

Memorandum

TO: Honorable Mayor &
City Council Members

FROM: Lee Price, MMC
City Clerk

SUBJECT: The Public Record
August 6, 2010 – August 12, 2010

DATE: August 13, 2010

ITEMS TRANSMITTED TO THE ADMINISTRATION

ITEMS FILED FOR THE PUBLIC RECORD

- (a) Notification letter from T-Mobile West Corporation as successor in interest to Omnipoint Communications, Inc. d/b/a/ T-Mobile (U-3056-C) to Consumer Protection and Safety Division dated April 1, 2010 for T-Mobile Site No. SF24397B.
- (b) Notification letter from Pacific Gas and Electric Company's to State County and City Officials, dated August 6, 2010 regarding application filing: Air Resources Board Assembly Bill 32 Cost of Implementation Fee Recovery Program.
- (c) Letter from David Wall to Mayor Reed and City Council dated August 11, 2010 regarding "The Ghetto Life: Update on the SCEP".
- (d) Letter from David Wall to Mayor Reed and City Council dated August 12, 2010 regarding "original" or "Extra crispy"?
- (e) Letter from David Wall to President Barack Obama dated August 12, 2010 regarding "San Jose's economy is rebounding, low interest loans for \$2,325,000 condo w/hot water, O.K.'d"



Lee Price, MMC
City Clerk

LP/tld

Distribution: Mayor/Council
City Manager
Assistant City Manager
Assistant to City Manager
Council Liaison
Director of Planning
City Attorney
City Auditor

Director of Transportation
Public Information Officer
San José Mercury News
Library
Director of Public Works
Director of Finance

T-Mobile

T-MOBILE WEST CORPORATION a
Delaware Corporation
1855 Gateway Boulevard, 9th Floor
Concord, CA 94520

RECEIVED
San Jose City Clerk

August 3, 2010

2010 AUG -6 A 10: 56

PUBLIC RECORD

Anna Hom
Consumer Protection and Safety Division
California Public Utilities Commission
505 Van Ness Avenue
San Francisco, CA 94102

**RE: T-Mobile West Corporation as successor in interest to Omnipoint Communications, Inc. d/b/a T-Mobile (U-3056-C).
Notification Letter for T-Mobile Site No. SF24397B**

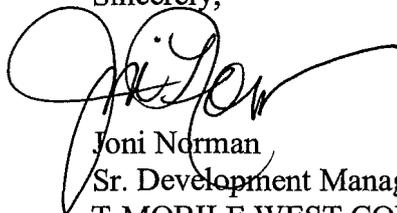
This letter provides the Commission with notice pursuant to the provisions of General Order No. 159A of the Public Utilities Commission of the State of California (CPUC) that with regard to the project described in Attachment A:

(a) T-Mobile has obtained all requisite land use approval for the project described in Attachment A.

(b) No land use approval is required because

A copy of this notification letter is being sent to the local government agency identified below for its information. Should the Commission or the local government agency have any questions regarding this project, or if anyone disagrees with the information contained herein, please contact Joni Norman, Senior Development Manager for T-Mobile, at (925) 521-5987, or contact Ms. Anna Hom of the CPUC Consumer Protection and Safety Division at 415-703-2699.

Sincerely,



Joni Norman
Sr. Development Manager
T-MOBILE WEST CORPORATION a Delaware corporation

Enclosed: Attachment A

CC:

Debra Figone City Manager, City of San Jose, 200 East Santa Clara St., San Jose CA 95113
Joseph Horwedel, Planning Director, City of San Jose, 200 East Santa Clara St., San Jose CA 95113
Lee Price, City Clerk, City of San Jose, 200 East Santa Clara St., San Jose CA 95113

T-Mobile West Corporation as successor in interest to Omnipoint Communications, Inc. d/b/a T-Mobile (U-3056-C). Notification Letter for T-Mobile Site No. SF24397B:

