



DALY CITY HOUSING DEVELOPMENT FINANCE AGENCY

AGENDA

REGULAR MEETING

COUNCIL CHAMBERS – 333 90TH STREET

MONDAY, FEBRUARY 27, 2017– 7:00 P.M.

For those wishing to address the Agency Board on any Item on the Agenda or under Public Appearances/Oral Communications, please complete a Speaker Card located at the entrance to the Council Chambers and submit to a Staff Member as early in the meeting as possible.

Persons with disabilities who require auxiliary aids or services in attending or participating in this meeting should call the office of the City Clerk at 991-8078 as soon as possible.

CALL TO ORDER:

ROLL CALL:

APPROVAL OF MINUTES:

December 16, 2016

RESOLUTIONS:

1. Housing Trust Funds Financing for Habitat for Humanity Relating to Acquisition of 3001 Geneva Avenue

PUBLIC APPEARANCE – ORAL COMMUNICATIONS:

NOTE: Speakers are limited to two minutes, unless modified by the Chair.
The Board cannot take action on any matter raised under this item.

ADJOURNMENT:

DALY CITY HOUSING DEVELOPMENT FINANCE AGENCY
MEETING MINUTES
December 12, 2016

The meeting was called to order by Chairperson Sylvester at 8:44 P.M.

ROLL CALL: Commissioners Present:

Glenn Sylvester, Chairperson
Juslyn Manalo, Vice-Chairperson
Ray Buenaventura
Michael Guingona

Commissioners Absent
Judith Christensen

Staff Present:

Patricia Martel, Executive Secretary/Director
Rose Zimmerman, General Counsel
K. Annette Hipona, Assistant Secretary

MINUTES:

Meeting of October 24, 2016

It was moved by Chairperson Buenaventura, seconded by Commissioner Guingona and carried to approve the Special Meeting minutes of October 24, 2016.

CHANGE OF OFFICERS:

Chairperson Sylvester stated by operation of the bylaws of the Agency, Glenn Sylvester, Mayor of the City of Daly City is hereby designated as Chairperson and the Vice-Mayor Juslyn Manalo is hereby designated as Vice Chairperson.

ADJOURNMENT:

It was moved by Commissioner Buenaventura, seconded by Commissioner Guingona and carried to adjourn the meeting of the Daly City Housing Development Finance Agency at 8:45 P.M.

Assistant Secretary

Approved this _____ 27th _____ day
of _____ February _____, 2017.

Chairperson



Meeting Date: February 27, 2017

Subject: Housing Trust Fund Financing for Habitat for Humanity Relating to Acquisition of 3001 Geneva Avenue.

Recommended Action

Authorize use of up to \$820,000 in Daly City Housing Trust funds to assist Habitat for Humanity Greater San Francisco in the acquisition of property located at 3001 Geneva Avenue and authorize the Executive Director of the Daly City Housing Finance Agency (DCHFA) or her designate to execute all documents associated with this transaction.

Background

In December 2015, the California State Department of Finance approved the Successor Agency's Long Range Property Management Plan (LRPMP), which addresses the disposition and use of real properties of the Former Daly City Redevelopment Agency pursuant to Health and Safety Code Section 34177(e) and 34181(a). The LRPMP indicated that two properties would be made available for immediate disposition: the former Bayshore Library at 2960 Geneva Avenue and a former fire station site at 3001 Geneva Avenue. The proceeds of the sale of those properties would be distributed amount the taxing entities in the County of San Mateo. The Successor Agency, as approved by the Department of Finance hired Kosmont Realty to assist in the disposition of all of its properties and they in turn hired the services of a local broker for the marketing and disposition of the two properties for immediate sale.

Since December 2016, Hildebrand Properties, in cooperation with Kosmont, has been marketing the sites. Prior to the closing date to accept offers for the property, Habitat for Humanity Greater San Francisco submitted an offer to purchase the property, contingent upon their ability to secure financing. Habitat's offer was for the highest dollar amount of all bids received, and it is recommended before the Oversight Board that Habitat's offer be accepted for the purchase and sale of the parcel.

Discussion

Habitat wishes to construct 3 to 8 condominium homes on the 3001 Geneva Avenue site using their traditional combination of sweat equity and zero percent mortgages. The homes would be 2 and 3 bedroom units. Staff will present a specific site plan and entitlements for Council consideration at a later date.

Sales of the homes would be restricted to low-income households with incomes that do not exceed the 80 percent of median income limit established by the U.S. Department of Housing and Urban

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Development. Local jurisdiction subsidy financing of the amount requested by Habitat is customary and typical in affordable housing development, particularly for land acquisition and in the early stages of development.

The Daly City Housing Trust Fund has a current balance of approximately \$3.5 million. These funds are restricted for use in the development of new affordable housing. Under the mitigation fee act, they should be encumbered within five years of receipt of the funds.

Staff recommends that Housing Trust Fund revenues be utilized to assist Habitat for Humanity in the acquisition of 3001 Geneva for the purpose of affordable housing development. Staff further recommends that the funds be offered in the form of a loan and with the condition that the property must be developed as affordable housing within three years. Consistent with earlier loans made by the City to Habitat, staff recommends 45 year term and zero percent interest rate. All documents associated with the loan shall be approved to form by the City Attorney's Office.

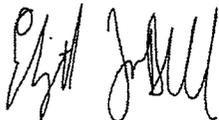
Fiscal Impact

Provision of Housing Trust Fund revenues will have no impact on the City's General Fund. Sale of 3001 Geneva will result in affected taxing entities receiving a share of sales proceeds. The City of Daly City is one of the affected taxing entities and should receive approximately 23 percent of the sales proceeds.

Recommended Action

Approve the use of up to \$820,000 in Housing Trust Funds for the purpose of acquisition of 3001 Geneva by Habitat for Humanity Greater San Francisco for the purpose of affordable housing development and authorize the City Manager or her designate to execute all documents associated with this transaction.

Respectfully submitted,



Betsy ZoBell
Housing and Community
Development Supervisor



Tatum Mothershead
Director of Economic and Community
Development Department

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