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HOUSING SUCCESSOR  
ANNUAL REPORT

**South San Francisco Housing Successor  
Fiscal Year 2017-18**

**April 1, 2019**

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## INTRODUCTION

Pursuant to Resolution No. 08-2012 adopted on January 25, 2012, the City of South San Francisco (“City”) elected to take on the housing-related responsibilities of the former South San Francisco Redevelopment Agency (“Agency”) as the Housing Successor Agency (“Housing Successor”). The Housing Successor’s assets were transferred from the former Agency when it dissolved pursuant to the Dissolution Act (enacted by Assembly Bills x1 26 and 1484, Senate Bill 107, and related legislation). All “rights, powers, assets, liabilities, duties, and obligations associated with the housing activities of the former Agency, excluding any amounts in the Low and Moderate Income Housing Fund” were transferred from the former Agency to the Housing Successor. Although the Housing Successor inherited the former Agency’s housing assets and functions, it does not have an ongoing financing mechanism to maintain them. The former Agency primarily funded projects with redevelopment tax increment, which was abolished with the dissolution of redevelopment.

The former Agency prepared a Housing Asset Transfer Form (“HAT”) that provides an inventory of all assets received in the mandatory transfer of assets following the dissolution of redevelopment. The HAT was approved by the Department of Finance (“DOF”) on August 31, 2012. This report gives an update on housing assets transferred from the former Agency.

## HOUSING SUCCESSOR REPORTING REQUIREMENTS

Health & Safety Code (“HSC”) Section 34176.1(f) requires housing successor agencies to prepare an annual report that details compliance with Senate Bill (“SB”) 341 (2013-14), Assembly Bill (“AB”) 1793 (2013-14), SB 107 (2015-16), and AB 346 (2017-18). These bills enacted requirements related to the expenditure of the Low and Moderate Income Housing Asset Funds (“Housing Asset Funds”) and development or disposition of properties transferred from former redevelopment agencies. Figure 1 summarizes the content required in the annual report. The report is due to the California Department of Housing and Community Development (“HCD”) by April 1<sup>st</sup> annually.

State law requires that housing successor agencies must also conduct an independent financial audit of the Housing Asset Fund within six months after the end of each fiscal year, which may be included in the independent financial audit of the host jurisdiction. The City’s Comprehensive Annual Financial Report (“CAFR”) for Fiscal Year 2017-18 is posted on the City’s website. It includes an audit of the Housing Asset Fund.<sup>1</sup>

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<sup>1</sup> The financial information presented in this report may not match the figures reported in the CAFR due to adjustments as noted throughout the report.

**Figure 1. Housing Successor Annual Reporting Requirements**

Housing Asset Fund Revenues & Expenditures	Other Assets and Active Projects	Obligations & Proportionality
Total amount deposited in the Housing Asset Fund for the fiscal year	Description of any project(s) still funded through the Recognized Obligation Payment Schedule (“ROPS”)	Description of any outstanding production obligations of the former Agency that are inherited by the Housing Successor
Statement of balance at the close of the fiscal year	Update on property disposition for any property owned more than five years or plans for property owned less than five years	Compliance with proportionality requirements (income group targets), which must be upheld on a five-year cycle
<p>Description of expenditures for the fiscal year, broken out as follows:</p> <ul style="list-style-type: none"> <li>• Rapid rehousing for homelessness prevention (up to \$250,000 per year);</li> <li>• Administrative expenses (greater of \$200,000 adjusted for inflation or five percent of “portfolio” per year);</li> <li>• Monitoring expenses (included as an administrative expense);</li> <li>• All other expenditures must be reported as spent for each income group (extremely low-, very low-, and low-income)</li> </ul>	<p>Other “portfolio” balances, including:</p> <ul style="list-style-type: none"> <li>• Statutory value of any real property either transferred from the former Agency or purchased by the Housing Asset Fund (note that the Successor may only hold property for five years);</li> <li>• Value of loans and grants receivable</li> </ul>	<p>Percentage of deed-restricted rental housing restricted to seniors and assisted by the entity assuming housing functions, the former Agency, or the County within the past 10 years compared to the total number of units assisted by any of those three agencies</p>
Description of any transfers to another housing successor for a joint project	Inventory of homeownership units assisted by the former Agency or the City that are subject to covenants or restrictions or to an adopted program that protects the former Agency’s investment of monies from the Low- and Moderate-Income Housing Fund	Amount of any excess surplus, and, if any, the plan for eliminating it

## ASSETS TRANSFERRED TO THE HOUSING SUCCESSOR

South San Francisco prepared a HAT in 2012 that provided an inventory of all assets transferred from the Agency to the City following the dissolution of redevelopment. This included the following assets as permitted by HSC Section 34176(e):

- Real property
- Personal property
- Loans receivable
- Rents/operations

All items on the HAT (attached as Appendix A) were approved by DOF on August 31, 2012.

## HOUSING SUCCESSOR EXPENDITURE REQUIREMENTS

In the months following redevelopment dissolution, the California legislature passed several bills, including SB 341, to clarify issues concerning the activities and assets of former redevelopment agencies. SB 341 reinstated many affordable housing requirements formerly completed by redevelopment agencies. Specifically, HSC Section 34176.1 limits expenditures from the Housing Successor's Housing Asset Fund as follows:

- **Administrative Expenditures:** Administrative expenditures, which include housing monitoring, are capped at either \$200,000 adjusted annually for inflation or five percent of the Housing Asset Fund's annual portfolio, whichever is greater. The portfolio includes the statutory value of real property owned by the housing successor and of loans and grants receivable. It includes assets transferred from the former Agency pursuant to HSC Section 34176 and purchased or made by the housing successor since dissolution.
- **Homelessness Prevention:** A housing successor is authorized to spend up to \$250,000 each year on rapid rehousing solutions for homelessness prevention if all obligations pursuant to HSC Sections 33413 (inclusionary housing) and 33418 (replacement housing) have been fulfilled. South San Francisco is eligible for this expense.

