
FW: Council Agenda1/28/25; File 25-054, Item 2.16

From City Clerk <city.clerk@sanjoseca.gov>
Date Mon 1/27/2025 3:38 PM
To Agendadesk <Agendadesk@sanjoseca.gov>

From: Rocha, Vincent <[REDACTED]>
Sent: Monday, January 27, 2025 3:35 PM
To: City Clerk <city.clerk@sanjoseca.gov>; Agenda Services <AgendaServices@sanjoseca.onmicrosoft.com>
Subject: Fw: Council Agenda1/28/25; File 25-054, Item 2.16

From: Chris Neale <[REDACTED]>
Sent: Monday, January 27, 2025 3:06 PM
To: Mahan, Matt <Matt.Mahan@sanjoseca.gov>; Kamei, Rosemary <Rosemary.Kamei@sanjoseca.gov>; District3 <district3@sanjoseca.gov>; Cohen, David <David.Cohen@sanjoseca.gov>; Ortiz, Peter <Peter.Ortiz@sanjoseca.gov>; Mulcahy, Michael <Michael.Mulcahy@sanjoseca.gov>; Doan, Bien <Bien.Doan@sanjoseca.gov>; Candelas, Domingo <Domingo.Candelas@sanjoseca.gov>; Foley, Pam <Pam.Foley@sanjoseca.gov>; Casey, George <George.Casey@sanjoseca.gov>; Campos, Pamela <Pamela.Campos@sanjoseca.gov>
Subject: Council Agenda1/28/25; File 25-054, Item 2.16

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Honorable Mayor and City Council,

RE: Council Agenda1/28/25; File 25-054, Item 2.16

I am writing to support the staff recommendation as well as the memo from Mayor Mahan, and Councilmembers Kamei, Foley and Cohen. The memo recommends allowing any affordable housing developer to use any bond issuer approved by the State of California. Currently the city requires the city of San Jose to be the bond issuer.

Over the last 35 years, The Core Companies has developed over 5,000 affordable apartments with the vast majority in the city of San Jose. Most of our projects rely on tax exempt bonds and recently, many of our projects have relied on recycled bonds. When not in San Jose, we typically work with bond issuers like CalHFA, CSCDA or CFMA. These organizations specialize in servicing affordable housing projects and are currently faster, more efficient and more cost effective than working with the City of San Jose as the issuer. In addition, currently the State program incents affordable developers to utilize recycled bonds however the city of San Jose is unable to provide recycled bonds. As such, we must work through an extensive process with staff to pursue an exception to council.

This action will enable an under-staffed Housing Department to focus its resources directly on housing and not on bond policy or process. In addition, it will enable the Department of Finance to focus the workload of its staff. And finally, it will help affordable developments in San Jose be more competitive when competing for Tax Exempt bonds and Tax Credits with CDLAC. This is a great example of addition by subtraction.

Sincerely,

Chris Neale
President



470 South Market Street, San Jose, CA 95113

www.thecorecompanies.com

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FW: 1/28/2025 City Council Agenda Item 2.16 - Approval of Exception to the City Council Multifamily Housing Revenue Bond Policy ...

From City Clerk <city.clerk@sanjoseca.gov>
Date Mon 1/27/2025 3:53 PM
To Agendadesk <Agendadesk@sanjoseca.gov>

From: Nevada Merriman [REDACTED]
Sent: Monday, January 27, 2025 3:45 PM
To: City Clerk <city.clerk@sanjoseca.gov>
Subject: 1/28/2025 City Council Agenda Item 2.16 - Approval of Exception to the City Council Multifamily Housing Revenue Bond Policy ...

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Dear Mayor Mahan and Members of the City Council,

On behalf of MidPen Housing, I write to express support for the staff recommendation: Approval of Exception to the City Council Multifamily Housing Revenue Bond Policy.

Furthermore, I commend Mayor Mahan and Councilmembers Kamei, Foley, and Cohen for their supplemental memo expressing an interest in applying a revised policy more broadly to the City's affordable housing pipeline that seeks tax-exempt financing via private activity bonds. The City of San Jose is an outlier in its requirement to issue its own bonds. Nearly all the tax-exempt bond deals we have closed in the past decade have used one of the issuers mentioned in the memo. These Agencies/Authorities are widely accepted by the 50 partner jurisdictions where MidPen does business; they are industry standard-bearers with the expertise to manage affordable housing transactions and a scale that allows for efficiency.

It is worth saying that in the contemporary era, extra cost of any sort contributes to making deals less competitive in the financing system and by extension, less feasible. I commend the City for exploring changes to the policy that would bring greater efficiency through cost and time savings, and work alongside other measures to better-position the City's assets for State funding awards. We would appreciate the flexibility, and it would provide a material benefit to the City as well.

Thank you,
Nevada

Nevada V. Merriman | VP of Policy and Advocacy
MidPen Housing Corp.

