

RESOLUTION NO.

A RESOLUTION OF THE COUNCIL OF THE CITY OF SAN JOSE ~~1) APPROVING A GRANT AGREEMENT OF UP TO AUTHORIZING THE DIRECTOR OF HOUSING TO NEGOTIATE AND EXECUTE A CONSTRUCTION GRANT AGREEMENT AND RELATED DOCUMENTS OF UP TO \$2,776,283 FROM HOMELESS HOUSING, ASSISTANCE, AND PREVENTION PROGRAM – ROUND 3 AND MEASURE E FUNDS AS GAP FUNDING TO JAMBOREE HOUSING CORPORATION FOR TO FINANCE THE REHABILITATION OF THE PAVILION INN; AND 2) AUTHORIZING THE DIRECTOR OF HOUSING TO NEGOTIATE AND EXECUTE AGREEMENTS, INCLUDING ANY AMENDMENTS THERETO, RELATED TO THE GAP FUNDING~~

WHEREAS, since January 2020, the World Health Organization, State of California, and Santa Clara County issued public health declarations regarding the COVID-19 pandemic that included requirements for social distancing which resulted in the need for non-congregate shelter options for people experiencing homelessness; and

WHEREAS, on June 16, 2020, the California Department of Housing and Community Development (“HCD”) created HomeKey with the goal of providing grant funding to local government agencies to quickly acquire and convert existing buildings to supportive housing for people experiencing homelessness; and

WHEREAS, on May 11, 2021, the City of San José’s (“City”) Housing Department issued a request for information for HomeKey – Round 2 grant funding; and

WHEREAS, the Housing Department, with the assistance of staff from the Bill Wilson Center (“BWC”), selected the Pavilion Inn, located at 1280 North Fourth Street in San José, as a suitable site to convert into supportive housing for transitional age youth who

are between the ages of 18 and 25, have aged out of foster care, and are at risk of being homeless; and

WHEREAS, the Santa Clara County Housing Authority (“Housing Authority”) agreed to submit the grant application for the Pavilion Inn project (“Project”) to HCD as the lead public agency since the City’s Housing Department had already submitted three grant applications to HCD for this second round of funding, and selected Jamboree Housing Corporation (“Jamboree”) as their development partner for the Project; and

WHEREAS, on June 1, 2022, the Housing Authority was awarded \$14,328,401 in HomeKey – Round 2 funds to acquire the Pavilion Inn and convert it to supportive housing; and

WHEREAS, the Housing Authority will remain the long-term owner of the property and will ground lease the site to Jamboree who will manage the property construction and operations; and

WHEREAS, the Pavilion Inn will provide ~~forty-two~~ thirty-nine supportive housing apartments, three mentor apartments, plus one unrestricted manager’s apartment; and

WHEREAS, BWC will master lease twenty-five apartments as transitional housing for young adults who are exiting the foster care system, fourteen apartments will provide permanent housing for transitional age youth who have dependent children residing in their household, and three apartments will be reserved for mentors who will assist with services to the residents and provide on-site management functions during the evenings and weekends; and

WHEREAS, on June 28, 2022, Jamboree submitted a request to the City to provide ~~gap~~ funding in the amount of \$2,776,283 for the Project since the amount of HomeKey –

Round 2 funds awarded to the Housing Authority for the Project will not fully cover the cost of rehabilitating the property; and

WHEREAS, on April 26, 2022, the City Council approved the Housing Department's Homeless Housing, Assistance, and Prevention Program ("HHAP") Round 3 Expenditure Plan, which included \$2,200,000 for the Pavilion Inn; and

WHEREAS, the additional \$576,283 needed for this Project will be funded using Measure E funds allocated to extremely low-income households; and

WHEREAS, the City desires to ~~approve-negotiate and execute~~ a construction grant agreement and related documents of up to \$2,776,283 in HHAP3 and Measure E funding to provide ~~gap~~ funding to Jamboree for the Pavilion Inn supportive housing project for transitional age youth, including families, and negotiate and execute agreements and amendments related to the gap funding;

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

The Director of Housing is hereby authorized to~~A~~ negotiate and execute a construction grant agreement and related documents of up to \$2,776,283 from Homeless Housing, Assistance, and Prevention Program – Round 3 and Measure E Funds ~~as gap funding~~ to Jamboree Housing Corporation, to finance the rehabilitation of ~~for~~ the Pavilion Inn, located at 1280 North 4th Street, which is being acquired and converted by the Santa Clara County Housing Authority and ground leased to Jamboree to provide 4239 supportive housing apartments, three mentor apartments, plus one unrestricted manager's apartment, ~~is hereby approved~~.

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

AYES:

NOES:

ABSENT:

DISQUALIFIED:

SAM LICCARDO
Mayor

ATTEST:

TONI J. TABER, CMC
City Clerk