



City of South San Francisco

City Council

Resolution: RES 187-2023

P.O. Box 711 (City Hall, 400
Grand Avenue)
South San Francisco, CA

File Number: 23-1065

Enactment Number: RES 187-2023

RESOLUTION COMMITTING \$1,076,383 IN LOW/MOD-INCOME HOUSING ASSET FUNDS (FUND 241) AND \$556,789 IN STATE PERMANENT LOCAL HOUSING ALLOCATION FUNDS TO THE ROTARY GARDENS AFFORDABLE HOUSING DEVELOPMENT PROJECT AT 500 AND 522 LINDEN AND AUTHORIZING STAFF TO NEGOTIATE LOANS EFFECTUATING THE COMMITMENT. (DANIELLE THOE, HOUSING MANAGER)

WHEREAS, the local Rotary Club and its development partner, Beacon Development, have submitted a formal written request to the City for approximately \$7.5 million in funding to support a two-phase affordable housing project at 500 and 522 Linden; and

WHEREAS, the first phase includes an 83-unit senior affordable housing building, and the second phase is anticipated to include a 65-unit family building; and

WHEREAS, Rotary and Beacon have not advanced phase two design yet due to a lack of pre-development funding and project timing constraints; and

WHEREAS, Rotary and Beacon's proposed project, known as Rotary Gardens, is the only affordable housing project in the City's development pipeline that has not received a local commitment of funds; and

WHEREAS, the City's Low/Mod-Income Housing Asset Fund (Fund 241), which includes funds from the City's former Redevelopment Agency and is regulated by State Senate Bill 341, has an excess surplus of \$1,076,383 that must be encumbered by Fiscal Year 2024-2025; and

WHEREAS, this excess surplus may not be spent on senior housing; and

WHEREAS, the City is the recipient of a five-year State entitlement grant known as the Permanent Local Housing Allocation (PLHA) for which the first two years of funds, collectively \$556,789, must be spent by April 1, 2023, and April 1, 2024; and

WHEREAS, providing funding to affordable housing projects early in their predevelopment journey shows that the City is committed to the success of the project and provides early low-cost capital that the development team can leverage to secure additional funding for the project; and

WHEREAS, the City wishes to commit these expiring funds to the Rotary Gardens project, with \$1,076,383 from the Housing Asset Fund supporting the 65-unit family building and \$556,789 in PLHA funds supporting the 83-unit senior affordable housing building.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of South San Francisco that the City Council does hereby commit these expiring funds to the Rotary Gardens project, with \$1,076,383 from the Housing Asset Fund (Fund 241) supporting the 65-unit family building and \$556,789 in PLHA funds (Years 1 and 2 allocation) supporting the 83-unit senior affordable.

BE IT FURTHER RESOLVED that:

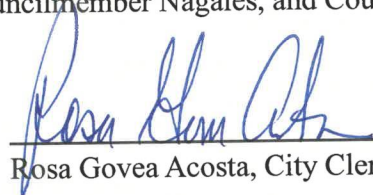
1. The foregoing recitals are true and correct and incorporated herein as part of this Resolution; and
2. That staff are directed to negotiate loan agreements effectuating this commitment and return to Council for final budgetary appropriations and loan approval.

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At a meeting of the City Council on 12/13/2023, a motion was made by Councilmember Nicolas, seconded by Councilmember Nagales, that this Resolution be approved. The motion passed.

Yes: 5 Mayor Coleman, Vice Mayor Flores, Councilmember Addiego,
Councilmember Nagales, and Councilmember Nicolas

Attest by



Rosa Govea Acosta, City Clerk