

**SAN JOSE FINANCE DEPARTMENT  
DEPARTMENT OF FINANCE TEFRA HEARING**

San José City Hall  
200 East Santa Clara Street, Room T-1352  
San José, CA 95113-1905

Meeting Agenda  
June 23, 2025, 9:30 a.m.  
Maria Öberg, Director of Finance

**1. Call to Order**

**2. Evidence**

Consider and File Evidence of the TEFRA – Tax-Exempt Multifamily Housing Revenue Bonds Hearing held on April 30, 2025, which has been posted by the City of San José (City) along with the agenda.

**3. Public Hearing**

The public hearing (known as a TEFRA hearing) is required by Section 147(f) of the Internal Revenue Code of 1986 to provide an opportunity for the public to comment on the proposed issuance of tax-exempt obligations (Bonds). Following consideration of written comments, oral petitions and staff recommendation, the Mayor of San José will execute a certificate indicating the hearing was held for the following project and the certificate will be filed with the City Clerk.

- |    |                 |  |
|----|-----------------|--|
| 1. | Name:           | La Moraga Apartments                       |
|    | Location:       | 5822 Charlotte Drive in San José, CA 95123 |
|    | Borrower/Owner: | La Moraga San Jose, L.P.                   |
|    | Issuer:         | City of San José                           |
|    | Note Amount:    | Not to exceed \$45,000,000                 |

**4. Oral Petitions**

Any comments provided at this hearing will be made available to the City Council prior to taking action on the bond or note issuance resolution.

**5. Adjournment**

**DECLARATION NO. 2025-02**

**A DECLARATION OF THE DIRECTOR OF FINANCE  
OF THE CITY OF SAN JOSE  
EVIDENCING A TEFRA HEARING  
(ARCADE)**

**WHEREAS**, the City of San José (the “City”) is authorized by Chapter 7 of Part 5 of Division 31 of the Health and Safety Code of the State of California, as amended (the “Act”), to issue tax-exempt revenue bonds or notes for providing financing for the acquisition, construction and development by private developers of multifamily rental housing facilities located within the City of San Jose, California; and

**WHEREAS**, Affirmed Housing Group, Inc., a California corporation (the “Sponsor”), on behalf of Kooser Apartments, L.P., a California limited partnership, or another entity to be created by the Sponsor or an affiliate thereof (such limited partnership or other entity, the “Borrower”), has requested that the City undertake a proposed plan of finance that includes the issuance and reissuance from time to time of one or more series of tax-exempt revenue bonds or notes pursuant to the Act in an aggregate principal amount not to exceed \$82,000,000 (the “Obligations”) to finance the acquisition, construction and development of a 191-unit (including two unrestricted manager’s units) multifamily rental housing project for extremely low-income, very low-income and low-income households known as Arcade, to be located at 1371 Kooser Road in San José, CA 95118 (the “Project”); and

**WHEREAS**, it is intended that the interest on the Obligations would be excluded from gross income of the owners of the Obligations for federal income tax purposes; and

**WHEREAS**, the Obligations will constitute “qualified bonds” under Section 141(e) of the Internal Revenue Code of 1986 (the “Code”) provided that, pursuant to Section 147(f) of the Code, the “applicable elected representative” of the City approves the issuance of the Obligations after a duly noticed public hearing (“TEFRA Hearing”); and

**WHEREAS**, pursuant to Municipal Code Section 5.06.430, the City’s Director of Finance is authorized to hold the TEFRA Hearing; and

**WHEREAS**, a notice of public hearing in a newspaper of general circulation in the City was published on April 18, 2025, to the effect that the TEFRA Hearing would be held by the City’s Director of Finance on April 30, 2025, regarding the issuance of the Obligations by the City and the nature and location of the Project.

**NOW THEREFORE, THE DIRECTOR OF FINANCE DOES HEREBY RESOLVE,  
ORDER AND DETERMINE AS FOLLOWS:**

**SECTION 1.** The City Director of Finance held the TEFRA Hearing on April 30, 2025.

**SECTION 2.** The adoption of this Declaration is solely for the purpose of evidencing the holding of the TEFRA Hearing as described in Section 1. Neither the City nor its staff has fully reviewed or considered the financial feasibility of the Project or the expected operation of the Project with regard to any State of California statutory requirements. Such adoption shall not obligate the City to issue the Obligations without further formal action to be taken by the City Council, including, but not limited to any obligation with respect to, (i) the approval of the financing documents by the City Council by resolution, (ii) the City to provide financing to the Borrower for the construction and development of the Project or to issue the Obligations or incur other debt taxable obligations for purposes of such financing; or (iii) the City, or any department of the City, to approve any application or request for, or take any other action in connection with, any environmental, General Plan, zoning or any other permit or other action necessary for the construction or operation of the Project.