The Agency's Five-Year Implementation Plan drafted in June 2010 reported that the Agency had a surplus of 20 very low income units and 64 affordable (very low to moderate income) units as of June 30, 2009. It also reported the Agency had a two-unit replacement housing obligation.

According to assessment data obtained from First American Title's Metroscan database, there were 396 new residential units developed in the former Agency's project areas from 2009 through dissolution. This generated an inclusionary housing production requirement of 59 affordable units, of which 30 must be affordable to very low income units. The surplus of 64 affordable units as of June 30, 2009 covers the 59 affordable unit requirement, however there was a need for 10 additional very low income units. The Agency assisted an affordable housing development at 636 El Camino Real that produced 53 very low income units and 55 moderate income units that fulfilled the Agency's remaining inclusionary production and replacement housing requirement.

- **Income Proportionality Limits:** Remaining allowable expenditures must be spent to expand housing options for low-income households, defined as households earning 80% or less of the area median income ("AMI"). At least 30% of expenditures must be allocated to extremely-low income rental households, or those households earning 30% or less of the AMI. A maximum of 20% may go towards households earning between 60% and 80% of the AMI. No funding may be spent on moderate-income households, defined as households earning 81% to 120% of the AMI.

Although housing successors must report expenditures by category each year, compliance with income proportionality limits is reported at the end of each five-year compliance period. The first five-year compliance period began in Fiscal Year 2013-14 (on January 1, 2014) and will end in Fiscal Year 2018-19 (on June 30, 2019). For example, a housing successor could spend any amount of its funds during Fiscal Year 2013-14 on households earning between 60% and 80% AMI, as long as this amount is 20% or less of the total expenditures by the end of Fiscal Year 2018-19.

## **LOW- AND MODERATE-INCOME HOUSING ASSET FUND**

The HAT listed 57 assets to transfer from the former Agency to the Housing Successor, including:

- 8 Real Properties
- 1 Personal Property
- 1 Low-Mod Encumbrance
- 33 loans receivable
- 9 Rents/Operations
- 6 Rents

All items on the HAT were approved for transfer by DOF on August 31, 2012 except for the single Low-Mod Encumbrance. Since the HAT was approved, 14 loans have been paid off, and 2 new loans have been issued, leaving 21 loans receivable in the Housing Asset Fund.

## **HOUSING ASSET FUND DEPOSITS**

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HSC Section 34176.1 requires housing successors to annually report the amount of funds that were deposited into the Housing Asset Fund during the fiscal year, distinguishing any amounts held for items listed on the ROPS. Deposits for Fiscal Year 2017-18 are shown in Table 1.

**Fiscal Year 2017-18 Housing Asset Fund Deposits** **Table 1**  
**City of South San Francisco**

<u>Revenue Source</u>	<u>Amount<sup>1</sup></u>
Rent Revenue	171,149
Interest Income	53,421
Loan Payments	407,683
Unrealized Gains/Losses	(47,091)
	<b>\$ 585,163</b>

<sup>1</sup>Excludes transfers in to reimburse expenses paid from housing bond proceeds and unrealized gains/losses.

*Source: City of South San Francisco, Fund 241 Revenue Status Report*

There was a total of \$585,163 in deposits in the form of rent revenue, interest income, and loan payments. There were no deposits related to enforceable obligations on the South San Francisco ROPS.

## **HOUSING ASSET FUND ENDING BALANCE**

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HSC Section 34176.1 requires housing successors to submit a statement showing the Housing Asset Fund's ending balance at the close of the fiscal year, distinguishing any amounts held for items listed on the ROPS. As shown in Table 2, the Housing Successor had \$4,801,715 in cash assets and the fund balance as of June 30, 2018 is \$5,778,282.

**Fiscal Year 2017-18 Housing Asset Fund Ending Balance  
City of South San Francisco**

**Table 2**

Balance Type	Amount
Cash	\$ 4,801,715
Cash with Fiscal Agent	-
Cash Premium/Discount Amortization	(6,274)
Cash Unrealized Gains/Losses	(65,245)
Accounts Receivable - General	-
Accounts Receivable - Other	6,989
Allowance for Uncollectibles	(20,280,761)
Accrued Interest Receivable	20,905
Loans Receivable <sup>1</sup>	21,300,954
	<b>\$ 5,778,282</b>

<sup>1</sup> See Table 3 for details. Land value is not included under the Housing Successor Agency fund balance reported in the City's Basic Financial Statements for FY 2017-18 because it is accounted for in a separate fund.

*Source: City of South San Francisco, Fund 241 Trial Balance Detail Report*

**OTHER ASSET BALANCES**

HSC Section 34176.1 requires housing successors to report on the statutory value of real properties formerly owned by the former redevelopment agency, and the value of loans and grant receivables listed on the HAT. At the time of approval, the statutory value of all items on the HAT was \$36,572,758. As of June 30, 2018, the statutory value of real property and value of loans and grants receivable is \$28,168,072, as shown in Table 3. The Housing Successor currently has 21 loans receivable and 4 real properties in the Housing Asset Fund.

The Housing Successor received eight properties in 2012 with a total statutory value of \$9,616,436. Four properties have been disposed of since dissolution. The remaining properties have a statutory value of \$6,867,118 as of June 30, 2018. A more detailed description of the properties is included in the Property and Projects Description section of this Report.



