

Memorandum

TO: HONORABLE MAYOR
AND CITY COUNCIL

FROM: Jacky Morales-Ferrand

SUBJECT: SEE BELOW

DATE: February 14, 2022

Approved

Date

Jacky Morales-Ferrand

2/14/2022

SUPPLEMENTAL

**SUBJECT: PROPOSED CHANGES TO THE ALLOCATION AND CATEGORY
NAMES OF MEASURE E REAL PROPERTY TRANSFER TAXES**

REASON FOR SUPPLEMENTAL

Staff is providing preliminary data regarding funding requests from the developer community for the construction of new affordable housing.

BACKGROUND

On December 20, 2021, the Housing Department released a Notice of Funding Availability (NOFA) for \$150 million for the development of new affordable housing throughout the City of San José. The submission deadline was February 9, 2022 and staff has quickly compiled preliminary high-level data for review.

ANALYSIS

Staff has completed a preliminary review of developer submissions to the NOFA posted on December 20, 2021. Nineteen developments submitted by fifteen developers are requesting a total of \$241 million dollars in funding. The NOFA was oversubscribed by \$91 million which demonstrates a strong pipeline in San José for affordable housing development. If all developments were funded at the requested levels, 2,275 affordable apartments would become available for the community with an average subsidy per unit of \$206,000. A range of populations will be served including housing for previously homeless, seniors and families. For a list of proposed developments, developer, target population, number of units, neighborhood category per the Affordable Housing Siting Policy, and the funding requests, please see **Attachment A**.

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The Housing Department has been working to develop an Affordable Housing Siting Policy with that will encourage additional investment in opportunity neighborhoods. The City Council directed the Housing Department to evaluate this NOFA based on the staff proposal of neighborhood definitions while adding the Mayor's Gang Prevention Task Force Hot Spots to the Category 3. Of the nineteen developments that applied for funding, three are located in category one, twelve are in category two, and four are in category three. A map indicating where within the City of San José these proposed developments are located can be found as **Attachment B.**

/s/

JACKY MORALES-FERRAND

Director, Housing Department

The principal author of this memorandum is Shelsy Bass, Senior Development Officer. For questions, please contact Rachel VanderVeen, Deputy Director, at (408) 535-8231.

Attachment A: San José NOFA Round 2 Initial Submittals

Attachment B: Siting Policy Map of NOFA Applicants

Attachment A: San José NOFA Round 2 Initial Submittals

San Jose 2021 NOFA Initial Submittals						
Developer	Project Name	Target Population	Council District	Neighborhood Category	# of Units	Amount of Funds Requested
Maracor	2350 Bascom	Families	9	1	123	\$12,300,000
Golden West	2880 Alum Rock	Families	5	2	164	\$8,900,000
SAHA	501 S Almaden	Seniors	3	2	86	\$10,625,000
CDP	525 N Capitol	PSH/Families	5	2	160	\$15,000,000
Charities	551 Keyes	PSH/Families	3	3	99	\$9,675,885
Danco	777 W San Carlos	PSH/Families	6	2	154	\$19,125,000
RCD	797 Almaden	PSH/Families	3	3	99	\$12,250,000
Affirmed	Almaden Apartments	PSH/Seniors	6	2	80	\$9,750,000
Charities	Alum Rock Multifamily	PSH/Families	5	2	60	\$7,500,000
EAH	Blossom Hill	PSH/Families	10	2	89	\$10,875,000
CRP	Dry Creek Crossing	Families	9	1	64	\$9,450,000
FCH	Dupont	PSH/Families	6	2	141	\$17,375,000
Affirmed	Kooser	PSH/Families	9	1	190	\$19,251,066
Allied/County	Parkmoor Hub	PSH/Special Needs/Families	6	2	81	\$10,175,000
CORE	Tamien	PSH/Families	3	3	135	\$14,125,000
Sand Hill	The Gardens at Cathedral of Faith	Seniors/Families/Special Needs	9	2	237	\$29,625,000
FCH	The Villages	PSH/Seniors	3	3	74	\$7,400,000
CRP	Mitzi	Families	1	2	45	\$5,500,000
Pacific West	Villa Del Sol	Families	5	2	194	\$12,000,000
Total	19				2,275	\$240,901,951

PSH is Permanent Supportive Housing serving the previously homeless population

Attachment B: Siting Policy Map of NOFA Applicants

