply; and • High housing costs. Fair housing issues/impediments: • Disproportionate housing needs; • Displacement due to rent increases; and • Disparities in access to opportunity. Metrics and milestones: • Conduct a review of best practices and develop a program to prioritize City funding for housing projects. Timeframe for achievement: • 2027 to 2028: conduct a review of best practices. Develop a draft program for City Council adoption.

11	**Goal Name**	AFFH: Incentivize Developers
	Goal Description	Incentivize developers through direct subsidies, fee waivers, and/ or density bonuses to increase accessibility requirements beyond the federal requirement of 5% for subsidized developments. Contributing factors to be addressed: • Lack of access to opportunity concentrated in some census tracts. • Lack of accessible housing. Fair housing issues/impediments: • Persons with disabilities have disproportionate housing needs. • Persons with disabilities and persons of color are most likely to file fair housing complains with HUD. Metrics and milestones: • Update development agreements for projects with City subsidies to include additional accessible units. • Update City's Inclusionary Housing Policy to require projects that receive City subsidies to increase the percentage of units that meet accessibility requirements. Timeframe for achievement: • 2023-2031: (ongoing) as development opportunities come available; • 2025-2026: Draft Update Inclusionary Housing Policy; and Review developer agreements as projects come in annually.

12	**Goal Name**	AFFH: Conduct an Area Plan for Neighborhoods
	Goal Description	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. Contributing factors to be addressed: • Lack of affordable housing in high opportunity areas; • Lack of accessible affordable units; and • Concentration of NOAH in low opportunity census tracts. Fair housing issues/impediments: • Segregation and integration patterns among Hispanic and female parent households. • Disparities in access to opportunities. Metrics and milestones: • Prepare an area plan with goal of reducing overcrowding, improving health, safety and mobility and access to services. Timeframe for achievement: Create plan through the General Plan Update Implementation process.

13	**Goal Name**	AFFH: Preference Home Repairs in LMI Census Tracts
	Goal Description	Continue to fund minor home repairs and implement a preference for projects in low opportunity census tracts identified in the analysis. Contributing factors to be addressed: • Loss of affordable housing in high opportunity areas. • Lack of accessible affordable housing. Fair housing issues/impediments: • Disproportionate housing needs. • Disparities in access to opportunity. Metrics and milestones: • Annual goal of 10 minor home repairs and 14 accessibility modifications through grants for low-income residents. • Allow accessibility improvements on rental properties with owner permission. Timeframe for achievement: 2023-2031.

14	**Goal Name**	AFFH: Monitor Affordable Housing
	Goal Description	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. Contributing factors to be addressed: • Historic discrimination and continued mortgage denials. • Concentration in low opportunity census tracts. • High housing costs that outpace wages. Fair housing issues/impediments: • Hispanic households have disproportionate housing needs. • Limited affordable housing for families. Metrics and milestones: • Monitor affordable units whose subsidies are set to expire (ex. Bridgepointe Condominiums affordability requirements for 59 units expire in 2027 and Belmont Building 6 units set to expire); • Coordinate with owners to preserve low-income units as affordable at least two years prior to expiration date; • Provide tenant outreach and education; • Add displacement preference for new affordable housing; and • Provide noticing to tenants and affected public entities regarding expiring affordability. Timeframe for achievement: 2025- 2027: to address Bridgepointe Condominiums; 2030- 2032: to address Belmont Building

15	**Goal Name**	AFFH: Expand Tenant Protections

	Goal Description	Establish tenant protections in local ordinance to extend measure of AB1482 related to relocation, documentation, and right to return policy in eviction cases. Contributing factors to be addressed: • Persons with disabilities have disproportionate housing needs; • Persons with disabilities and persons of color are most likely to file fair housing complaints with HUD; and • Hispanic households have disproportionate housing needs. Fair housing issues/impediments: • 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; and • High housing costs that have outpaced wages. Metrics and milestones: • Extend AB1842 provisions that require tenant relocation payments for No Fault evictions for those with tenure less than one year; • 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; and • Amend the code to strengthen enforcement penalty structure to aid in protecting tenants from unsafe or substandard units. Timeframe for achievement: 2023-2026.