**Fiscal Year 2017-18 Real Properties and Receivables**  
**City of South San Francisco**

**Table 3**

Asset	Amount
<b><i>Real Properties</i></b>	
339 - 341 Commercial	804,086
714 - 718 Linden	644,788
630 Baden - Land	948,244
636 El Camino - Land	4,470,000
<i>Subtotal</i>	\$ 6,867,118
<b><i>Loan Receivables</i></b>	
First Time Homebuyer Loans (11)	509,405
Developer Loans (10)	20,791,549
<i>Subtotal</i>	\$ 21,300,954
<b>Total</b>	<b>\$ 28,168,072</b>

*Source: City of South San Francisco Finance Department*

The Housing Successor maintains the following loans receivable that were transferred from the former Agency in August 2012 or issued by the Housing Successor after dissolution:

- 11 First Time Homebuyer Loans are administered by the Housing Successor with an outstanding balance of \$509,405 as of June 30, 2018. The loans were issued to assist low- and moderate-income first-time home buyers. Since the former Agency's dissolution, 12 loans have been paid off and 2 new loans have been issued.
- 10 Developer Loans are administered with an outstanding balance of \$20,791,549 as of June 30, 2018. The loans were issued to develop affordable housing. Since dissolution, two developer loans transferred on the HAT have been paid off.

It is important to note that \$20.3 million of the loans receivable value has been written off as uncollectible, as shown in the asset balance in Table 2. This is because many of the loans are not payable unless a property is sold or other conditions are met.

## HOUSING ASSET FUND EXPENDITURES

HSC Section 34176.1 requires housing successors to provide a description of expenditures from the Housing Asset Fund by category, including expenditures for (A) monitoring and preserving the long-term affordability of units subject to affordability restrictions or covenants entered into by the redevelopment agency or the housing successor, (B) administering such activities, (C) homeless prevention and rapid rehousing services and (D) the development of affordable housing units for various income groups.

**Fiscal Year 2017-18 Housing Asset Fund Expenditures** **Table 4**  
**City of South San Francisco**

	Annual Limits 2017-18		Five-Year Limits January 1, 2014 - June 30, 2019		
	Admin/ Monitoring	Homeless Prevention	< 30% AMI Rental	31-59% AMI	60-80% AMI
FY 2013-14			\$0	\$0	\$0
FY 2014-15			\$0	\$0	\$0
FY 2015-16			\$0	\$0	\$0
FY 2016-17			\$0	\$0	\$0
FY 2017-18	\$90,093	\$0	\$0	\$0	\$0
<b>Total Expenditures</b>	<b>\$90,093</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
SB 341 Limitation	\$1,408,404	\$250,000	>30%	N/A	<20%
<b>Compliant (Yes/No)</b>	<b>Yes</b>	<b>Yes</b>	<b>Yes</b>	<b>Yes</b>	<b>Yes</b>

<sup>1</sup>Excludes special program expenses that are exempt from HSC 34176.1 requirements because they were paid from former redevelopment agency housing bond proceeds (Brookwood) or pursuant to a loan agreement that was executed prior to dissolution (636 El Camino Real).

Source: City of South San Francisco, Fund 241 Expenditure Status Report

As shown in Table 4, the Housing Successor had \$90,093 in administrative costs in Fiscal Year 2017-18, which is below the \$1,408,404 limit based on 5% of the portfolio balance of \$28,168,072. The Housing Successor is in compliance with all expenditure limits in Fiscal Year 2017-18.

## MONETARY TRANSFERS BETWEEN HOUSING SUCCESSORS

HSC Section 34176.1 requires that when two or more contiguous housing successors enter a joint venture, they provide (A) a description of any transfers made in the previous fiscal year and in earlier fiscal years and (B) a description of and status update on any project for which transferred funds have been or will be expended.

The Housing Successor has not entered into a joint venture with another housing successor. Therefore, it complies with this legal requirement.

## PROPERTY AND PROJECTIONS DESCRIPTION

At the time of dissolution, the former Agency transferred eight real properties, consisting of six properties and two plots of land under their respective buildings, to the Housing Successor. These properties were acquired for the purposes of furthering the development and preservation of low and moderate-income housing within the City.

## STATUS OF DISPOSITION AND DEVELOPMENT

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HSC Section 34176.1 requires that all real properties acquired by the former Agency prior to February 1, 2012 and transferred to the Housing Successor be developed pursuant to the requirements detailed in HSC Section 33334.16. Thus, all property that falls within in these parameters must be developed for affordable housing purposes within five years from the date DOF approved the HAT, which is August 31, 2017. The City meets this requirement because all properties transferred from the former Agency to the Housing Successor are already operated as affordable housing or have been sold.

When the City assumed the Agency's housing assets and functions, the former Agency transferred eight real estate property interests to the City, including four multifamily properties, two single family homes, and two parcels of land (land under existing buildings):

- 310 Miller – 311 Tamarack (APN 012-311-230)
- 312 Miller – 313 Tamarack (APN 012-311-240)
- 314 Miller (APN 012-311-250)
- 339 – 341 Commercial (APN 012-333-050)
- 714 – 718 Linden (APN 012-145-430)
- 380 Alta Vista (APN 013-232-170)
- 630 Baden (APN 012-241-230)
- 636 El Camino (APN 014-160-040)

**310 - 314 Miller (APNs 012-311-230, 240, & 250):** Three properties consisting of 13,000 square feet total were donated in May 2016 for \$1 to Rotary Plaza, Inc. for the development affordable multifamily housing. The property has 81 affordable units, which are to remain affordable for no less than 55 years.

**339 – 341 Commercial (APN 012-333-050):** This 2,500-square foot lot contains two duplexes. The City purchased the property in 1999 with funding from the former Agency, as well as HOME funds to mitigate the blighted property and create affordable housing units.

**714 – 718 Linden (APN 012-145-430):** A triplex sits on this 3,500-square foot lot located near the City’s Downtown core. The City initially helped the owner rehabilitate the property in return for charging affordable rents. In 2005, when the affordability restriction expired and the owner intended to sell the property, the City purchased the property with funding from the former Agency to preserve the affordability of the units.

