

Legislation Text

File #: 25-1008, Version: 1

Actions Related to the Loan Commitment and Land Purchase for the Gateway Tower Affordable Housing Development Located at 470 South Market Street. - DEFERRED

(a) Adopt a resolution:

(1) Approving a Construction-Permanent Loan commitment of up to \$20,270,000, consisting of \$17,970,000 in Low- and Moderate-Income Housing Asset Funds and \$2,300,000 in Inclusionary Fee Funds, to Core Affordable Housing, LLC or an affiliated development entity for the Gateway Tower affordable housing development;

(2) Approving the land acquisition loan or acquisition funding commitment of up to \$18,170,000 consisting of \$2,000,000 in Inclusionary Fee Funds, \$2,170,000 in Low- and Moderate-Income Housing Asset Funds, and \$14,000,000 in Real Property Transfer Tax Funds;

(3) Authorizing the Director of Housing or his designee to acquire 445, 465, and 493 South First street and 460, 470, 480 South Market Street, from Core Affordable Housing, LLC for a price not to exceed \$18,170,000 at the time of transfer, to accept the grant deed, and to enter into a long-term ground lease of the site to the developer for the development;

(4) Authorizing the Director of Housing or his designee to negotiate and execute documents and document amendments related to the acquisition and development of the site, the ground leasing of the site, and any rider to the ground lease required by government entities;

(5) Authorizing the Director of Housing, or his designee to negotiate and execute loan documents and all other documents, including any amendments thereto, related to City financing for the developments; and

(6) Making a determination that, consistent with Government Code Section 37364, after acquisition, the site is to be leased by the City to the respective developers without first offering the site to the public for any other use, since the site will be restricted so as to provide housing affordable to persons and families of low or moderate income, as defined by Section 50093 of the Health and Safety Code or as defined by the United States Department of Housing and Urban Development or its successors, and that this use is in the City's best interests.

(b) Adopt the following 2025-2026 Appropriation Ordinance amendments in the Low-and Moderate-Income Housing Asset Fund:

(1) Decrease the Housing Project Reserve by \$20,140,000; and

(2) Increase the Housing Loans and Grants appropriation to the Housing Department by \$20,140,000.

(c) Adopt the following 2025-2026 Appropriation Ordinance amendments in the Real Property Transfer Tax Fund:

(1) Decrease the Measure E - 40% Extremely Low-Income Households Reserve by \$5,000,000;

(2) Decrease the Measure E - 30% Low-Income Households Reserve by \$9,000,000;

(3) Increase the Measure E - 40% Extremely Low-Income Households appropriation to the Housing Department by \$5,000,000; and

(4) Increase the Measure E - 30% Low-Income Households appropriation to the Housing Department by \$9,000,000.

(d) Adopt the following 2025-2026 Appropriation Ordinance amendments in the Inclusionary Fee Fund:

(1) Decrease the Housing Project Reserve by \$4,300,000; and

(2) Increase the Housing Loans and Grants appropriation to the Housing Department by \$4,300,000.

CEQA: Supplemental Environmental Impact Report for the Gateway Tower Mixed-Use Development Project

(Resolution No. 78005), and Addenda, thereto. Council District 3. (Housing/City Manager)
DEFERRED TO 9/30/2025 PER RULES AND OPEN GOVERNMENT COMMITTEE