16	**Goal Name**	AFFH: Fair Housing Training for Landlords/Tenants
	Goal Description	Partner with Project Sentinel to perform fair housing training for landlords and tenants. Focus on enforcement efforts on race-based discrimination and reasonable accommodations. <u>Contributing factors to be addressed:</u> • Lack of accessible affordable units; • Lack of access to opportunity; • Concentration in low income and low opportunity census tracts; and • Lack of understanding of reasonable accommodation requirements by landlords and property owners. <u>Fair housing issues/impediments:</u> • Persons with disabilities have disproportionate housing needs. • Persons with disabilities and persons of color are most likely to file fair housing complaints with HUD. <u>Metrics and milestones:</u> • Provide annual funding to Project Sentinel to provide training every two years in the Spring, targeting 200 landlords each training. • Outreach programs to landlords <u>Timeframe for achievement:</u> Annually as part of CDBG allocation in the spring.

17	**Goal Name**	AFFH: Create a Fair Housing Webpage
	Goal Description	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. <u>Contributing factors to be addressed:</u> • Lack of accessible affordable units; • Lack of access to economic opportunity; • Concentration of low income and low opportunity tracts; and • Lack of understanding of reasonable accommodation requirements by landlords and property owners. <u>Fair Housing Issues/ Impediments</u> • Persons with disabilities have disproportionate housing needs. • Persons with disabilities and persons of color are most likely to file fair housing complaints with HUD. <u>Metrics and Milestones:</u> • Provide information on City website about housing discrimination, laws, and protections. • Update webpage every two years, along with other transparency updates. <u>Timeline</u> 2024 and update bi-annually thereafter.

18	**Goal Name**	AFFH: Ensure Properties Explain Accommodations
	Goal Description	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. Contributing factors to be addressed: • Lack of accessible affordable units; • Lack of access to economic opportunity; • Concentration of low income and low opportunity tracts; and • Lack of understanding of reasonable accommodation requirements by landlords and property owners. Fair Housing Issues/ Impediments: • Persons with disabilities have disproportionate housing needs. • Persons with disabilities and persons of color are most likely to file fair housing complaints with HUD. Metrics and Milestones: • Create ongoing condition of approval to ensure both below market rate and all affordable developments contain this information. • Explore options for recording against the property and/ or including in the affordable housing agreement. Timeline: • 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.

19	**Goal Name**	AFFH Goal: Prevent Displacement
	Goal Description	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. <u>Contributing factors to be addressed:</u> • Lack of accessible affordable units; • Lack of access to economic opportunity; • Concentration of low income and low opportunity tracts; and • Lack of investment in older housing stock. <u>Fair Housing Issues/ Impediments:</u> • Persons with disabilities and persons of color have disproportionate housing needs <u>Metrics and Milestones:</u> • In collaboration with nonprofit and for-profit housing developers, study the feasibility of collaborating with the Northern California Land Trust, or establishing a new community land trust that will support long-term community ownership and housing affordability in disadvantaged communities. Implement findings as part of the General Plan Update <u>Timeline:</u> To be completed as part of the larger General Plan Update, with the expected date of completion by 2027

AP-35 Projects - 91.420, 91.220(d)

Introduction - Amended

Activities planned for 2026 are similar to those from recent years. The City will continue to use CDBG administration funds for fair housing activities, public services for grants to non-profit public service agencies, and the remainder of CDBG funds for minor home repair programs, microbusiness assistance, and street and sidewalks improvements.

#	Project Name
1	Community Funding Program
2	Minor Home Repair Program
3	CDBG Admin
4	Microbusiness Assistance
5	Street and Sidewalk Improvements

Table 3 – Project Information

Describe the reasons for allocation priorities and any obstacles to addressing underserved needs

The City of San Mateo prioritized projects addressing low- and moderate-income housing and community development needs within targeted areas. The CDBG funding will fund a total of five projects totaling ~~$802,758~~ $962,267.30 and as identified in the Anticipated Resources table. The projects include eligible activities such as housing activities, public services, economic development, minor home repair, and administration, planning and fair housing. The program or project activity has to be eligible under HUD rules and meet the goals of the Consolidated Plan.