**380 Alta Vista (APN 013-232-170):** A single-family home sits on this 9,100-square foot lot. It was initially purchased by the City to remove blighting conditions and illegal bedrooms in the home. The property was sold in October 2016 and \$1,016,276 in sales proceeds were deposited into the Housing Asset Fund. The funds will be used for affordable housing purposes, as required by law.

**630 Baden (APN 012-241-230):** The Housing Successor owns 95,309-square feet of land under the Magnolia Plaza Senior Apartments, a 125-unit affordable senior apartment complex. The City purchased the Magnolia/Baden property from a local school district using funding from the former Agency and leases the land to Magnolia Plaza Associates as affordable housing.

**636 El Camino (APN 014-160-040):** The Housing Successor owns 87,121-square feet of land under an affordable multifamily development operated by MidPen Housing. The former Agency entered into a \$9,988,434 loan agreement and ground lease with MP South City II, L.P. in March 2011 for the development of affordable units. The project consists of 108 affordable units, which are to remain affordable for no less than 75 years.

## **PROPERTY TAX REVENUE RECEIVED**

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HSC Section 34176.1 requires housing successors to provide a description of any project for which the housing successor receives or holds property tax revenue pursuant to the ROPS and the status of that project.

There are currently no enforceable obligations to the Housing Successor on the ROPS. Therefore, the Housing Successor did not receive or hold property tax revenue pursuant to the ROPS during Fiscal Year 2017-18, and none are anticipated in the future.

## **OUTSTANDING OBLIGATIONS**

HSC Section 34176.1 requires housing successors to describe (A) any outstanding obligations that were supposed to be transferred to the housing successor at the time of dissolution, (B) the housing successor’s progress in meeting those obligations, and (C) the housing successor’s plans to meet unmet obligations.

The Agency did not have an outstanding inclusionary or replacement housing obligations upon its dissolution as previously described.

## PROPORTIONALITY REQUIREMENTS FOR INCOME GROUPS

HSC Section 34176.1 limits Housing Asset Fund expenditures to lower income households earning 80% or less of the AMI. At least 30% of funds must be spent on rental housing for households earning 30% or less of the AMI and not more than 20% of the expenditures can be spent on households earning between 60% and 80% of the AMI. Failure to comply with the extremely low-income requirement in any five-year reporting period will result in the housing successor having to allocate 50% of its remaining funds to extremely low-income rental units until its expenditures comply with proportionality limits. If, at the end of any five-year period, the housing successor exceeds its spending limit for households earning between 60% and 80% of the AMI, it will not be able to spend additional funds on these income groups until its expenditures comply with proportionality limits.

As shown in Table 4, the Housing Successor had only administrative expenditures through Fiscal Year 2017-18 that are within the annual limits. With only administrative expenditures to report, the Housing Successor is, by default, compliant with the proportionality requirements of HSC Section 34176.1.

## SENIOR HOUSING

This report must include an accounting of deed-restricted senior rental units that were produced over the last 10 years. If more than 50% of the total aggregate number of rental units produced by the City, Authority, or former Agency during the past 10 years are restricted to seniors, the Housing Successor may not spend more Housing Asset Funds on senior rental housing.

As shown in Table 5, the City, Authority, and former Agency developed a total of 189 deed-restricted units, of which 81 (43%) are restricted to seniors. Therefore, the Housing Successor is below the limit allowing no more than 50% of the total aggregate number of rental units produced within the preceding ten years to be restricted to seniors.

**Deed-Restricted Rental Units Assisted since 2008-09** **Table 5**

**City of South San Francisco**

Project Name	Address	# Restricted Units	# Senior Restricted Units	Year Assisted	Covenant Term
310 Miller	310 Miller Ave.	81	81	2016	55 years
636 El Camino Real	636 El Camino Real	108	0	2011	75 years
<b>Total through 2017-18</b>		<b>189</b>	<b>81</b>		
<b>% Senior Units</b>			<b>43%</b>		
<b>Encumbered Units</b>					
418 Linden	418 Linden Ave. & 201-219 Grand Ave.	17	0	Encumbered 2018	
<b>Total Assisted and Encumbered</b>		<b>206</b>	<b>81</b>		
<b>% Senior Units</b>			<b>39%</b>		

## EXCESS SURPLUS

Housing successors are required to report (A) the amount of any excess surplus, (B) the amount of time that the successor agency has had the excess surplus, and (C) the housing successor’s plan for eliminating the excess surplus. Excess surplus is defined by HSC Section 34176.1(d) as “an unencumbered amount in the account that exceeds the greater of one million dollars, or the aggregate amount deposited into the account during the housing successor’s preceding four fiscal years, whichever is greater.”

Excess surplus calculations were once performed by redevelopment agencies on an annual basis and were intended to ensure that funds are expended to benefit low-income households in a timely manner. SB 341 reinstates this calculation for housing successors.

According to HSC Section 34176.1 , if there is an excess surplus in the Housing Asset Fund, the Housing Successor Agency must expend or encumber excess surplus within three fiscal years. If the Housing Successor Agency fails to comply, it must transfer any excess surplus to HCD within 90 days of the end of the third fiscal year.

The Housing Asset Fund does not have an excess surplus for Fiscal Year 2017-18, as shown in Table 6. Although the difference between the ending cash balance and the prior four years of deposits is \$2,441,946, the Housing Successor has agreements with ROEM Development Corporation committing \$2,450,000 in Housing Asset Funds to develop 201 Grand Avenue and 418 Linden Avenue with affordable housing, leaving no excess surplus.

