



HEART
OF SAN MATEO COUNTY

FY 2022-23 ANNUAL REPORT



The Housing Endowment and Regional Trust of San Mateo County

Dear Friends,

I am pleased to provide you with our Annual Report for fiscal year 2022-23.

As you are aware, the need for affordable housing continues to be a critical issue in our community. The rising cost of living coupled with stagnant wages for lower-income households has left many families and individuals struggling to find housing that is affordable. This issue not only affects the most vulnerable members of our society but also has broader implications for the economic well-being and vitality of our county.

In light of this pressing need, I am pleased to inform you that HEART has taken significant steps to address this issue head-on. Over the past year, HEART made a substantial investment of \$6.23 million in loans to support the development of two affordable housing projects in our county. These projects, which will provide a total of 207 units of affordable housing, represent a major milestone in our ongoing efforts to tackle the housing crisis in San Mateo County.

In addition to our ongoing efforts in affordable housing development, I am excited to share with you a new initiative that HEART has launched. We have introduced a program aimed at providing consulting services to cities that may not have sufficient staff resources to address their housing needs independently. Through this program, HEART can offer expertise in various housing-related areas, providing invaluable support to communities across our county.

However, amidst this progress, I must also take a moment to acknowledge a somber note. We recently lost a dear friend and valued member of our board, Don Horsley. Don's passion and unwavering support for our mission will be deeply missed, and his legacy will continue to inspire us as we carry forward his vision of a more equitable and inclusive community.

Finally, I would like to express my heartfelt gratitude to all of our sponsors and donors who have generously supported our work. Without your contributions, none of this would be possible, and we are truly grateful for your continued partnership and commitment to our mission. I am hopeful that together, we can continue to make meaningful progress in addressing the affordable housing crisis in San Mateo County.



Armando F. Sanchez
Executive Director

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Executive Director

BOARD OF DIRECTORS

PUBLIC OFFICIALS

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Superintendent, San Mateo County
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John Matthews Architects

Robert Morehead
Citizens Private Bank

Bart Pantoja
San Mateo County Building &
Construction Trades Council

Elan Scheinman
Primavera Partners

HOUSING CONSULTING SERVICES PROGRAM

In 2023, HEART unveiled its Housing Consulting Services Program, an effort aimed at bolstering housing initiatives across San Mateo County communities. With a renewed focus on producing affordable housing and safeguarding existing residents against displacement, cities are increasingly reliant on external support to achieve their goals. Recognizing this need, many municipalities have turned to HEART for assistance due to their limited staffing capacity.



To spearhead this initiative, HEART recruited **Tim Davis**, formerly of the City of Boston Mayor's Office of Housing, and **Chasidy Miles**, previously associated with JP Morgan Chase's Community Development Real Estate division. Their combined expertise and experience have been instrumental in launching and operationalizing the program.

Since its inception, HEART has forged partnerships with eight San Mateo County communities. Despite being in its nascent stages, HEART's dedicated team has already achieved significant milestones. Noteworthy accomplishments include the formulation of an Affordable Housing Strategy and monitoring of Below Market Rate (BMR) units. HEART is also facilitating the sale of a BMR ownership unit and is actively engaged in preserving an affordable 14-unit apartment building. Efforts to develop a comprehensive housing resource guide and prepare new BMR guidelines for partner cities are also underway.

As HEART continues to expand its footprint and deepen its impact, it remains committed to providing tailored solutions and support to communities across San Mateo County and fostering sustainable housing practices and inclusive growth.

DON HORSLEY AFFORDABLE HOUSING FELLOW

Don Horsley was a champion and firm advocate for HEART's core values. His staunch support for HEART allowed the organization to grow and help more people across San Mateo County access affordable housing. To honor his legacy and commitment to uplifting young professionals, we created the Don Horsley Housing Fellowship to give young people a chance to make a positive impact in our community.