An obstacle the City faces in addressing most community needs is available funding. The high cost of housing, limited resources, and an increase demand for social and supportive services are undeserved needs that need to be addressed. The City continues to partner with local nonprofits to coordinate resources to service those most in need.

The City, in partnership with non-profit organizations and county agencies, will undertake numerous programs and activities to meet the five identified priorities of the Consolidated Plan and Annual Action Plan during program year 2026 (2026-2027). The timeline for the completion of most of these projects and programs is June 30, 2027.

AP-38 Project Summary

Project Summary Information - As Amended

The total funding allocation for the PY2026 Minor Home Repair project will increase to $174,000.

1	**Project Name**	Community Funding Program
	Target Area	Citywide
	Goals Supported	Community Funding
	Needs Addressed	Public Services
	Funding	CDBG: $120,400.00
	Description	Provide $120,400 in funds to non-profit agencies to provide public services for the core service priorities including basic human needs, senior services, youth services, and providing affordable housing.
	Target Date	6/30/2027
	Estimate the number and type of families that will benefit from the proposed activities	Project will only serve low- and moderate-income individuals and families, as well as those from presumed benefit groups such as abused children, victims of domestic violence, elderly individuals, and homeless individuals. Based on reports from prior years, the project will serve 650 San Mateo residents.
	Location Description	Project will serve the community members citywide.

	Planned Activities	Project provides funds to non-profit agency sub-recipients to carry out public service programs. Agencies interface with a variety of departments within the City including police, housing, and code enforcement on a regular basis to further their efforts in the community. The City anticipates funding seven sub-recipients evenly with available funding. In addition, the City is funding an economic development program outside of the public services cap. The awards for this year are as follows: CORA: providing survivors of domestic violence and their children with legal services. Goal is to serve 100 individuals. Friends for Youth: provide mentoring relationships and support services to underserved, vulnerable youth. Goal is to serve 260 individuals. Legal Aid Society of San Mateo County: legal services to households in danger of eviction and/or living in substandard conditions. Goal is to serve 113 clients. Life Moves: provide shelter and supportive services to assist homeless individuals to return to self-sufficiency at the First Step for Families facility which includes 117 beds. Goal is to serve 54 clients Rape Trauma Services: provides mental health services to address the multiple healing needs of child survivors of sexual violence. Goal is to serve 85 clients. Samaritan House-Core Services Program: provides a broad spectrum of assistance, including case management, emergency assistance - food, clothing, shelter, healthcare - as well as financial assistance and empowerment services. Goal is to serve 250 individuals. Samaritan House-Safe Harbor Shelter: provides short-term, emergency supportive services. Goal is to serve 40 individuals.

2	**Project Name**	Minor Home Repair Program
	Target Area	Citywide
	Goals Supported	Maintain & Preserve Existing Housing
	Needs Addressed	Affordable Housing
	Funding	CDBG: ~~$107,000.00~~ $174,000.00
	Description	Provides funding to non-profit agencies to provide minor repairs, accessibility modifications, and energy efficiency measures to income eligible homeowners.
	Target Date	6/30/2027
	Estimate the number and type of families that will benefit from the proposed activities	Project will assist 10 households with repairs and energy improvements.
	Location Description	Project will only apply to homes located in the City of San Mateo.
	Planned Activities	Project will provide grants to sub-recipients for programs to complete minor rehabilitation, energy improvements, and accessibility improvements to low- and moderate-income homeowners. Two grants will be provided as follows: • Rebuilding Together Peninsula: Safe at Home program provides minor home repairs including health and safety measures, emergency electrical and plumbing, etc. Goal is to serve 6 households. • Rebuilding Together Peninsula: National Rebuilding Day provides larger scale rehabilitation of homes in conjunction with volunteers and many other funding sources. Goal is to serve 4 households.
3	**Project Name**	CDBG Admin
	Target Area	Citywide

