

Legislation Details (With Text)

File #:	23-617	Version:	1
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File created:	4/18/2023	In control:	City Council
On agenda:	5/2/2023	Final action:	
Title:	Approval of the Issuance of Tax-Exempt Multifamily Housing Revenue Notes and the Loan of the Proceeds Thereof and Approving Related Documents for the 1860 Alum Rock Apartments Project and an Increase to the Commitment for the City Council Approved Construction-Permanent Loan.		
Sponsors:			
Indexes:			
Code sections:			
Attachments:	1. Memorandum, 2. (a) Resolution, 3. (a) Agreement - Borrower Loan Agreement, 4. (a) Agreement - Contingency Draw Down Agreement, 5. (a) Agreement - Funding Loan Agreement, 6. (a) Agreement - Regulatory Agreement, 7. (b) Resolution, 8. Presentation - est. 5 minutes, 9. Public Record Director's TEFRA Public Hearing 3/27/2023		

Date	Ver.	Action By	Action	Result
5/2/2023	1	City Council		

Approval of the Issuance of Tax-Exempt Multifamily Housing Revenue Notes and the Loan of the Proceeds Thereof and Approving Related Documents for the 1860 Alum Rock Apartments Project and an Increase to the Commitment for the City Council Approved Construction-Permanent Loan.

(a) Adopt a resolution:

(1) Authorizing the issuance of a: (i) tax-exempt multifamily housing revenue note designated as “City of San José Multifamily Housing Revenue Note (1860 Alum Rock Apartments), Series 2023A-1 (Tax-Exempt)” in a principal amount not to exceed \$29,468,877 (the 2023A-1 Note) and; (ii) taxable multifamily housing revenue note designated as “City of San José Multifamily Housing Revenue Note (1860 Alum Rock Apartments), Series 2023A-2 (Taxable)” in a principal amount not to exceed \$4,000,000 (the 2023A-2 Note and with the 2023A-1 Note, the 2023A Notes);

(2) Approving the loan of 2023A Note proceeds to Alum Rock, L.P., a California limited partnership created by Charities Housing Development Corporation of Santa Clara County, a California nonprofit public benefit corporation, to finance the construction and development of a 60-unit multifamily development known as 1860 Alum Rock Apartments located at 1860 Alum Rock Avenue in San José (the Development);

(3) Approving in substantially final form the Funding Loan Agreement, the Borrower Loan Agreement, Regulatory Agreement and Declaration of Restrictive Covenants, the Contingency Draw-Down Agreement and related documents (collectively, the 2023A Note Documents); and

(4) Authorizing and directing the City Manager, Director of Housing, Director of Finance, Assistant Director of Housing, Assistant Director of Finance, Deputy Director, Debt and Treasury Management, or their designees, to execute and deliver the 2023A Note Documents together with any documents ancillary to the 2023A Note Documents.

(b) Adopt a resolution:

(1) Approving the Relocation Plan for the preexisting commercial tenants at the Development, prepared by Autotemp dated October 2022; and

(2) Authorizing an increase of up to \$587,753, from \$7,500,000 to \$8,087,753 using Measure E Funds, to the City Council approved construction-permanent loan commitment to Alum Rock, LP., a California limited

partnership, to provide funds to complete tenant improvements to the commercial space for the community-based non-profit Amigos de Guadalupe.

(c) Adopt the following Fiscal Year 2022-2023 Appropriation Ordinance amendments in the General Fund:

(1) Decrease the Measure E - 30% Low-Income Households Reserve by \$587,753, and

(2) Increase the Measure E - 30% Low-Income Households appropriation by \$587,753.

CEQA: The 1860 Alum Rock project is Exempt from CEQA per Public Resources Code Section 21080(b)(1) and CEQA Guidelines Section 15369, Ministerial Project pursuant to Government Code Section 65913.4, File No. ER20-109. (Housing/Finance/City Manager)