

Legislation Text

File #: 20-1286, Version: 1

Approval of the Issuance of a Tax-Exempt Multifamily Housing Revenue Note and the Loan of the Proceeds Thereof for the Financing of Alum Rock Family Housing. - RENUMBERED TO ITEM 3.7

(a) Adopt a resolution:

(1) Authorizing the issuance of a tax-exempt multifamily housing revenue note designated as “City of San José, California Multifamily Housing Revenue Note (Alum Rock Family Housing), Series 2020A” (the “2020 Note”) in a principal amount not to exceed \$36,855,974;

(2) Approving the loan of 2020 Note proceeds to Alum Rock Family Housing, L.P., a California limited partnership created by Affirmed Housing Group, a California for profit corporation, to finance the construction and development of an 87 apartment multifamily development known as Alum Rock Family Housing located at 2380 Alum Rock Avenue, in San José (the “Development”);

(3) Approving in substantially final form the Funding Loan Agreement, the Borrower Loan Agreement and Regulatory Agreement and Declaration of Restrictive Covenants (collectively, the “2020 Note Documents”);

(4) Authorizing a reduction in the City’s issuance and annual monitoring fees in the approximate amount of \$600,000 during the term of the 2020 Note notwithstanding the City’s Policy for Issuance of Multifamily Housing Revenue Bonds, as provided below; and

(5) Authorizing and directing the City Manager, Director of Housing, Director of Finance, or their designees, to execute and deliver the 2020 Note Documents together with any documents ancillary to the 2020 Note Documents.

(b) Adopt a resolution:

(1) Authorizing a change in City Loan terms to allow an increase in the Development’s rents and income up to 60% AMI (low income) for new tenants in subsidized apartments in the event of expiration or termination of Project Based Vouchers, and for all tenants in the event of foreclosure, to the extent the City has determined such increase is needed for feasibility of the Development and allowed by other funds; and

(2) Authorizing the Director of Housing, or Designee, to negotiate and execute loan documents, amendments, and all other documents related to this action.

CEQA: Statutorily Exempt, ER20-109, Public Resources Code Section 21080(b)(1) and CEQA Guidelines Section 15369, File No. ER20-109. Council District 5. (Housing/Finance)

[Deferred from 9/29/2020 - Item 3.6 (20-1129)]

RENUNBERED TO ITEM 3.7 (20-1376)