	Goals Supported	Maintain & Preserve Existing Housing Community Funding Street and Sidewalk Improvements Public Facilities Microbusiness Assistance AFFH: Adjust City's BMR Program AFFH: Down Payment Assistance Program AFFH: Forgivable Loans for ADUs AFFH: Affirmatively Market City Housing AFFH: Prioritize Funding for Affordable Housing AFFH: Incentivize Developers AFFH: Conduct an Area Plan for Neighborhoods AFFH: Preference Home Repairs in LMI Census Tracts AFFH: Monitor Affordable Housing AFFH: Expand Tenant Protections AFFH: Fair Housing Training for Landlords/Tenants AFFH: Create a Fair Housing Webpage AFFH: Ensure Properties Explain Accommodations AFFH Goal: Prevent Displacement

	Needs Addressed	Affordable Housing Public Services Community Development Public Facilities Improvements Economic Development Lack of Affordable Housing in Opportunity Areas Historic Discrimination and Mortgage Denials Low-income Rentals in Low Opportunity Tracts Disparities in Access to Opportunity Fair Housing Issues
	Funding	CDBG: $126,241.00
	Description	Provide funds for staff and overhead to administer the CDBG grant. The City will also provide a $26,241 grant to an agency for provision of Fair Housing services to come from admin.
	Target Date	6/30/2027
	Estimate the number and type of families that will benefit from the proposed activities	The fair housing grant will serve approximately 66 households.
	Location Description	Project will take place in City of San Mateo.
	Planned Activities	Administrative costs for management of the CDBG program. In addition, the City will provide funds to Project Sentinel for the provision of fair housing activities.
4	**Project Name**	Microbusiness Assistance
	Target Area	Citywide
	Goals Supported	Microbusiness Assistance
	Needs Addressed	Economic Development

	Funding	CDBG: $80,000.00
	Description	Two microbusiness assistance grants of $40,000 will be provided to Renaissance Entrepreneurship Center and Upwards. The funds under this activity will not be counted under the public service cap as they are a microbusiness assistance program for economic development.
	Target Date	6/30/2027
	Estimate the number and type of families that will benefit from the proposed activities	The microbusiness assistance program will serve 68 businesses.
	Location Description	Project will serve low-income business owners in the city of San Mateo.
	Planned Activities	Renaissance Entrepreneurship Center: Will deliver customized small business training, one-on-one consulting, and access to capital, resources, markets, and networks to assist lower-income and under-resourced residents who are starting and growing sustainable small businesses. All services will be delivered in English and Spanish. Goal is to serve 60 businesses. Upwards: Will equip LMI microenterprise in-home childcare providers with personalized coaching and digital tools to optimize operations and revenue, enabling them to efficiently manage and grow their business, create local teaching assistant jobs, and expand access to quality affordable care for working families in the community. Goal is to serve 8 childcare providers.
5	**Project Name**	Street and Sidewalk Improvements
	Target Area	Citywide
	Goals Supported	Street and Sidewalk Improvements
	Needs Addressed	Community Development
	Funding	CDBG: $461,626.30

	Description	Funding to make pedestrian-type improvements on damaged streets and sidewalks, and to include safety enhancements (crosswalks, curb ramps, etc.) where feasible.
	Target Date	6/30/2027
	Estimate the number and type of families that will benefit from the proposed activities	Project will be completed in the CDBG Priority Neighborhood, which has approximately 20,000 residents.
	Location Description	Project will be completed in the CDBG Priority Neighborhood.
	Planned Activities	Funds will be used to make pedestrian-type improvements within the CDBG Priority Neighborhood near senior facilities and at critical intersections.

AP-50 Geographic Distribution - 91.420, 91.220(f)

Description of the geographic areas of the entitlement (including areas of low-income and minority concentration) where assistance will be directed

The City of San Mateo provides a number of programs that assist low-income individuals and households based and therefore may be located anywhere within the city limits of San Mateo. In addition, the City has identified a CDBG Priority Neighborhood by utilizing the low-income definitions provided by HUD. This area includes census tracts or block groups with at least 51% of the persons considered low-income as reported in the Census and includes North Central, North Shoreview and South Norfolk neighborhoods.

