

FY 2009-10 AND FY 2010-11
ANNUAL AFFORDABLE HOUSING TRUST FUND REPORT

In December 2004, the City of San Leandro amended the Zoning Code by adopting Article 30, the Inclusionary Housing Ordinance ("Ordinance"). The purpose of the Ordinance is to encourage the development and availability of housing affordable to a broad range of households with varying income levels within the City, to increase the supply of affordable ownership and rental housing in San Leandro, and to require that residential developers construct affordable housing units within their projects.

For ownership residential developments with two to six total units, the requirements of the Ordinance may be satisfied alternatively by having developers pay an in-lieu fee to the City's Affordable Housing Trust Fund ("Fund"). The Fund is an account established to collect and expend such in-lieu fees for the purpose of furthering affordable housing as described in the Ordinance. The Fund includes revenue from condominium conversion fees. This Fund is distinct and segregated from the other major source of revenue, the Redevelopment Set Aside Fund, that the City uses to develop affordable housing.

Monies deposited in the Fund must be used to increase and improve the supply of housing affordable to moderate-, low-, and very low-income households in the City. Monies may also be used to cover reasonable administrative or related expenses associated with the administration of this Ordinance.

For FY 2009-10, the Fund's revenue balance as of June 30, 2010 was \$65,967.40. In FY 09-10, an in-lieu fee of \$3,863 was collected for a property at 2370, 2372 and 2374 Marina Blvd., three new residential units built to be condominiums. Also in that fiscal year, interest accrued totaling \$981.00. A minimal cost for Chinese translation of a public notice was incurred for FY 09-10, too. For FY 2010-11, the Fund's balance was \$66,486.40 as of June 30, 2011. In FY 10-11, interest accrued totaling \$519.00. No project-related disbursements were made from the Fund for FY 09-10 or FY 10-11.

The only affordable units that have been built with the Fund's monies since the inception of the Fund is Estabrook Place, an affordable senior rental housing development with 51 below-market rate units, 50 of which serve very low-income seniors while one unit is reserved for an on-site manager. Funds were disbursed for this project in FY 2007-08.

The City is required to have the City Council review this annual report and make it available to the public after public notice has been given. This report shall include a statement of income, expenses, disbursements and other uses of the Fund. This report should also state the number and type of inclusionary units constructed or assisted during the year of the report and the amount of such assistance.

Below is a table reflecting the revenue, expenditures and ending balance:

| | BEGINNING BALANCE AS OF JULY 1 | REVENUE FROM CURRENT FISCAL YEAR | EXPENDITURES | ENDING BALANCE AS OF JUNE 30 |
|----------|-----------------------------------|--|--------------|---------------------------------|
| FY 08-09 | \$ 47,505.40 | \$ 13,659.00 | \$ - | \$ 61,164.40 |
| FY 09-10 | \$ 61,164.40 | \$ 4,844.00 | \$ 41.00 | \$ 65,967.40 |
| FY 10-11 | \$ 65,967.40 | \$ 519.00 | \$ - | \$ 66,486.40 |