

**RESOLUTION NO. 73391**

**A RESOLUTION OF THE COUNCIL OF THE CITY OF SAN JOSE APPROVING A CHANGE IN THE AFFORDABILITY MIX FROM 30% OF AREA MEDIAN INCOME TO 50% OF AREA MEDIAN INCOME TO CONFORM TO HUD REQUIREMENTS, FOR THE EDENVALE SPECIAL NEEDS APARTMENTS, A 15-UNIT RENTAL HOUSING DEVELOPMENT TO BE CONSTRUCTED AT 5340 MONTEREY ROAD AND TO BE RESTRICTED TO EXTREMELY LOW INCOME INDIVIDUALS WITH DEVELOPMENTAL DISABILITIES.**

**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 conform to HUD affordability requirements which allow for individuals with income up to 50% of the Area Median Income, staff recommends changing the affordability in the City's affordability restrictions from 30% of AMI to 50% of AMI, as specifically set forth in the Director of Housing Report dated August 23, 2006.

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

A change in the affordability mix from 30% of AMI to 50% of AMI in order to conform to HUD requirements for the Edenvale special needs apartments, a 15-unit rental housing project to be constructed at 5340 Monterey Road and to be restricted to extremely low income individuals with developmental disabilities, as more specifically set forth in the Report of the Director of Housing dated August 23, 2006, is approved.

ADOPTED this 12th day of September, 2006, by the following vote:

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

NOES: NONE

ABSENT: LeZOTTE; GONZALES

DISQUALIFIED: NONE

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CINDY CHAVEZ  
Vice Mayor

ATTEST:

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LEE PRICE, MMC  
City Clerk