Geographic Distribution

Target Area	Percentage of Funds
CDBG Priority Neighborhood	46
Citywide	54

Table 4 - Geographic Distribution

Rationale for the priorities for allocating investments geographically

The CDBG Priority Neighborhood has a number of contributing factors to its designation, especially as compared to other neighborhoods in San Mateo:

- Lowest median income and high percentage of families below the poverty level
- Deteriorating conditions, including high degree of dumping and graffiti
- High percentage of overcrowding, including streets/traffic and housing
- Older, deteriorating housing stock

Discussion

The City will provide programs and services identified in this Plan to households with the greatest need.

AP-75 Barriers to affordable housing -91.420, 91.220(j)

Introduction

The City continues to increase the availability of affordable housing using available resources. Through the City's 2023-31 Housing Element, the City committed to develop goals and implement policies and programs to meet the state-mandated goal of 7,015 total new housing units over the eight-year timeframe. Within the 7,015 new housing units, 3,975 must be deemed affordable for moderate or lower-income households. As of 2025, 84 building permits were issued for affordable housing units (moderate to very low), and 56 affordable housing units received its Certificate of Occupancy.

The most recent development project that the City is currently moving forward is a collaboration with an affordable housing developer, Alta Housing and commercial developer Harvest Properties/Prometheus, on the "Bespoke" mixed-use development. Bespoke combines commercial and residential components, including a 71-unit affordable housing development, all located on a City-owned parking lot on 4th Avenue and B Street and adjacent sites with a shared underground parking garage. As of early 2026, the City is working to finalize the Development Agreement, Disposition and Development Agreement, and other key agreements to allow for this mixed-use project to be built on the City's owned parcel and adjacent parcels. The project is set for a Planning Commission and City Council public hearing in late April and mid-May 2026.

Actions it planned to remove or ameliorate the negative effects of public policies that serve as barriers to affordable housing such as land use controls, tax policies affecting land, zoning ordinances, building codes, fees and charges, growth limitations, and policies affecting the return on residential investment

The City is committed to using all available tools to increase the availability of affordable housing. In just the last year, the City has undertaken significant policy efforts under the 2023-31 Housing Element to streamline the approval process for residential developments. This includes:

- **Zoning Code Amendments** – In 2025, the City Council adopted two ordinances to make amendments to the Zoning Code to allow various types of housing and streamline the development review process.
- **Below Market Rate Ordinance** – In June 2025, the Below Market Rate (BMR) Ordinance was updated to allow for offsite units or developer-proposed alternatives to provide more flexibility for developers and incorporate BMR-units to their developments.

Discussion

The City continues to work towards meeting their committed goals, policies, and programs listed in the

2023-2031 Housing Element. In an effort to remove barriers that impact the access to affordable housing, the City will continue to work on the Housing Element's goals anticipated for 2026:

- Update the City's existing Inclusionary Housing Policy to increase the development of accessible units.
- Conduct best practices research on prioritization of households with special needs, extremely low-income households and large families.
- Conduct a study to determine whether the City should update the zoning ordinance and other policies to continue supporting the production of affordable housing sites. In addition to permanently require replacement of units (beyond Housing Crisis Act sunset date of 2034).

- Review permitting and development fees to use information to identify opportunities to reduce per unit permitting costs; with fee reductions for small multi-family projects being prioritized.

AP-85 Other Actions - 91.420, 91.220(k)

Introduction

The City develops and carries out strategies on either a policy-level or building partnerships with community agencies in effort to reduce obstacles to meet underserved needs. Most of these strategies include collaborations with non-profit organizations to increase the provision of direct services through available Federal or State funding. Meanwhile financial resources remain limited; the City explores various methods by utilizing different funding sources to continue the efforts in developing or preserving affordable housing. Policy-level strategies include updating implementing programs such as the Emergency Rental Assistance Program to assist low-income tenants with temporary rental assistance to prevent from being evicted.

