

RESOLUTION NO. _____

A RESOLUTION OF THE COUNCIL OF THE CITY OF SAN JOSE (A) AUTHORIZING THE CITY MANAGER OR HIS DESIGNEE TO SUBMIT A JOINT APPLICATION TO THE CALIFORNIA STRATEGIC GROWTH COUNCIL AND/OR CALIFORNIA DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT UNDER ROUND 4 OF THE AFFORDABLE HOUSING AND SUSTAINABLE COMMUNITIES PROGRAM TO FUND NEW AFFORDABLE HOUSING, INFRASTRUCTURE AND PROGRAMS THAT HELP REDUCE GREENHOUSE GAS EMISSIONS IN SAN JOSE WITH (1) SATELLITE AFFORDABLE HOUSING ASSOCIATES FOR 226 BALBACH STREET IN AN AMOUNT NOT TO EXCEED \$20,000,000; (2) CHARITIES HOUSING DEVELOPMENT CORPORATION OF SANTA CLARA COUNTY FOR THE PAGE STREET SITE LOCATED AT 329-353 PAGE STREET IN AN AMOUNT NOT TO EXCEED \$11,000,000; AND (3) FIRST COMMUNITY HOUSING FOR ROOSEVELT PARK SITE LOCATED AT 21 NORTH 21ST STREET IN AN AMOUNT NOT TO EXCEED \$17,000,000; AND RELATED ACTIONS

WHEREAS, the Strategic Growth Council (“SGC”) and the State of California Department of Housing and Community Development (“HCD”) have issued a Notice of Funding Availability dated November 1, 2018 (“NOFA”) under the Affordable Housing and Sustainable Communities (“AHSC”) Program (“AHSC Program”);

WHEREAS, the AHSC Program as part of the “Cap and Trade” Program, was established with the passage of AB 32, the California Global Warming Solutions Act of 2006 to provide loans to construct affordable housing and grants funds to build transit, bicycling and walk infrastructure that reduce greenhouse gas emissions; and

WHEREAS, the lack of affordable housing in San José creates an extremely challenging situation for low income individuals, families, and unhoused members of

community, and AHSC can help the City of San José (“City”) to stretch its affordable housing dollars further to expand the City’s affordable housing pipeline; and

WHEREAS, the City desires to jointly apply for AHSC Program funds with Satellite Affordable Housing Associates, Charities Housing Development Corporation of Santa Clara County, and First Community Housing and submit the Application Package; and

WHEREAS, the State requires AHSC applicants to submit a City Council resolution with each grant application authorizing City staff to apply for and accept the AHSC funds;

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

- a. The City Manager or his designee is hereby authorized and directed to apply for and submit a joint application under Round 4 of the AHSC Program to fund new affordable housing, infrastructure and programs that help reduce greenhouse gas emissions in San José, with:
 - (1) Satellite Affordable Housing Associates (“SAHA”) for the Balbach Street site located at 226 Balbach Street (“Balbach Site”) to the California Strategic Growth Council (“SGC”) and/or California Department of Housing and Community Development (“HCD”) in an amount not to exceed \$20,000,000;
 - (2) Charities Housing Development Corporation of Santa Clara County (“Charities”) for the Page Street site located at 329-353 Page Street (“Page Street”) to SGC and/or HCD in an amount not to exceed \$11,000,000; and
 - (3) First Community Housing (“FCH”) for the Roosevelt Park site located at 21 North 21st Street (“Roosevelt Site”) to SGC and/or HCD in an amount not to exceed \$17,000,000.

- b. If the application is approved, the City Manager or his designee is hereby authorized and directed to enter into, execute, and deliver the following agreements in order to evidence any AHSC grants or loans awarded, the City's obligations related thereto, and HCD's security therefore:
 - (1) State of California Standard Agreement ("Standard Agreement") in a total amount not to exceed \$20,000,000 for the Balbach Site, and all other documents required or deemed necessary or appropriate to secure the AHSC Program grant and loan funds; including, but not limited to, a promissory note, a deed of trust and security agreement, a regulatory agreement, a development agreement, a disbursement agreement, and a covenant, and any amendments or modifications thereto (collectively, the "AHSC Documents").
 - (2) Standard Agreement in a total amount not to exceed \$11,000,000 for the Page Site, and all other AHSC Documents.
 - (3) Standard Agreement in a total amount not to exceed \$17,000,000 for the Roosevelt Site, and all other AHSC Documents.

- c. The City Manager or his designee is authorized to negotiate and execute in the name of the City the AHSC Program Application Package and the AHSC Documents as required by HCD for participation in the AHSC Program, and any amendments or modifications thereto.

- d. The City Manager or his designee is authorized to negotiate and execute an agreement as co-applicants with SAHA for the Balbach Site, with Charities for the Page Site, and with FCH for the Roosevelt Site, to allocate responsibilities and liabilities between the City and SAHA, the City and Charities, and the City and FCH if the AHSC grants and loans are awarded to the City and SAHA, the City and Charities and the City and FCH.

- e. The City Manager or his designee is authorized to negotiate and execute an agreement with the Valley Transportation Authority as a non-applicant for the

Balbach and Roosevelt Sites in order to operate enhanced transit services using electric buses and installing and maintaining transportation amenities.

ADOPTED this ____ day of _____, 2019, by the following vote:

AYES:

NOES:

ABSENT:

DISQUALIFIED:

SAM LICCARDO
Mayor

ATTEST:

TONI J. TABER, CMC
City Clerk