

RESOLUTION NO.

A RESOLUTION OF THE COUNCIL OF THE CITY OF SAN JOSE: (A) APPROVING THE TRANSFER OF THE UNDEVELOPED LOW AND MODERATE INCOME HOUSING ASSET PROPERTY (KNOWN AS SYCAMORE TERRACE) LOCATED AT 15520 ALMADEN EXPRESSWAY AT COLEMAN ROAD, ASSESSOR PARCEL NUMBERS 694-02-002 AND 694-02-015, FROM THE HOUSING DEPARTMENT TO THE PARKS, RECREATION AND NEIGHBORHOOD SERVICES DEPARTMENT FOR THE FUTURE CONSTRUCTION OF ADDITIONAL PARK AND OPEN SPACE FOR ALMADEN LAKE PARK AT 15520 ALMADEN EXPRESSWAY RIN EXCHANGE FOR THE APPRAISED VALUE OF THE PROPERTY CONSISTENT WITH CALIFORNIA COMMUNITY REDEVELOPMENT LAW; AND (B) AUTHORIZING THE CITY MANAGER TO SUBMIT A GRANT APPLICATION AND, IF AWARDED, NEGOTIATE AND EXECUTE A GRANT AGREEMENT WITH THE SANTA CLARA VALLEY OPEN SPACE AUTHORITY FOR AN AMOUNT UP TO \$300,000 IN FUNDING FOR THE TRANSFER OF THE SYCAMORE TERRACE PROPERTY LOCATED AT 15520 ALMADEN EXPRESSWAY AND TO TAKE ALL ACTIONS NECESSARY TO EFFECTUATE THE GRANT

WHEREAS, the undeveloped Low and Moderate Income Housing Asset property (known as Sycamore Terrace) located at 15520 Almaden Expressway at Coleman Road, Assessor Parcel Numbers 694-02-002 and 694-02-015 ("Site") is comprised of two vacant parcels: (1) 0.92 acres acquired through foreclosure February 16, 1995 for \$1,621,921, and (2) 0.51 acres transferred in 2001 by the Department of Parks, Recreation and Neighborhoods ("PRNS") to the Housing Department for \$750,000; and

WHEREAS, From 1991 to 2013, the Housing Department issued two Requests for Proposals ("RFP") and engaged with three separate developers to develop the Site for affordable housing. Due to unanticipated fluctuations in the housing market, increased

construction and insurance costs, the proposed developments were never constructed;
and

WHEREAS, on October 13, 2013, the Governor signed Senate Bill 341 amending provisions of the California Redevelopment Law relating to the functions performed by housing successors, and to remain compliant with California State law the Site must be developed for affordable housing with development activity initiated by March 2018; and

WHEREAS, on September 12, 2017 the Housing Department received an appraised value for the Site, assuming an Open Space General Plan designation, of \$1,237,000;
and

WHEREAS, staff recommends that management of the Site be transferred from the Housing Department to PRNS in exchange for the appraised value, which funds will be deposited in the Low and Moderate Income Housing Asset Fund consistent with Health and Safety Code Sections 33334.16 to be used for affordable housing purposes; and

WHEREAS, to help with the cost of the Site acquisition, staff recommends that PRNS be authorized to apply for funding for an amount up to \$300,000 from the Santa Clara Valley Open Space Authority since transfer of the Site will allow for the future construction of additional park and open space for the Almaden Lake Park;

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

- A. The transfer of an undeveloped Low and Moderate Income Housing Asset property (known as Sycamore Terrace) located at 15520 Almaden Expressway at Coleman Road (south San Jose), Assessor Parcel Numbers 694-02-002 and 694-02-015 from the Housing Department to the Parks, Recreation and

Neighborhood Services Department for the future construction of additional park and open space for Almaden Lake Park at 15520 Almaden Expressway in exchange for the appraised value of the property consistent with California Community Redevelopment Law is approved.

- B. The City Manager is authorized to submit a grant application and, if awarded, negotiate and execute a grant agreement with the Santa Clara Valley Open Space Authority for an amount up to \$300,000 in funding for the transfer of the Sycamore Terrace property located at 15520 Almaden Expressway at Coleman Road and to take all actions necessary to effectuate the grant.

ADOPTED this _____ day of _____, 2018, by the following vote:

AYES:

NOES:

ABSENT:

DISQUALIFIED:

SAM LICCARDO
Mayor

ATTEST:

TONI J. TABER, CMC
City Clerk