<b>Excess Surplus Calculation</b>				<b>Table 6</b>
<b>City of South San Francisco</b>				
Fiscal Year	Aggregate Deposits	Ending Cash Balance	Encumbrances	Estimated Excess Surplus
2012-13	\$ 235,138	\$ -		n/a
2013-14	\$ 250,122	\$ -		n/a
2014-15	\$ 332,035	\$ -		n/a
2015-16	\$ 300,534	\$ -		n/a
2016-17	\$ 1,404,416	\$ 3,559,775	\$ 2,450,000	\$ -
Deposits FYE 2013-2016				\$ 1,117,829
Cash Balance as of 6/30/17				\$ 3,559,775
Balance Less Deposits FYE 2013-2016				\$ 2,441,946
Encumbrance for ROEM Project				\$ 2,450,000
<b>Excess Surplus as of 6/30/17</b>				<b>\$ -</b>

Source: City of South San Francisco, Fund 241 Accounting Records

## INVENTORY OF HOMEOWNERSHIP UNITS

Assembly Bill 1793 (“AB 1793”), added requirements to the SB 341 Report, requires the annual reporting of any homeownership units assisted by the Housing Successor that require restrictions, covenants, or an adopted program that protects Housing Asset Fund monies.

The Housing Successor assists 70 homeownership units. The inventory is shown in Table 7.

**Homeownership Unit Inventory** **Table 7**  
**City of South San Francisco**

<b>Property Address</b>	<b># Units</b>	<b>Covenant Term (Yrs.)</b>	<b>Covenant Expires</b>
1 Manday Place # 802	1	25	3/21/2035
1488 ECR #101	1	55	2/8/2064
1488 ECR #104	1	55	3/24/2064
1488 ECR #106	1	55	5/1/2067
1488 ECR #115	1	55	8/21/2064
1488 ECR #202	1	55	11/18/2064
1488 ECR #205	1	55	6/16/2064
1488 ECR #210	1	55	7/14/2064
1488 ECR #214	1	55	7/21/2064
1488 ECR #216	1	55	10/16/2064
1488 ECR #217	1	55	6/30/2064
1488 ECR #220	1	55	6/30/2064
1488 ECR #223	1	55	3/16/2065
1488 ECR #304	1	55	11/10/2064
1488 ECR #313	1	55	12/9/2064
1488 ECR #314	1	55	10/25/2064
2 Farm Road	1	55	11/13/2058
2200 Gellert Blvd #6103	1	30	7/21/2039
2200 Gellert Blvd #6109	1	30	11/1/2036
2200 Gellert Blvd #6111	1	30	11/1/2036
2200 Gellert Blvd #6203	1	30	3/2/2037
2200 Gellert Blvd #6205	1	30	2/10/2037
2200 Gellert Blvd #6207	1	30	11/3/2036
2210 Gellert Blvd #5101	1	45	10/1/2054
2210 Gellert Blvd #5103	1	30	1/30/2037
2210 Gellert Blvd #5105	1	30	1/30/2007
2210 Gellert Blvd #5107	1	30	7/19/2037
2210 Gellert Blvd #5111	1	30	1/30/2037
2210 Gellert Blvd #5203	1	30	1/30/2038
2210 Gellert Blvd #5205	1	30	4/19/2037

**Homeownership Unit Inventory (continued)**  
**City of South San Francisco**

**Table 7**

<b>Property Address</b>	<b># Units</b>	<b>Covenant Term (Yrs.)</b>	<b>Covenant Expires</b>
2210 Gellert Blvd #5209	1	30	1/30/2037
2210 Gellert Blvd #5211	1	30	1/30/2037
2210 Gellert Blvd #5303	1	30	4/11/2037
2210 Gellert Blvd #5309	1	30	1/30/2037
2220 Gellert Blvd #4101	1	30	6/10/2037
2220 Gellert Blvd #4103	1	30	10/3/2037
2220 Gellert Blvd #4107	1	30	6/8/2037
2220 Gellert Blvd #4111	1	30	6/14/2037
2220 Gellert Blvd #4205	1	30	7/29/1905
2220 Gellert Blvd #4211	1	30	5/26/2037
2220 Gellert Blvd #4309	1	30	7/17/2037
2230 Gellert Blvd #3103	1	30	2/25/2038
2230 Gellert Blvd #3105	1	30	12/31/2037
2230 Gellert Blvd #3107	1	30	12/3/2037
2230 Gellert Blvd #3109	1	30	12/10/2037
2230 Gellert Blvd #3203	1	30	12/10/2037
2230 Gellert Blvd #3205	1	30	6/10/2037
2230 Gellert Blvd #3209	1	30	1/8/2038
2230 Gellert Blvd #4109	1	30	12/3/2037
2250 Gellert Blvd #2101	1	30	9/25/2038
2250 Gellert Blvd #2103	1	30	10/6/2038
2250 Gellert Blvd #2107	1	30	8/29/2063
2250 Gellert Blvd #2111	1	30	3/6/2039
2250 Gellert Blvd #2203	1	30	10/6/2038
2250 Gellert Blvd #2303	1	30	10/6/2038
2260 Gellert Blvd #1107	1	30	11/12/2043
2260 Gellert Blvd #1111	1	30	7/31/1905
2260 Gellert Blvd #1207	1	30	5/18/2039
260 Hillside Blvd	1	55	1/24/2058
3775 Radburn Drive	1	30	2/15/2034
3855 Carter Drive #203	1	25	9/1/2034
438 Commercial Ave	1	55	6/30/2060
440 Commercial Ave	1	55	6/30/2060
441 2nd Lane	1	55	6/30/2060
443 2nd Lane	1	55	6/30/2060
56 Farm Road	1	55	1/19/2061
61 Farm Court	1	30	7/25/1905
936 Commercial Ave	1	30	11/10/2041
942 Mission Road	1	25	4/21/2035
958 Commercial Ave	1	55	8/25/2064

\*This affordable homeowner unit inventory should be limited to units assisted by the former RDA or Housing Successor. This list was prepared based on housing compliance records, but further research is being conducted to determine exactly which units were assisted by the former RDA or Housing Successor.



