

Legislation Details (With Text)

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On agenda: 11/10/2020 **Final action:**

Title: Approve Refinancing Conditions Required by the U.S. Department of Housing and Urban Development for Huff Avenue Apartments.

Sponsors:

Indexes:

Code sections:

Attachments: 1. Memorandum, 2. Supplemental Memorandum, 3. Resolution

Date	Ver.	Action By	Action	Result
11/10/2020	1	City Council		

Approve Refinancing Conditions Required by the U.S. Department of Housing and Urban Development for Huff Avenue Apartments.

Adopt a resolution authorizing:

- (a) The refinancing of the Huff Avenue Apartments (“Property”), a 72-unit affordable apartment development located at 3021 Huff Avenue in San José, owned by Huff Avenue LLC, a California limited liability company (“Borrower”), an affiliate of the Santa Clara County Housing Authority, a public body, corporate and politic that is also the Project sponsor, by the U.S. Department of Housing and Urban Development (“HUD”);
- (b) The Director of Housing to negotiate and execute a HUD required amendment to the City’s existing affordability restriction that includes an override of any City terms that conflict with any HUD document and limit the City’s right to make claims including claims for excess rents, damages and City fees as provided in the existing Affordability Restriction to surplus cash only and other amendments to the City’s loan documents in order to enable refinancing of the Property’s senior loan and payoff of the City Loan; and
- (c) The Director of Housing to negotiate and execute a Payment Guaranty from the Santa Clara County Housing Authority guaranteeing the ability of the City to exercise its right to claim and receive payment for excess rents, fees, and other monetary penalties in the event that the Borrower violates the Affordability Restriction.

CEQA: Categorically Exempt, File No. ER20-201, CEQA Guidelines Section 15301, Existing Facilities.
Council District 6. (Housing)