

Legislation Text

File #: 21-1181, Version: 1

Approval of the Issuance of Tax-Exempt Multifamily Housing Revenue Notes and the Loan of the Proceeds Thereof and Approving Related Documents for the Blossom Hill Senior Apartments Project.

(a) Adopt a resolution:

(1) Authorizing the issuance of a tax-exempt multifamily housing revenue note designated as “City of San José Multifamily Housing Revenue Note (Blossom Hill Senior Apartments), Series 2021B” (the “2021B Note”) in a principal amount not to exceed \$39,362,559;

(2) Approving the loan of 2021B Note proceeds to Blossom Hill, 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 147-unit multifamily development known as Blossom Hill Senior Apartments located at 397 Blossom Hill Road in San José (the “Development”);

(3) Approving in substantially final form the Funding Loan Agreement, the Project Loan Agreement, Regulatory Agreement and Declaration of Restrictive Covenants, and related documents (collectively, the “2021B Note Documents”);

(4) Authorizing a reduction in the City’s issuance and annual monitoring fees in the approximate amount of \$213,629 during the term of the 2021B 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, Assistant Director of Finance, Deputy Director, Debt & Treasury Management, or their designees, to execute and deliver the 2021B Note Documents together with any documents ancillary to the 2021 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 units 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 is allowed by other funds; and

(2) Authorizing the Director of Housing to negotiate and execute loan documents, amendments, and all other documents related to this action in (b)(1) above.

CEQA: Mitigated Negative Declaration for the Blossom Hill Mixed-Use Project, File Nos. CP18-022 and T18-034. Council District 2. (Finance/Housing)