**APPENDIX A – HOUSING ASSET TRANSFER FORM**

**DEPARTMENT OF FINANCE  
HOUSING ASSETS LIST  
ASSEMBLY BILL X1 26 AND ASSEMBLY BILL 1484  
(Health and Safety Code Section 34176)**

Former Redevelopment Agency: South San Francisco

Successor Agency to the Former Redevelopment Agency: South San Francisco

Entity Assuming the Housing Functions of the former Redevelopment Agency: South San Francisco

Entity Assuming the Housing Functions Contact Name: Armando Sanchez Title Redevelopment Consultant Phone 650-877-8667 E-Mail Address [Armando.Sanchez@ssf.net](mailto:Armando.Sanchez@ssf.net)

Entity Assuming the Housing Functions Contact Name: Marty VanDuyn Title Assistant City Manager Phone 650-877-8500 E-Mail Address [Marty.VanDuyn@ssf.net](mailto:Marty.VanDuyn@ssf.net)

All assets transferred to the entity assuming the housing functions between February 1, 2012 and the date the exhibits were created are included in this housing assets list. The following Exhibits noted with an X in the box are included as part of this inventory of housing assets:

- Exhibit A - Real Property
- Exhibit B- Personal Property
- Exhibit C - Low-Mod Encumbrances
- Exhibit D - Loans/Grants Receivables
- Exhibit E - Rents/Operations
- Exhibit F- Rents
- Exhibit G - Deferrals

<b>X</b>
<b>X</b>
<b>X</b>
<b>X</b>
<b>X</b>
<b>X</b>
<b>X</b>
<b>X</b>
<b>X</b>
<b>X</b>

Prepared By: **Kate Rosenlieb**

Date Prepared: **July 31, 2012**

**City of South San Francisco  
Inventory of Assets Received Pursuant to Health and Safety Code section 34176 (a) (2)**

Item #	Type of Asset a/	Legal Title and Description	Carrying Value of Asset	Total square footage	Square footage reserved for low-mod housing	Is the property encumbered by a low-mod housing covenant?	Source of low-mod housing covenant b/	Date of transfer to Housing Successor Agency	Construction or acquisition cost funded with Low-Mod Housing Fund monies	Construction or acquisition costs funded with other RDA funds	Construction or acquisition costs funded with non-RDA funds	Date of construction or acquisition by the former RDA	Interest in real property (option to purchase, easement, etc.)
1	Low mod housing	APN 012311240 address 312 Miller - 313 Tamarack 4-plex	717,183	6,000	6,000	No	N/A	2/1/12 [1] (via Resolution 08-2012 when the City Council opted to become the Successor Housing Agency)	715,000	0	269,000	City (not former RDA) acquired property on 5/24/2004 [1]	Fee simple
2	Low mod housing	APN 012333050 address 339-341 Commercial Ave 4-plex	804,086	3,500	3,500	No	N/A	2/1/12 [2] (via Resolution 08-2012 when the City Council opted to become the Successor Housing Agency)	107,500	0	322,300	8/1/2001	Fee simple
3	Low mod housing	APN 012311230 address 310 Miller - 311 Tamarack tri-plex	586,309	3,500	3,500	No	N/A	2/1/12 [2] (via Resolution 08-2012 when the City Council opted to become the Successor Housing Agency)	589,000	0	85,000	10/12/2004	Fee simple
4	Low mod housing	APN 012311250 address 314 Miller Single Family	669,896	3,500	3,500	No	N/A	2/1/12 [2] (via Resolution 08-2012 when the City Council opted to become the Successor Housing Agency)	679,950	0	0	1/24/2008	Fee simple
5	Low mod housing	APN 012145430 address 714-718 Linden 4-plex	755,118	4,500	4,500	No	N/A	2/1/12 [2] (via Resolution 08-2012 when the City Council opted to become the Successor Housing Agency)	862,000	0	0	10/1/2005	Fee simple
6	Low mod housing	APN 013232170 address 380 Alta Vista single family	683,080	9,100	9,100	No	N/A	2/1/12 [2] (via Resolution 08-2012 when the City Council opted to become the Successor Housing Agency)	1,035,000	0	0	4/29/2005	Fee simple
7	Low mod housing	APN 012241230 address 630 Baden land under 125 unit Magnolia Senior Apartments	948,244	95,309	95,309	Yes	California Redevmt. Law / Bond Covenants	2/1/12 [3] (via Resolution 08-2012 when the City Council opted to become the Successor Housing Agency)	1,250,795	0	Non-profit housing developer contributed approx. \$12.0M to the building construction	1/17/1986	City owns land and leases land to the non-profit housing developer who owns and manages the housing units
8	Low mod housing with commercial space	APN 014160040 address 636 El Camino land under 109 unit Affordable Housing over 4,600 sqft of 1st floor commercial space	Land Value of 4,470,000 no valuation on leasehold interest in 4,600 sqft of unfinished commercial space at this time	87,121	87,121	Yes	California Redevmt. Law / Tax Credits	2/1/12 [3] (via Resolution 08-2012 when the City Council opted to become the Successor Housing Agency)	8,767,474	5,690,960	Non-profit housing developer contributed approx. \$34.3M to the building construction	3/11/2011	City owns land and has leasehold interest in the commercial sqft. A non-profit housing developer owns and manages the housing units

Note: As the Housing Successor, as of 2/1/12, the City became the beneficiary under and the holder of security interests and deed restrictions pursuant to deeds of trust and regulatory agreements recorded in connection with the loans listed on Exhibit D.

[1] Grant deed says City owned - This property was always reported as RDA owned but due to an error, the grant deed has always reflected it was City owned.

[2] These properties were deeded from the RDA to the City on 3/11/11 and as of 2/1/12 are held by the City in its capacity as Housing Successor.

[3] These properties transferred to the City as Housing Successor by operation of law as of 2/1/12.

a/ Asset types may include low-mod housing, mixed-income housing, low-mod housing with commercial space, mixed-income housing with commercial space.

b/ May include California Redevelopment Law, tax credits, state bond indentures, and federal funds requirements.