Presenting the first Don Horsley Affordable Housing Fellow: Gyasi Pigott

Gyasi joined HEART in December 2023 as the first Don Horsley Affordable Housing Fellow. He comes to HEART with a background in urban planning research and has an interest in understanding the intersection between access to affordable housing and public transportation. Gyasi formerly worked as an intern in the California State Assembly where he developed a legislative proposal to increase access to affordable housing for low-income people of color through Transit-Oriented Developments. Like the namesake of our fellowship, Gyasi places equity at the center of development for all of his work, seeking to help underserved populations in the Bay Area access affordable housing, reliable public transportation, and safe, sustainable communities. Gyasi recently graduated from the University of California, Berkeley where he earned a BA in Sociology and a Minor in Public Policy.



I am incredibly grateful to be selected as the first ever Don Horsley Housing Fellow for HEART.

I see this as a fantastic opportunity to champion affordable housing, which I believe helps maintain vibrant, diverse communities that provide everyone— regardless of their economic situation— equal access to affordable, safe places to live. As a fellow at HEART, I hope to continually uplift the residents of San Mateo County in finding affordable housing so that they can continue to call this county their home."

GYASI PIGOTT, DON HORSLEY AFFORDABLE HOUSING FELLOW

COLIBRI COMMONS



965 Weeks Street, East Palo Alto, CA
Developers: MidPen Housing Corporation (MidPen) and East Palo Alto Community Alliance and Development Organization (EPACANDO)
Status: Groundbreaking on Feb 2, 2024



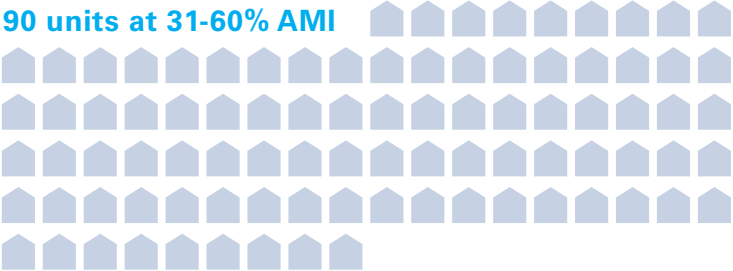
HEART CONTRIBUTION: \$3,230,000
construction/permanent loan

135 units of affordable rental housing
Rents ranging between 30% AMI* and 60% of AMI
(extremely low, very low, and low income households)

45 units at 30% AMI



90 units at 31-60% AMI



45% average AMI level
8 units for homeless households
15 units for San Mateo County's Project-Based vouchers

“Colibri Commons exemplifies our collective commitment to providing permanently affordable homes that enable residents and our community to thrive.”

DUANE BAY, EXECUTIVE DIRECTOR OF EPACANDO



CORE



493 Eastmoor Avenue, Daly City, CA

Developers: CORE Affordable Housing (CORE)

Status: Groundbreaking scheduled Feb 2025

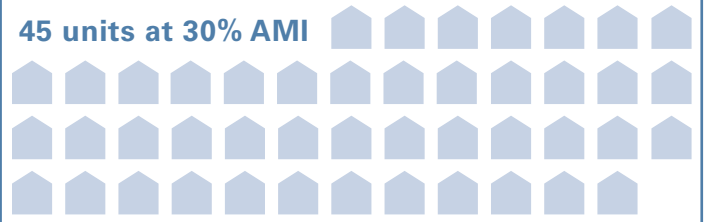
HEART CONTRIBUTION: \$3,000,000

predevelopment loan

71 units of affordable rental housing

Rents ranging between 30% AMI* and 60% of AMI
(extremely low, very low, and low income households)

45 units at 30% AMI



26 units at 31-60% AMI



39% average AMI Level

45 units set aside for supportive housing

25 units for San Mateo County's Project-Based vouchers

26 units for Mental Health Service Act (MHSA)

9 units for Tenant Choice Vouchers (TCV)



ANNUAL NETWORKING EVENT

HEART would like to offer a heartfelt thank you to all of the sponsors, community members, and volunteers who attended our Annual Networking and Fundraising Event on September 21, 2023. Together with HEART, attendees experienced a wonderful celebration and reunion of our many collaborators and supporters who we hope to see enjoy many more future HEART sponsored events!

MEDIA SPONSOR San Francisco Business Times

LOCATION SPONSOR Devil's Canyon Brewery



Thank you to our generous sponsors and donors!