Actions planned to address obstacles to meeting underserved needs

The combination of the rising cost of living in the San Francisco Bay Area and the continued funding restrictions has resulted in being the primary obstacles to address community needs. To better understand the needs of underserved communities and build strategies to address those needs, the City's Community Relations Commission conducts an annual community needs assessment as the first step in developing the Annual Action Plan. This assessment provides community members the opportunity to address any needs or obstacles that may be present in their community. A second workshop is held to make CDBG funding recommendations to address the same needs and obstacles that were share during the community needs assessment. This strategy is efficient in increasing the number of unduplicated services available while still being cost-effective.

In terms of funding, the City's Community Funding program is primarily funded by CDBG. This program allows the City to build partnerships with local nonprofit service providers who in turn provide basic needs services (food, shelter, clothing, etc.) for residents most in need, in addition to case management, legal services and advocacy, and small business support, all of which are in high demand and foster community stability. The City also funds certain programs through its General Fund and other housing funds to maximize the number of services available to underserved communities not funded by the Community Funding program.

Actions planned to foster and maintain affordable housing

The City is maintaining its effort to preserve and develop affordable housing by fostering partnerships with local nonprofit organizations and jurisdictions. An example of preserving affordable housing units is monitoring the City's affordable housing inventory to keep track of expiring deed restrictions and work with property owners in advance to begin the renewal process. While the development of affordable housing is essential to address availability concerns, preservation plays a large role in increasing the affordable housing inventory. Therefore, preservation is listed as one of the five main goals in the City's

2023-2031 Housing Element:

- Production of new housing at all income levels, with a focus on affordable housing;
- Preservation of existing housing that is affordable to lower- and middle-income residents;
- Protection of current residents to prevent displacement;
- Promotion of community engagement and public outreach; and
- Affirmatively Furthering Fair Housing.

While funding remains limited, the City has multiple local funding sources that support preservation and development efforts for affordable housing. The City continues to strategically use "boomerang" funds: proportion of property taxes previously set aside for housing in former Redevelopment Areas. In addition to "boomerang" funds, the City also collects repayments from loans made by the former Redevelopment Agency and the City that are re-allocated for housing. In-lieu fees are also collected from development projects of 5-10 units or require providing a fraction of BMR units. Lastly, the City collects Commercial Linkage Fees from commercial developments of over 5,000 square feet. Through these three funding sources, new construction of affordable housing and preservation are supported.

To support the further development of affordable housing, the City has implemented an inclusionary Below Market Rate Program that sets the requirement for development of new market rate housing (rental or for-sale) to set aside 15% of the units to be affordable to either lower-income or moderate-income households. The Below Market Rate Program has successfully supplied a quarter of all the affordable housing units in the City. In addition, the City implemented an Accessory Dwelling Unit (ADU) program to facilitate the permitting process for ADU developments and support the growing affordable housing inventory.

Actions planned to reduce lead-based paint hazards

The City has policies and procedures in place to determine any lead-based paint hazards in programs funded with CDBG and HOME funds. These lead hazard and home safety policies and procedures are consistent with California Department of Housing and Community Development (HCD) and HUD requirements and were last updated in September 2024 for minor home repair projects. Specifically for minor home repair or public facilities improvement projects, environmental review procedures are conducted prior to the start of a project to identify and resolve any lead-based paint hazards in the proximity of the project. Enforcing these requirements consist of the City working closely with subrecipients of minor home repair programs in monitoring that these policies are being followed prior to the start of a minor home repair project through trainings and technical assistance. Additionally, low-income homeowners who enroll in a minor home repair program receive outreach on lead hazards, noticing requirements, and testing. For public facilities improvement projects, the same policies are

enforced.

Actions planned to reduce the number of poverty-level families

The Community Funding Program is a funding source administered by the City that focuses on addressing community needs. This funding source is primarily funded through CDBG entitlement funds under the public services cap. Grants are disbursed to local non-profits who provide public services that support poverty-level families become self-sufficient. Programs funded through the Community Funding Program have been successful in providing poverty-level families with basic needs services, resources to gain financial empowerment, and housing-related services. Aside from the Community Funding Program, the City continues to utilize additional funding sources to increase the likelihood of underserved households of becoming more self-sufficient with the necessary tools and resources.

