RESOLUTION NO._____

A RESOLUTION OF THE COUNCIL OF THE CITY OF SAN JOSE (A) RATIFYING THE SUBMITTAL OF A JOINT APPLICATION TO THE CALIFORNIA DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT FOR A LOAN UNDER THE CALIFORNIA HOUSING ACCELERATOR PROGRAM TO FUND THE AFFORDABLE ROOSEVELT PARK APARTMENTS WITH FIRST COMMUNITY HOUSING INC. AND 21 N 21ST STREET LP IN AN AMOUNT NOT TO EXCEED $41,560,000 AND (B) AUTHORIZING THE CITY MANAGER OR CITY MANAGER'S DESIGNEE TO ACCEPT THE LOAN NEGOTIATE, ENTER INTO, EXECUTE AND DELIVER THE STANDARD AGREEMENT FOR THE LOAN, AND ALL OTHER DOCUMENTS REQUIRED OR DEEMED NECESSARY OR APPROPRIATE TO COMPLY WITH LOAN AND CALIFORNIA HOUSING ACCELERATOR PROGRAM AND RELATED ACTIONS

WHEREAS, the California Department of Housing and Community Development ("Department"), as authorized by Chapter 6.6 (commencing with Section 50672) of Part 2 of Division 31 of the Health and Safety Code, has issued a Project Solicitation and Guidelines, dated September 16, 2021, under its California Housing Accelerator program ("Solicitation"); and

WHEREAS, due to extremely short submittal timelines for the California Housing Accelerator program, the Director of Housing executed the joint application in connection with the Roosevelt Park Apartments ("Project") in response to the Solicitation (the "Application") along with the Project's Sponsor, First Community Housing, Inc. and the Project's Developer, 21 N 21st Street LP; and

DRAFT--Contact the Office of the City Clerk at (408)535-1260 or CityClerk@sanjoseca.gov for final document.

WHEREAS, the Council of the City of San José, a municipal corporation and charter city ("City") intends to authorize and ratify the prior submittal of the Application in response to the Solicitation; and

WHEREAS, the Department made a conditional commitment of California Housing Accelerator funds (the "award") in reliance on the representations in that Application (the "California Housing Accelerator Loan"); and

WHEREAS, the California Housing Accelerator Loan will be directly disbursed to the Developer as a forgivable no interest permanent loan to the project with a term of 40 years which will allow the Project to proceed without requiring an allocation of low income housing tax credits or tax exempt bonds; and

WHEREAS, staff recommends that the Council ratify the execution of the Application for the Roosevelt Park Apartments and authorize the City Manager or City Manager's designee enter into, negotiate, and execute the documents necessary or appropriate in connection with the with the not to exceed $41,506,000 California Housing Accelerator Loan which will provide the Roosevelt Park Apartments with the funds necessary to create 80 new affordable apartments.

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

a. The execution of the joint Application for the California Housing Accelerator Loan by Jacky Morales-Ferrand, the Director of Housing is hereby ratified and approved.

b. The City Manager or City Manager's designee, including Sarah Zarate, Director, is hereby authorized to enter into, negotiate and execute, and deliver an STD 213, Standard Agreement in an amount not to exceed $41,506,000, and any and all other documents required or deemed necessary or appropriate in connection with the California Housing Accelerator Loan and the California Housing Accelerator program, and to negotiate and execute all amendments thereto (collectively, the "California Housing Accelerator Loan Documents").

c. City acknowledges that the Solicitation and the Application will be incorporated in the Standard Agreement by reference and that accordingly all activities, expenditures, information, expenditure restrictions and timelines represented in the Application are enforceable through the Standard Agreement and that Funds are to be used for the allowable expenditures, uses, and activities identified in the Standard Agreement.

NVF:SSG
4/27/2022

ADOPTED this _____ day of _____, 2022, by the following vote:

AYES:

NOES:

ABSENT:

DISQUALIFIED:

                                                                    _____
                                                                    SAM LICCARDO
                                                                    Mayor
ATTEST:

_____
TONI J. TABER, CMC
City Clerk