**EXECUTED** 30 day of April 2025.

City of San José, a  
municipal corporation

BY: Maria Öberg  
Maria Öberg  
Director of Finance



**DECLARATION NO. 2025-03**

**A DECLARATION OF THE DIRECTOR OF FINANCE  
OF THE CITY OF SAN JOSE  
EVIDENCING A TEFRA HEARING  
(525 NORTH CAPITOL)**

**WHEREAS**, the City of San José (the “City”) is authorized by Chapter 7 of Part 5 of Division 31 of the Health and Safety Code of the State of California, as amended (the “Act”), to issue tax-exempt revenue bonds or notes for providing financing for the acquisition, construction and development by private developers of multifamily rental housing facilities located within the City of San Jose, California; and

**WHEREAS**, 525 Capitol LP, a California limited partnership (the “Borrower”), has requested that the City undertake a proposed plan of finance that includes the issuance and reissuance from time to time of one or more series of tax-exempt revenue bonds or notes pursuant to the Act in an aggregate principal amount not to exceed \$69,000,000 (the “Obligations”) to finance the acquisition, construction and development of a 160-unit (including two unrestricted manager’s units) multifamily rental housing project for very low-income and low-income households known as 525 North Capitol Apartments, to be located at 525 North Capitol Avenue, San José, California 95133 (the “Project”); and

**WHEREAS**, it is intended that the interest on the Obligations would be excluded from gross income of the owners of the Obligations for federal income tax purposes; and

**WHEREAS**, the Obligations will constitute “qualified bonds” under Section 141(e) of the Internal Revenue Code of 1986 (the “Code”) provided that, pursuant to Section 147(f) of the Code, the “applicable elected representative” of the City approves the issuance of the Obligations after a duly noticed public hearing (“TEFRA Hearing”); and

**WHEREAS**, pursuant to Municipal Code Section 5.06.430, the City’s Director of Finance is authorized to hold the TEFRA Hearing; and

**WHEREAS**, a notice of public hearing in a newspaper of general circulation in the City was published on April 18, 2025, to the effect that the TEFRA Hearing would be held by the City’s Director of Finance on April 30, 2025, regarding the issuance of the Obligations by the City and the nature and location of the Project.

**NOW THEREFORE, THE DIRECTOR OF FINANCE DOES HEREBY RESOLVE, ORDER AND DETERMINE AS FOLLOWS:**

**SECTION 1.** The City Director of Finance held the TEFRA Hearing on April 30, 2025.

**SECTION 2.** The adoption of this Declaration is solely for the purpose of evidencing the holding of the TEFRA Hearing as described in Section 1. Neither the City nor its staff has fully reviewed or considered the financial feasibility of the Project or the expected operation of the Project with regard to any State of California statutory requirements. Such adoption shall not obligate the City to issue the Obligations without further formal action to be taken by the City Council, including, but not limited to any obligation with respect to, (i) the approval of the financing documents by the City Council by resolution, (ii) the City to provide financing to the Borrower for the construction and

development of the Project or to issue the Obligations or incur other debt taxable obligations for purposes of such financing; or (iii) the City, or any department of the City, to approve any application or request for, or take any other action in connection with, any environmental, General Plan, zoning or any other permit or other action necessary for the construction or operation of the Project.

**EXECUTED** 30th day of April 2025.

City of San José, a  
municipal corporation

BY: Maria Öberg  
Maria Öberg  
Director of Finance

**DECLARATION NO. 2025-04**

**A DECLARATION OF THE DIRECTOR OF FINANCE  
OF THE CITY OF SAN JOSE  
EVIDENCING A TEFRA HEARING  
(PASEO SENTER I)**

**WHEREAS**, PSI Rehab, LP, a California Limited Partnership (the “Borrower”), has requested that the California Municipal Finance Authority ( “Authority”) to issue tax-exempt obligations (“Bonds” or “Notes”) in the aggregate amount not to exceed \$30,000,000 (the “Obligations”) pursuant to the Joint Exercise of Powers Act (“Act”) for financing the capital improvement of Paseo Senter I Rehab, a 117-unit (including 2 unrestricted manager units) multifamily rental housing project for low-income households, located at 1898 Senter Road, San José, CA 95117 (the “Project”); and

**WHEREAS**, pursuant to Section 147(f) of the Internal Revenue Code of 1986 (the “Code”, the issuance of the Bonds by the Authority must be approved by the City of San José (the “City”) because the Project is located within the territorial limits of the City; and

**WHEREAS**, the Authority has requested that the City approve the issuance of the Bonds by the Authority in order to satisfy the public approval requirement of Section 147(f) of the Code and the requirements of Section 4 of the Joint Exercise of Powers Agreement relating to the California Municipal Finance Authority, dated as of January 1, 2004 (the “Agreement”), among certain local agencies, including the City; and

**WHEREAS**, the Authority has represented that Obligations will constitute “qualified bonds” under Section 141(e) of the Code provided that, pursuant to Section 147(f) of the Code, the “applicable elected representative” of the City approves the issuance of the Obligations after a duly noticed public hearing (“TEFRA Hearing”); and

**WHEREAS**, pursuant to Resolution Number 2025-10, the City’s Director of Finance is authorized to hold the TEFRA Hearing; and

**WHEREAS**, a notice of public hearing in a newspaper of general circulation in the City was published on April 18, 2025, to the effect that the TEFRA Hearing would be held by the City’s Director of Finance on April 30, 2025, regarding the issuance of the Obligations by the City and the nature and location of the Project.

**NOW THEREFORE, THE DIRECTOR OF FINANCE DOES HEREBY RESOLVE,  
ORDER AND DETERMINE AS FOLLOWS:**

**SECTION 1.** The City Director of Finance held the TEFRA Hearing on April 30, 2025.

**SECTION 2.** The adoption of this Declaration is solely for the purpose of evidencing the holding of the TEFRA Hearing as described in Section 1. Neither the City nor its staff has fully reviewed or considered the financial feasibility of the Project or the expected operation of the Project with regard to any State of California statutory requirements.

**EXECUTED** 30th day of April 2025.

City of San José, a  
municipal corporation

BY:



Maria Öberg  
Director of Finance