

City of Brisbane

Affordable Housing Subcommittee

Agenda Report

Date: February 9, 2016

To: Affordable Housing Subcommittee

From: Clayton Holstine, City Manager

Subject: Potential Affordable Housing Project

Background

The Brisbane Housing Authority owns a 4-acre site on McClain Road at San Bruno Avenue “the Lau property”. The Lau property was acquired by the former Redevelopment Agency Low and Moderate Income Housing Fund (LMIHF) on August 25, 2011, shortly before the Redevelopment Agencies (RDAs) were abolished by the State.

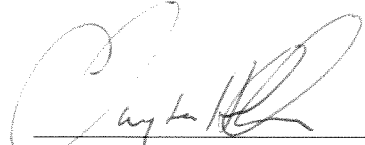
At the time of purchase, the City was in discussions with Habitat for Humanity to use the site for a 25 unit home ownership development for lower income families, similar to what was built at Plumas St. and San Bruno Ave. The concept would have required donation of the land to Habitat and for the LMIHF to contribute an additional subsidy of between \$2 & \$3million to fund infrastructure and site improvement costs. When the RDA was abolished, these funds were no longer available and the project was abandoned. The Lau property was transferred to the Brisbane Housing Authority.

The Housing Authority, as successor agency, is subject to most of the rules that governed the LMIHF. Thus, the Housing Authority is obligated to commence development activities on the site within five years of its acquisition or sell the property. This deadline can be extended, one time only, for a period of five years. Thus, the Authority will either have to commence development or sell the site by August, 2021.

Discussion

Recently City staff has been meeting with Mid Peninsula Housing (Mid Pen) to discuss the potential for an affordable housing project on the Lau site. Mid Pen has long been interested in working with the City to develop an affordable housing project and expressed an interest in considering the Lau site and working on a potential site plan to see if a project would be feasible. Again, the concept is that the land would be donated and the Housing Authority would contribute its \$800,000 as an additional subsidy.

Mid Pen has developed two conceptual development schemes for the site, one that utilizes most of the property with townhome type buildings and one that clusters the development in a larger building near San Bruno Ave. Mid Pen is currently working on cost estimates and financing plans for both concepts. Once staff has reviewed these plans and met with Mid Pen, we will bring in Mid Pen to meet with the Subcommittee and present its ideas and get feedback.



Clay Holstine, City Manager