

RESOLUTION NO. 73325

A RESOLUTION OF THE COUNCIL OF THE CITY OF SAN JOSE APPROVING A FUNDING COMMITMENT FOR A CONSTRUCTION/PERMANENT LOAN OF UP TO \$6,591,970 TO CASA DEL PUEBLO PRESERVATION, LP, OR ITS DESIGNATED AFFILIATE ENTITY, FOR THE DEVELOPMENT OF THE 245-UNIT CASA DEL PUEBLO APARTMENTS PROJECT ON THE NORTHEAST CORNER OF BLOCK 8 LOCATED AT 281 SOUTH FIRST STREET

WHEREAS, the Redevelopment Agency of the City of San Jose (“Agency”) owns a 1.48 acre parcel of property located at 281 South First Street between South First and South Market Streets, fronting on the north side of San Carlos Street, and the adjacent 0.53-acre parcel at 240 South Market Street is privately owned (“Site”); and

WHEREAS, on May 10, 2005, the Agency Board approved an Exclusive Negotiations Agreement with UrbanWest Associates of San Diego (“UrbanWest”) and Preservation Partners Development III (“Preservation Partners”) to develop a mixed-use residential project on the Site; and

WHEREAS, on February 2, 2006, UrbanWest and Preservation Partners gained the preliminary and conditional approval of the Department of Housing and Urban Development for the transfer of the HUD assistance which is currently the Casa del Pueblo rental residential tower to the new Project; and

WHEREAS, in a related action on this same date, the Agency Board approved a Disposition and Development Agreement with City Front Square, LLC, an affiliate of UrbanWest Associates, and Casa del Pueblo Preservation Limited Partnership, an affiliate of Preservation Partners Development III, LLC, for the development of the Site for a mixed-use project of retail, residential and parking (“Project”); and

WHEREAS, the proposed City funding of up to \$6,591,970 for the rental component of the Project (the new Casa del Pueblo) will preserve the 163 units of senior housing and two manager's units and will create an additional 80 units to serve the extremely low-income and low-income residents of the City for the next 55 years.

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

A funding commitment is approved for a construction/permanent loan of up to \$6,591,970 to Casa del Pueblo Preservation, LP, or its designated affiliate entity, for the development of the 245-unit Casa Del Pueblo Apartments project on the northeast corner of Block 8 located at 281 South First Street.

ADOPTED this 27th day of June, 2006, by the following vote:

AYES: CAMPOS, CHAVEZ, CHIRCO, CORTESE, LeZOTTE,
NGUYEN, PYLE, REED, WILLIAMS, YEAGER;
GONZALES

NOES: NONE

ABSENT: NONE

DISQUALIFIED: NONE

RON GONZALES
Mayor

ATTEST:

LEE PRICE, MMC
City Clerk