\$10,000-\$50,000

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David Canepa

Gina Papan

Lisa Gauthier

Gina Quiney

Adam Loraine

Jack Matthews

Sara McDowell

Simon North

Tim Hood Davis

Laura Peterhans

Marge Colapietro

We are proud of and grateful for the broad financial support we receive from a diverse group of organizations and individuals.

These funds allow HEART to leverage its Trust Fund to assist developers with the acquisition of land, to help with the predevelopment and construction of affordable housing for low- and middle-income families, and to help families purchase their first home through our FirstTime Homebuyer Program.

HEART also relies on the commitment of our member agencies for Trust Fund development. These assets allow us to lend or make funding commitments to housing projects in San Mateo County as well as to maintain our lean operations and administration costs. Thank you to all who have helped fund HEART's operations and we hope for your continued support in providing housing to residents in San Mateo County.

FINANCIAL STATEMENT

STATEMENT OF ACTIVITIES

For the Years Ended June 30, 2023 and 2022*

REVENUES	2023	2022
Operating Grants and Contributions		
Member Agencies	\$236,286	\$236,280
Donors	\$1,823,882	\$4,165,177
Charges for services	\$4,800	\$23,078
General Revenues		
Investment Earnings	\$416,173	\$58,889
PPP Loan Forgiveness	\$0	\$62,500
TOTAL REVENUES	\$2,481,141	\$4,545,924

EXPENSES	2023	2022
General Management and Programs	\$671,139	\$524,837
Legal Services	\$9,773	\$24,816
Interest on Long-Term Debt	\$83,212	\$44,960
Miscellaneous	\$135	\$0
TOTAL EXPENSES	\$764,259	\$594,613
Change in Net Positions	\$1,716,882	\$3,951,311
Net Positions - Beginning	\$15,429,651	\$11,478,340
Net Positions - Ending	\$17,146,533	\$15,429,651

* 2022 & 2023 Audited Financial Statements

STATEMENT OF NET POSITIONS

For the Years Ended June 30, 2023 and 2022*

ASSETS	2023	2022
Cash and Cash Equivalents	\$10,130,466	\$8,053,608
Receivables (net)		
Interest	\$1,311,665	\$1,118,907
Loans	\$9,809,489	\$10,512,573
Accounts	\$162,343	\$533
Temporarily Restricted		
Cash and Cash Equivalents	\$414,960	\$411,932
TOTAL ASSETS	\$21,828,923	\$20,097,553

LIABILITIES	2023	2022
Accounts Payable	\$47,902	\$47,902
Long-Term Liabilities	\$4,620,000	\$4,620,000
TOTAL LIABILITIES	\$4,683,390	\$4,667,902

NET POSITION	2023	2022
Restricted for Home Buyer		
Program Pledge Account	\$411,960	\$411,932
Unrestricted	\$16,731,573	\$15,017,719
TOTAL NET POSITION	\$17,143,533	\$15,429,651

MEMBER AGENCIES

Thank you to the Cities and County for your partnership.

Town of Atherton	City of Millbrae
City of Belmont	City of Pacifica
City of Brisbane	Town of Portola Valley
City of Burlingame	City of Redwood City
Town of Colma	City of San Bruno
City of Daly City	City of San Carlos
City of East Palo Alto	City of San Mateo
City of Foster City	City of South San Francisco
City of Half Moon Bay	Town of Woodside
Town of Hillsborough	County of San Mateo
City of Menlo Park	

HEART is a non-profit organization and joint-powers authority (JPA). The County and all twenty cities and towns in San Mateo County are members of HEART.



HEART STAFF

Armando Sanchez
Executive Director

Mac Hart Program Manager


Chasidy Miles Program
Manager, Housing
Consulting Services

Boris Vatin Senior Program
Manager

Tim Davis Director, Housing
Consulting Services

Gyasi Pigott Don Horsley
Affordable Housing Fellow

CONNECT WITH US

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The Housing Endowment and Regional Trust of San Mateo County

2905 S. El Camino Real, San Mateo, CA 94403

2022-23 DONORS

PROVIDED SIGNIFICANT FUNDING FOR HEART QUICKSTART DEVELOPER LOAN PROGRAM

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\$1,000-\$2,500

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Up to \$250

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