

Brisbane Housing Authority

Agenda Report

TO: Honorable Chair and Members of the Housing Authority

FROM: Clay Holstine, Executive Director

DATE: Meeting of June 30, 2016

SUBJECT: Consider approval of Resolution No HA 2016-01, a resolution of the Housing Authority of the City of Brisbane pursuant to Health and Safety Code Section 33334.16 approving an extension of time to develop property for low and moderate income housing

RECOMMENDATION:

Adopt Resolution No. HA 2016-01, a resolution of the Housing Authority of the City of Brisbane pursuant to Health and Safety Code Section 33334.16 approving an extension of time to develop property for low and moderate income housing

BACKGROUND and DISCUSSION:

In August 2011, the former Redevelopment Agency of the City of Brisbane purchased certain property (the "Lau Property") for just under \$2 million, using part of the Agency's low and moderate income housing funds for use as a site for low and moderate income housing. After the Redevelopment Agency was dissolved in 2012, the Property was transferred to the Housing Authority.

Under state law, the Agency, activities to develop the property for affordable housing must be initiated within 5 years from the date of acquisition (Health and Safety Code, Sec. 3334.16) or else the Property must be sold and the proceeds returned to the Housing Fund. This five year time limit may be extended one time only by five years if the legislative body, by resolution, affirms its intent that the Property be used for the development of affordable housing.

The initial five-year period provided for under the law will expire in August 2016 and, unless the Housing Authority wishes to dispose of the Property, the legislative body must pass such a resolution. In the event that the physical development of the property for affordable housing has not commenced by the end of the extended time period, the Housing Authority will be required to sell the Property and place the proceeds of the sale in the Housing Fund.

A proposed resolution extending the time limit for development by an additional five years is attached to this agenda report.

FISCAL IMPACT/FINANCING ISSUES

None at this time.

A handwritten signature in black ink, appearing to read "Clay Holstine", written over a horizontal line.

Clay Holstine, Executive Director

RESOLUTION NO. HA 2016-01

**A RESOLUTION OF THE HOUSING AUTHORITY OF THE CITY OF
BRISBANE PURSUANT TO HEALTH AND SAFETY CODE SECTION 33334.16
APPROVING AN EXTENSION OF TIME TO DEVELOP PROPERTY FOR
LOW AND MODERATE INCOME HOUSING**

WHEREAS, the City Council of the City of Brisbane (the "City Council") had adopted the Redevelopment Plans for the Brisbane Community Redevelopment Project Area Numbers One and Two (the "Redevelopment Plans"); and

WHEREAS, the Redevelopment Agency of the City of Brisbane (the "Agency"), prior to the dissolution of Redevelopment Agencies, was responsible for administering the Redevelopment Plans; and

WHEREAS, pursuant to Health and Safety Code Section 33334.2, the Agency had set aside a portion of the tax increment revenue that it received in the Agency's Low and Moderate-Income Housing Fund (the "Housing Fund") for the purpose of increasing, improving, and preserving the supply of low and moderate income housing; and

WHEREAS, in August 2011, prior to the dissolution of Redevelopment Agencies, the Agency acquired certain real property known as Assessor's Parcel Nos. 007-556-010, 007-560-140, 007-560-130, and 007-560-120 (the "Property") with Housing Fund monies; and

WHEREAS, after the dissolution of Redevelopment Agencies, the Successor Agency to the Redevelopment Agency of the City of Brisbane transferred to the Housing Authority of the City of Brisbane (the "Authority") the Property; and

WHEREAS, Health and Safety Code Section 33334.16 requires that within 5 years from the date of acquisition of the Property, activities must begin consistent with the development of the Property for affordable housing or else the Property must be sold and the net proceeds returned to the Housing Fund; and

WHEREAS, since August 2011, no activity has been initiated consistent with the development of the Property for affordable housing purposes; and

WHEREAS, pursuant to Health and Safety Code Section 33334.16, by resolution, the time period to retain the Property may be extended for an additional period not to exceed five years; and

WHEREAS, the Authority desires to pass such a resolution because almost five years have passed since the Property was acquired; and

WHEREAS, the Authority intends within the extended five year period to develop on the Property affordable housing for low and moderate income persons and families.

NOW, THEREFORE, IT IS HEREBY RESOLVED as follows:

Section 1. Pursuant to Health and Safety Code Section 33334.16, the period during which the Housing Authority may retain the Property is extended for five years from the passage of this Resolution.

Section 2. The Housing Authority hereby affirms that the Property shall be used for the development of affordable housing for low and moderate income persons and families.

Section 3. This Resolution shall take immediate effect from and after its passage and approval.

Cliff Lentz, Authority Chairman

I hereby certify that the foregoing Resolution HA 2016-01 was duly and regularly adopted at a regular meeting of the Housing Authority of the City of Brisbane on June 30, 2016 by the following vote:

AYES:
NOES:
ABSENT:

Sheri Marie Spediacci
Authority Clerk