

RESOLUTION NO. _____

A RESOLUTION OF THE COUNCIL OF THE CITY OF SAN JOSE APPROVING A COMBINED CONSTRUCTION-PERMANENT LOAN COMMITMENT OF UP TO \$6,800,000 IN LOW AND MODERATE INCOME HOUSING ASSET FUNDS AND REAL PROPERTY TRANSFER TAX FUNDS TO EDEN HOUSING, INC. OR AN AFFILIATED DEVELOPMENT ENTITY FOR THE EAST SANTA CLARA SENIOR AFFORDABLE HOUSING DEVELOPMENT LOCATED AT 700 EAST SAINT JOHN STREET

WHEREAS, on April 25, 2019, the County of Santa Clara (“County”), in collaboration with Santa Clara County Housing Authority (“SCCHA”), published the East Santa Clara Master Plan; and

WHEREAS, the master plan spans across 12 acres on East Santa Clara Street between 14th Street and 17th Street and will consist of over 550 residential units; and

WHEREAS, the County owns seven acres of the master plan area, and the SCCHA owns the remaining five acres; and

WHEREAS, in December 2020, the County issued a Request for Offers to develop affordable housing on its land and selected the proposal submitted by Eden Housing, Inc. (“Eden”) for development of a portion of the master plan; and

WHEREAS, in response to the Housing Department’s June 2025 Round 1 Notice of Funding Availability (“NOFA”) Addendum to the rolling Request for Proposals (“RFP”) released on April 14, 2025, Eden submitted a proposal to develop the East Santa Clara Senior affordable housing development (“Development”); and

WHEREAS, the Development will provide 67 homes for extremely low-, very low-, and low-income seniors and one manager’s unit on a 0.76-acre County of Santa Clara-

owned site located at 700 East Saint John Street, San Jose, CA 95112; and

WHEREAS, the Development received an allocation of 9% Low-Income Housing Tax Credits by the California Tax Credit Allocation Committee (“CTCAC”) on December 3, 2025; and

WHEREAS, the U.S. Department of Housing and Urban Development (“HUD”) has awarded Eden a \$5,877,717 Capital Advance under the Section 202 Supportive Housing for the Elderly Program for development funding, in addition to rental assistance for 43 units serving very low-income seniors earning up to 50% Area Median Income (“AMI”); and

WHEREAS, the Capital Advance does not require repayment, provided the units remain available to low-income seniors for at least 40 years; and

WHEREAS, in addition, Eden will enter into a Project Rental Assistance Contract Agreement with HUD to provide rental assistance for the 43 units, for an initial term of 20 years, with a potential option to extend the term for at least five years, subject to funding availability; and

WHEREAS, SCCHA has committed to providing 20 Project-Based Vouchers to support extremely low-income homeless seniors earning up to 30% AMI; and

WHEREAS, Eden will enter a Housing Assistance Payment Contract (“HAP”) with SCCHA with an initial term of 20 years and a potential option to extend the term up to 20 additional years; and

WHEREAS, if staff’s recommendation is approved, the City of San José (“City”) will record a minimum 55-year affordability covenant on the property as a condition of Low

and Moderate Income Housing Asset Fund and Real Property Transfer Tax Fund funding, and this covenant will remain senior and will not be subordinated to any deeds of trust of other instruments with a power of sale; and

WHEREAS, the County will ground lease the land to Eden or an affiliated development entity, and the City's Deed of Trust will be recorded against Eden's leasehold interest in the land; and

WHEREAS, the recommendations in this memorandum would provide a construction-permanent loan commitment of \$6.8 million to Eden Housing, Inc. or an affiliated development entity for the Development; and

WHEREAS, the City loan will be funded through the Low and Moderate Income Housing Asset Fund and the Real Property Transfer Tax Fund; and

WHEREAS, approval of the staff recommendation would enable Eden to assemble the financing for the Development and move forward with the closing of construction financing; and

WHEREAS, the City Council desires to adopt this resolution for the reasons set forth in the memorandum, dated February 2, 2026, from the Director of Housing, Erik L. Soliván for the February 24, 2026, City Council meeting ("Memorandum");

NOW, THEREFORE, BE IT RESOLVED BY THE COUNCIL OF THE CITY OF SAN JOSE THAT:

1. A total commitment of up to \$6,800,000 in Low and Moderate Income Housing Asset Funds and Real Property Transfer Tax Funds to Eden Housing Inc. or an

affiliated development entity for the East Santa Clara Senior affordable housing development is hereby approved; and

2. The Director of Housing, or his designee, is hereby authorized to negotiate and execute loan documents and all other documents, related to City financing for the East Santa Clara Senior development, including any amendments thereto.

ADOPTED this _____ day of _____, 2026, by the following vote:

AYES:

NOES:

ABSENT:

DISQUALIFIED:

MATT MAHAN
Mayor

ATTEST:

TONI J. TABER, MMC
City Clerk