

Legislation Text

File #: 18-1866, **Version:** 1

Actions Related to the Loan Commitment to Satellite Affordable Housing Associates for Development of an Affordable Apartment Community Located at 226 Balbach Street.

(a) Adopt a resolution:

(1) Approving up to a total commitment of up to \$11,623,320 in Low and Moderate Income Housing Asset Funds for a Construction-Permanent Loan to Satellite Affordable Housing Associates, or an affiliated development entity, and capitalization of up to \$533,320 in construction period interest for the 226 Balbach Ave Apartments project. The property located at 226 Balbach Ave is a City-owned property, that is being developed to offer 86 affordable, rent restricted, apartments, and one unrestricted manager's unit ("Project");

(2) Authorizing the Director of Housing to negotiate and execute loan documents and all other documents related to City financing for the Project; and

(3) Approving a loan-to-value ratio of greater than 100% for this loan.

(b) Adopt the following 2018-2019 Appropriation Ordinance Amendments in the Low and Moderate Income Housing Asset Fund:

(1) Decrease the Housing Project Reserve appropriation in the amount of \$11,623,320; and

(2) Increase the Committed Project Reserve appropriation in the amount of \$11,623,320.

CEQA: Addendum to the Downtown Strategy 2040 Environmental Impact Report (EIR) (Resolution No. 78942), the Envision San José 2040 General Plan Final Program EIR (Resolution No. 76041), Envision San José 2040 General Plan Supplemental EIR (Resolution No. 77617), and Addenda thereto; and does not involve new significant impacts beyond those analyzed in the above EIRs, File No. SP18-024. Council District 3.
(Housing/City Manager)