



**COUNTY OF SAN MATEO**  
Inter-Departmental Correspondence  
Department of Housing



**Date:** August 10, 2012  
**Board Meeting Date:** August 28, 2012  
**Special Notice / Hearing:** None  
**Vote Required:** Majority

**To:** Honorable Board of Supervisors (Sitting as the Board of Commissioners of the Housing Authority)  
**From:** Duane Bay, Director, Department of Housing  
William Lowell, Executive Director, Housing Authority  
**Subject:** Property Transfer Agreement and Acceptance of Property for Assessor's Parcel Number 056-210-340 on Main Street and Arnold Way in the City of Half Moon Bay.

**RECOMMENDATION:**

Acting as the Governing Board of the Commissioners of the Housing Authority, adopt a resolution authorizing the Executive Director of the Housing Authority of the County of San Mateo or the Executive Director's designee to:

- A) Execute a multi-party agreement with Senior Coastsiders, Coastsides Adult Day Health Center, Coastsides Senior Housing Limited Partners, the County, and the Housing Authority of the County of San Mateo, transferring ownership of Assessor's Parcel Number 056-210-340 on Main Street and Arnold Way in the City of Half Moon Bay to the Housing Authority of the County of San Mateo to facilitate development and long-term stewardship of affordable senior housing and senior services; and
- B) Execute a Certificate of Acceptance of Assessor's Parcel Number 056-210-340 on Main Street and Arnold Way in the City of Half Moon Bay, California

**BACKGROUND:**

As part of a collaborative effort to develop a cluster of senior services and affordable housing units in Half Moon Bay, the Coastsides Senior Housing Project, located at 925 Main Street, Half Moon Bay, California ("Project") will be a mixed-use development consisting of 40 units of affordable senior housing, ground floor program spaces for senior services and a senior center. Over three fiscal years, the County of San Mateo has committed a total of \$3 million of CDBG and HOME funds toward the housing component of the Project.

The present co-owners of this currently vacant site, Senior Coastsiders and Coastside Adult Day Health Center, purchased the land in 2011 with \$300,000 in CDBG funding provided by the County Department of Housing ("DOH"). The co-owners subsequently approached Mercy Housing California, a nonprofit housing developer, and Lesley Senior Communities, a nonprofit housing organization, to assist in the development of the Project. A limited partnership, Coastside Senior Housing Limited Partners ("LP"), has been formed by Mercy Housing California and Lesley Senior Communities, to develop and own the improvements to the property. Senior Coastsiders and Coastside Adult Day Health Center have executed an option with the LP to ground lease the land under a long-term lease, build the complex, and sub-lease the program spaces back to Senior Coastsiders and Coastside Adult Day Health Center, which will provide an array of senior services on the ground floor level of the Project. The LP was recently awarded tax credits and expects to begin construction of the Project in October 2012.

**DISCUSSION:**

The present co-owners of this currently vacant site have engaged in discussions with the Housing Authority, DOH, and LP regarding the desirability of long term stewardship of the site by the Housing Authority. It has been mutually agreed that Housing Authority ownership of the land will help assure long term affordability of the housing units as well as retention of the affordable senior housing and senior-serving spaces. The Agreement provides for transfer of ownership of the site to the Housing Authority, in consideration for cancellation of the \$300,000 CDBG property purchase loan made to the co-owners by the County. This transfer of ownership will take place concurrently with the Project's construction loan closing. In addition, the Agreement provides for the Housing Authority to assume the option with the LP and to ground lease the land to the LP under a long-term lease. The LP will build the complex, retain ownership of the improvements, and sub-lease the program spaces back to Senior Coastsiders and Coastside Adult Day Health Center.

County Counsel has reviewed and approved the Resolution as to form.

Approval of this Resolution contributes to the Shared Vision 2025 outcome of a Livable Community by promoting affordable, livable and connected communities.

**FISCAL IMPACT:**

There is no Net County Cost associated with this action.