Actions planned to develop institutional structure

To continue the further development of institutional structure, the City is part of a very coordinated and structured CDBG Cohort group that's led by the County. In this cohort, participating jurisdictions within the San Mateo County are part of this group. This CDBG Cohort group has been successful in streamlining the management of our CDBG entitlement to ensure subrecipients are administered similarly.

Actions planned to enhance coordination between public and private housing and social service agencies

The City collaborates with housing and community development partners through a multi-jurisdictional network consisting of the CoC, CDBG Cohort, and 21 Elements, all which supports the City's efforts to meet goals listed in the Consolidated Plan. In addition to the City's partnerships with regional organizations/collaboratives, the City also collaborates with public and private housing agencies to increase the progress of new Below Market Rate units and affordable housing developments. The ongoing collaboration with public and private housing agencies have been successful in the ongoing Bespoke project.

Discussion

Housing Preferences and Distribution

The City performed a fair housing assessment for the development of the 2023-2031 Housing Element, which identified many factors that limit the accessibility of housing for many San Mateo residents. For this reason, Affirmatively Furthering Fair Housing (AFFH) goals were incorporated into the 2023-2027 Consolidated Plan to maintain consistency in the City's goals to address housing issues and discrimination. The City annually leverages federal funds to provide funding for a fair housing agency,

Project Sentinel, to provide education and neutral mediation against housing discrimination, disputes, and eviction threats. Additionally, efforts to provide education to both tenants and housing providers has been facilitated through community workshops and through the City's website. In 2025, staff has implemented programs and ordinances to increase tenant protections as listed in the Housing Element.

Program Specific Requirements

AP-90 Program Specific Requirements - 91.420, 91.220(l)(1,2,4)

Introduction

For program year 2026-2027, the City of San Mateo will receive an amount of $802,758 in CDBG funding. These resources will be used to address housing, public service and other priority needs as identified in the Consolidated Plan. Funding will primarily support activities aligned with the City's strategic goals to benefit low-and moderate- income populations including expanding access to affordable housing, which will help reduce housing costs and provide financial assistance. Public service activities will focus on addressing issues such as homelessness, youth services and domestic violence. Funding received will help to sustain and improve existing housing with the Home Repair Program, including minor repairs and accessibility modifications. These program requirements will help to ensure safe and livable communities.

Community Development Block Grant Program (CDBG)
Reference 24 CFR 91.220(l)(1)

Projects planned with all CDBG funds expected to be available during the year are identified in the Projects Table. The following identifies program income that is available for use that is included in projects to be carried out.

1. The total amount of program income that will have been received before the start of the next program year and that has not yet been reprogrammed	0
2. The amount of proceeds from section 108 loan guarantees that will be used during the year to address the priority needs and specific objectives identified in the grantee's strategic plan.	0
3. The amount of surplus funds from urban renewal settlements	0
4. The amount of any grant funds returned to the line of credit for which the planned use has not been included in a prior statement or plan	0
5. The amount of income from float-funded activities	0
Total Program Income:	**0**

Other CDBG Requirements

1. The amount of urgent need activities	0
2. The estimated percentage of CDBG funds that will be used for activities that benefit persons of low and moderate income.Overall Benefit - A consecutive period of one, two or three years may be used to determine that a minimum overall benefit of 70% of CDBG funds is used to benefit persons of low and moderate income. Specify the years covered that include this Annual Action Plan.	100.00%

Discussion

The City utilizes 100% of its CDBG funds for eligible activities that assist low- and moderate-income households through direct services as well as improvements to the CDBG Priority Neighborhoods.

The CDBG grant funds plus annual program income from loan repayments are consistently allocated and spent in a timely manner to maximize assistance to the community.

The three-year period for calculating CDBG benefit is 2024, 2025, and 2026.