

RESOLUTION NO. 73346

A RESOLUTION OF THE COUNCIL OF THE CITY OF SAN JOSE APPROVING ADDITIONAL FUNDING OF UP TO \$4,271,125 TO SUNSET SQUARE, L.P. FOR THE REHABILITATION AND FINANCIAL RESTRUCTURING OF SUNSET SQUARE APARTMENTS, A 96-UNIT APARTMENT BUILDING LOCATED AT 2080 ALUM ROCK AVENUE IN SAN JOSE.

WHEREAS, the Redevelopment Agency of the City of San Jose (the "Agency") has the obligation of providing assistance for low and moderate income housing (20% Housing Funds) using funds allocated under California Health and Safety Code Sections 33334.2 and 33487; and

WHEREAS, the Agency and the City entered into that certain Agreement dated September 28, 1990 in which the Agency delegated to the City authority to administer the 20% Housing Funds including the authority to make findings that use 20% Housing Funds in connection with certain housing projects outside a redevelopment area are of benefit to the Agency's project areas; and

WHEREAS, the City, on behalf of the Agency, has a program to administer and distribute 20% Housing Funds; and

WHEREAS, in order to attract capital investment, eliminate blight and achieve other redevelopment objectives there is a need to encourage and assist housing of all income levels throughout the City; and

WHEREAS, the provision of low and moderate income housing throughout the City near jobs will serve to facilitate employment opportunities for all citizens of the City, revitalize neighborhoods that are near or adjacent to redevelopment areas and generally assist efforts in redevelopment areas; and

WHEREAS, in order to ensure Sunset Square's continued financial viability, thereby reducing long-range risks to the City and ensuring long-term affordability for the property, staff recommends the additional funding, as more specifically set forth in the Director of Housing Report dated July 19, 2006.

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

Additional funding of up to \$4,271,125 to Sunset Square, L.P., for the rehabilitation and financial restructuring of Sunset Square Apartments, a 96-unit apartment building located at

2080 Alum Rock Avenue in San Jose, as more specifically set forth in the Report of the Director of Housing dated June 9, 2006, is approved.

ADOPTED this 8th day of August, 2006, by the following vote:

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

NOES: NONE

ABSENT: LeZOTTE

DISQUALIFIED: NONE

VACANT: NONE

RON GONZALES
Mayor

ATTEST:

LEE PRICE, MMC
City Clerk