Exhibit B - Personal Property

**City of South San Francisco**  
**Inventory of Assets Received Pursuant to Health and Safety Code section 34176 (a) (2)**

Item #	Type of Asset a/	Description	Carrying Value of Asset	Date of transfer to Housing Successor Agency	Acquisition cost funded with Low-Mod Housing Fund monies	Acquisition costs funded with other RDA funds	Acquisition costs funded with non-RDA funds	Date of acquisition by the former RDA
1	Appliances (located in Exhibit A properties, items 1 through 6)	stoves and refrigerators in these 6 properties	\$0 carrying value on books, but market value approximately \$6,400	2/1/12 (via Resolution 08-2012 when the City Council opted to become the Successor Housing Agency)	N/A	N/A	N/A	N/A

a/ Asset types any personal property provided in residences, including furniture and appliances, all housing-related files and loan documents, office supplies, software licenses, and mapping programs, that were acquired for low and moderate income housing purposes, either by purchase or through a loan, in whole or in part, with any source of funds.

**City of South San Francisco**  
**Inventory of Assets Received Pursuant to Health and Safety Code section 34176 (a) (2)**

Item #	Type of housing built or acquired with enforceably obligated funds a/	Date contract for Enforceable Obligation was executed	Contractual counterparty	Total amount currently owed for the Enforceable Obligation	Is the property encumbered by a low-mod housing covenant?	Source of low-mod housing covenant b/	Current owner of the property	Construction or acquisition cost funded with Low-Mod Housing Fund monies	Construction or acquisition costs funded with other RDA funds	Construction or acquisition costs funded with non-RDA funds	Date of construction or acquisition of the property
1	Low mod housing is planned to be built or acquired	1999 was the year the housing bonds were sold. Pending Oversight Board approval, this obligation will be shown on the ROPS for Jan-June 2013.	Bondholders	Remaining housing bond balance is \$2,381,531.91 which is adjusted quarterly for interest earnings	Not at this time-site to invest these housing bonds funds not yet selected	N/A	Site not selected yet	Remaining housing bond balance is \$2,381,531.91 which is adjusted quarterly for interest earnings	To be determined	To be determined	Remaining housing bond proceeds to be shown as a cost on the next ROPS so actual construction or acquisition to occur between Jan and June 2013

a/ May include low-mod housing, mixed-income housing, low-mod housing with commercial space, mixed-income housing with commercial space.

b/ May include California Redevelopment Law, tax credits, state bond indentures, and federal funds requirements.

**City of South San Francisco**  
**Inventory of Assets Received Pursuant to Health and Safety Code section 34176 (a) (2)**

Item #	Was the Low-Mod Housing Fund amount issued for a loan or a grant?	Amount of the loan or grant	Date the loan or grant was issued	Person or entity to whom the loan or grant was issued	Purpose for which the funds were loaned or granted	Are there contractual requirements specifying the purposes for which the funds may be used?	Repayment date, if the funds are for a loan	Interest rate of loan	Current outstanding loan balance (as of June 30, 2012)
1	Loan	50,000.00	6/15/2007	Agatep/Tan	1st time homebuyer	Yes	6/15/2037	4%	50,000.00
2	Loan	50,000.00	2/15/2004	Andersen	1st time homebuyer	Yes	2/15/2034	4%	46,176.85
3	Loan	40,000.00	2/23/2009	Cardenas	1st time homebuyer	Yes	2/23/2039	4%	40,000.00
4	Loan	25,000.00	12/21/2007	Cheng	1st time homebuyer	Yes	12/21/2037	4%	25,000.00
5	Loan	41,000.00	1/10/2003	Clemente	1st time homebuyer	Yes	1/10/2033	4%	36,238.13
6	Loan	50,000.00	10/28/2003	Fong	1st time homebuyer	Yes	10/28/2033	4%	48,193.48
7	Loan	50,000.00	12/21/2007	Gregory	1st time homebuyer	Yes	12/21/2037	4%	50,000.00
8	Loan	40,000.00	4/15/2009	Hai	1st time homebuyer	Yes	4/15/2039	4%	40,000.00
9	Loan	48,814.43	1/26/2006	Hankins	1st time homebuyer	Yes	4/1/2038	4%	48,814.43
10	Loan	100,000.00	7/1/2009	Junghee	1st time homebuyer	Yes	7/1/2039	4%	100,000.00
11	Loan	50,000.00	9/11/2008	Lagomarsino	1st time homebuyer	Yes	9/11/2038	4%	50,000.00
12	Loan	50,000.00	12/21/2007	Lau	1st time homebuyer	Yes	12/21/2037	4%	50,000.00
13	Loan	50,000.00	8/26/2009	McFarland	1st time homebuyer	Yes	8/26/2039	4%	50,000.00
14	Loan	50,000.00	6/15/2007	Nono	1st time homebuyer	Yes	6/15/2037	4%	50,000.00
15	Loan	50,000.00	6/29/2004	Ong	1st time homebuyer	Yes	6/29/2037	4%	50,000.00
16	Loan	50,000.00	4/13/2007	Pablo	1st time homebuyer	Yes	4/13/2037	4%	50,000.00
17	Loan	50,000.00	3/21/2005	Parivar	1st time homebuyer	Yes	3/21/2035	4%	47,150.75
18	Loan	50,000.00	11/7/2003	Stone	1st time homebuyer	Yes	11/7/2033	4%	47,947.21
19	Loan	50,000.00	8/27/2004	Tong & Lam	1st time homebuyer	Yes	8/27/2034	4%	46,519.33
20	Loan	50,000.00	12/7/2009	Tribby	1st time homebuyer	Yes	12/7/2039	4%	50,000.00
21	Loan	85,000.00	2/24/2009	Tsao	1st time homebuyer	Yes	2/24/2039	4%	85,000.00
22	Loan	3,401,795.41	5/31/2001	Bridge Housing-Chestnut Creek	Dev loan for low/mod	Yes	5/31/2056	3%	3,401,795.41
23	Loan	3,700,000.00	10/28/2005	Bridge Housing-Oak & Grand Hsng	Dev loan for low/mod	Yes	10/28/2060	3%	2,828,122.00
24	Loan	500,000.00	7/28/1998	Grand Hotel - 54	Dev loan for low/mod	Yes	7/30/2029	4%	391,519.34
25	Loan	400,000.00	7/28/1998	Grand Hotel - 55	Dev loan for low/mod	Yes	7/30/2029	3%	321,911.60
26	Loan	1,795,985.00	5/30/2007	HIP Housing Loan - Commercial Ave	Dev loan for low/mod	Yes	5/30/2062	3%	1,795,985.00
27	Loan	827,293.56	3/27/1996	Martin Metro	Dev loan for low/mod	Yes	2/25/2029	3%	827,293.56
28	Loan	88,000.00	4/15/2009	Martin Metro	Dev loan for low/mod	Yes	4/15/2014	4%	18,990.00
29	Loan	615,000.00	1/4/1999	Mid Pen - 383 Susie Way	Dev loan for low/mod	Yes	1/4/2039	3%	615,000.00
30	Loan [1]	9,988,434.09	3/11/2011	Mid Pen - 636 El Camino Real	Dev loan for low/mod	Yes	3/11/2066	3%	9,988,434.09
31	Loan	3,500,000.00	1/4/1999	Mid Peninsula Housing-Willow	Dev loan for low/mod	Yes	1/4/2039	3%	2,491,572.14
32	Loan	120,000.00	3/3/1989	Mid Peninsula-Belle Haven, Inc.	Dev loan for low/mod	Yes	upon sale	0%	120,000.00
33	Loan	940,000.00	9/30/1998	MP Greenridge	Dev loan for low/mod	Yes	9/30/2038	3%	711,467.91

