

RESOLUTION NO. _____

A RESOLUTION OF THE COUNCIL OF THE CITY OF SAN JOSE APPROVING A COMBINED CONSTRUCTION-PERMANENT LOAN COMMITMENT OF UP TO \$9,050,000 IN LOW AND MODERATE INCOME HOUSING ASSET FUNDS TO SANTA CLARA COUNTY HOUSING AUTHORITY OR AN AFFILIATED DEVELOPMENT ENTITY FOR THE TRILLIUM SENIOR APARTMENTS AFFORDABLE HOUSING DEVELOPMENT LOCATED AT 675 EAST SANTA CLARA STREET

WHEREAS, the Santa Clara County Housing Authority (“SCCHA”) proposes to develop and own the Trillium Senior Apartments (“Development”); and

WHEREAS, the Development will consist of 65 homes for seniors (64 affordable rent-restricted homes and one unrestricted manager’s home) on a 0.57-acre site located at 675 East Santa Clara Street; and

WHEREAS, as part of the consideration for the City’s funding, SCCHA has committed \$17,950,000 of funding for construction of the Development and has been allocated a 9% Tax Credit awarded by the California Tax Credit Allocation Committee and \$9,050,000 in Measure A funds from Santa Clara County; and

WHEREAS, if staff’s recommendation is approved, the City will record a minimum 55-year affordability covenant on the property as a condition of Low and Moderate Income Housing Asset Fund funding. This covenant will remain senior in lien priority to all debt and will not be subordinated to any deeds of trust of other instruments with a power of sale; and

WHEREAS, the Development will include nine units affordable to households with incomes at or below 40% of Area Median Income (“AMI”), nine units affordable to households with incomes at or below 45% AMI, ten units affordable to households with

incomes at or below 50% AMI, and will reserve 36 units at the 30% AMI level, consisting of 35 1-bedroom units and one 2-bedroom unit, to be supported through Project-Based Vouchers; and

WHEREAS, these Project-Based Voucher units will serve a combination of permanent supportive housing households and senior households requiring specialized supportive services to maintain independent living; and

WHEREAS, the SCCHA will enter into a Housing Assistance Payment Contract for these units with an initial term of 20 years, with an option to extend the contract for up to an additional 20 years; and

WHEREAS, the total development cost is \$58.1 million and the recommendations in the Memorandum would provide a construction-permanent loan commitment by the City of San José of \$9,050,000, or \$139,231 per unit, to the SCCHA or an affiliated development entity for the Development; and

WHEREAS, the City of San José (“City”) City Council desires to adopt this resolution for the reasons set forth in the memorandum, dated February 2, 2026, from the Director of Housing, Erik L. Soliván for the February 24, 2026, City Council meeting (“Memorandum”);

NOW, THEREFORE, BE IT RESOLVED BY THE COUNCIL OF THE CITY OF SAN JOSE THAT:

1. A total commitment of up to \$9,050,000 in Low and Moderate Income Housing Asset Funds to Santa Clara County Housing Authority or an affiliated development entity for the Trillium Senior Apartments affordable housing development located at 675 East Santa Clara Street is hereby approved; and

2. The Director of Housing, or his designee, is hereby authorized to negotiate and execute loan documents, and all other documents related to City financing for the Trillium Senior Apartments development, including any amendments thereto.

ADOPTED this _____ day of _____, 2026, by the following vote:

AYES:

NOES:

ABSENT:

DISQUALIFIED:

MATT MAHAN
Mayor

ATTEST:

TONI J. TABER, MMC
City Clerk