[1] This loan amount includes \$5,690,960 that came from 80% tax increment (see Exhibit A, item 8).

**City of South San Francisco**  
**Inventory of Assets Received Pursuant to Health and Safety Code section 34176 (a) (2)**

Item #	Type of payment a/	Type of property with which they payments are associated b/	Property owner	Entity that collects the payments	Entity to which the collected payments are ultimately remitted	Purpose for which the payments are used	Is the property encumbered by a low-mod housing covenant?	Source of low-mod housing covenant c/	Item # from Exhibit A the rent/operation is associated with (if applicable)
1	Land Rent	Low mod housing	City owns land and leases land to the non-profit housing developer who owns and manages the housing units	City	City	Future affordable housing dev	Yes	California Redevelopment Law / Bond Covenants	7
									Item # from Exhibit D
2	1st time homebuyer loan repymt.	Low mod housing	Andersen	City	City	Future affordable housing dev	No	N/A	2
3	1st time homebuyer loan repymt.	Low mod housing	Clemente	City	City	Future affordable housing dev	Yes	Calif. Redev. Law	5
4	1st time homebuyer loan repymt.	Low mod housing	Fong	City	City	Future affordable housing dev	Yes	Calif. Redev. Law	6
5	1st time homebuyer loan repymt.	Low mod housing	Parivar	City	City	Future affordable housing dev	No	N/A	17
6	1st time homebuyer loan repymt.	Low mod housing	Stone	City	City	Future affordable housing dev	No	N/A	18
7	1st time homebuyer loan repymt.	Low mod housing	Tong & Lam	City	City	Future affordable housing dev	No	N/A	19
8	Developer loan repymt.for low/mod	Low mod housing	Grand Hotel - 54	City	City	Future affordable housing dev	Yes	Calif. Redev. Law	24
9	Developer loan repymt.for low/mod	Low mod housing	Grand Hotel - 55	City	City	Future affordable housing dev	Yes	Calif. Redev. Law	25

Note: This Exhibit indicates properties with mixed ownership and properties owned by others that began to produce rental revenues and loan repayments to the housing successor agency as of 2/1/12.

a/ May include revenues from rents, operation of properties, residual receipt payments from developers, conditional grant repayments, costs savings and proceeds from refinancing, and principal and interest payments from homebuyers subject to enforceable income limits.

b/ May include low-mod housing, mixed-income housing, low-mod housing with commercial space, mixed-income housing with commercial space.

c/ May include California Redevelopment Law, tax credits, state bond indentures, and federal funds requirements.

**City of South San Francisco**  
**Inventory of Assets Received Pursuant to Health and Safety Code section 34176 (a) (2)**

Item #	Type of payment a/	Type of property with which the payments are associated b/	Property owner	Entity that collects the payments	Entity to which the collected payments are ultimately remitted	Purpose for which the payments are used	Is the property encumbered by a low-mod housing covenant?	Source of low-mod housing covenant c/	Item # from Exhibit A the rent is associated with (if applicable)
1	Rent	Low mod housing	City	City	City	property operating costs	No	N/A	1
2	Rent	Low mod housing	City	City	City	property operating costs	No	N/A	2
3	Rent	Low mod housing	City	City	City	property operating costs	No	N/A	3
4	Rent	Low mod housing	City	City	City	property operating costs	No	N/A	4
5	Rent	Low mod housing	City	City	City	property operating costs	No	N/A	5
6	Rent	Low mod housing	City	City	City	property operating costs	No	N/A	6

Note: This Exhibit indicates properties owned by the housing successor agency that began to produce rental revenues to the housing successor agency as of 2/1/12.

a/ May include rents or home loan payments.

b/ May include low-mod housing, mixed-income housing, low-mod housing with commercial space, mixed-income housing with commercial space.

c/ May include California Redevelopment Law, tax credits, state bond indentures, and federal funds requirements.