August 3, 2010

Page 2 of 2

ATTACHMENT A

1. Project Location

Site Identification Number: SF24397B
Site Name: PG&E Brigadoon
Site Address: 1900 Uphall Ct., aka "Utility corridor of Tract 4999, North side of Daniel Malone Drive, between Brigadoon and Methillhaven Drive.", San Jose, CA 95121
County: Santa Clara
Assessor's Parcel Number: N/A (Tract 4999)
Latitude: 37° 18' 28.46" N
Longitude: 121° 48' 09.31" W

2. Project Description

Number of Antennas to be installed: Six (6) Panel, One (1) GPS
Tower Design: Ants. on existing PG&E Tower below the Insulators
Tower Appearance: PG&E Transmission Tower
Tower Height: 93'
Size of Building: 14' x 14'

3. Business Addresses of all Governmental Agencies

City of San Jose Debra Figone, City Manager 200 East Santa Clara St. San Jose, CA 95113	City of San Jose Joseph Horwedel, Planning Director 200 East Santa Clara St. San Jose, CA 95113	City of San Jose Lee Price, City Clerk 200 East Santa Clara San Jose, CA 95113
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4. Land Use Approvals

Date Zoning Approval Issued: July 30, 2010

Land Use Permit #: AD10-578

If Land use Approval was not required: N/A

August 6, 2010
TO: STATE, COUNTY
AND CITY OFFICIALS

**NOTIFICATION OF APPLICATION FILING OF
PACIFIC GAS AND ELECTRIC COMPANY: AIR RESOURCE BOARD ASSEMBLY BILL 32 COST OF
IMPLEMENTATION FEE RECOVERY PROGRAM**

On August 2, 2010, Pacific Gas & Electric Company (PG&E) filed an application with the California Public Utilities Commission (CPUC), in which PG&E asks for authority to recover costs associated with the Assembly Bill (AB) 32 Cost of Implementation Fee. PG&E estimates that its natural gas revenues required to cover these costs will increase by \$15.6 million and its electric revenue required will increase by \$0.5 million, both over a three year period, beginning January 1, 2011.

What is the Air Resource Board Administration Cost Recovery Program?

On September 27, 2006, AB 32, "the California Global Warming Solutions Act of 2006" was signed into law. Among other provisions, AB 32 authorized the Air Resource Board (ARB) to adopt a schedule of fees (as specified in section 95201) to be paid by all sources of greenhouse gas emissions to fund the administrative costs of implementing AB 32.

On August 2, 2010, PG&E, Southern California Edison, Southern California Gas Company and San Diego Gas & Electric Company jointly filed an application with the CPUC requesting authority to allow PG&E to recover costs associated with AB 32 Cost of Implementation Fee. The application asks for CPUC approval to record for future recovery of all costs associated with the AB 32 Cost of Implementation Fee. Electric costs will be recorded to the Energy Resource Recovery Account. Natural gas costs for core customers will be recorded to the Core Fixed Cost Account and natural gas costs for noncore customers will be recorded to the Noncore Cost Account.

Will rates increase as a result of this application?

Yes, approval of this application will result in a slight increase to electric rates by less than one percent for bundled service customers (those who receive electric generation and transmission and distribution service from PG&E) as well as for natural gas customers. Using the forecast revenue requirement of \$0.2 million for electric, the bundled system average rate will increase 0.0013% in 2011, relative to current rates. Similarly, using the forecast annual revenue requirement of \$4.6 million for natural gas, average rate impacts for bundled core customers will increase 0.1%. Unbundled customers will also be affected by the change.

FOR FURTHER INFORMATION

To request a copy of the application and exhibits or for more details, call PG&E at 1-800-743-5000.

For TDD/TTY (speech-hearing impaired), call 1-800-652-4712.

Para más detalles llame 1-800-660-6789

詳情請致電 1-800-893-9555

You may request a copy of the application and exhibits by writing to:

Pacific Gas and Electric Company
ARB Administration Cost Recovery Program
P.O. Box 7442, San Francisco, CA 94120.

THE CPUC PROCESS

The CPUC's Division of Ratepayer Advocates (DRA) may review this application.

The DRA is an independent arm of the CPUC, created by the Legislature to represent the interests of all utility customers throughout the state and obtain the lowest possible rate for service consistent with reliable and safe service levels. The DRA has a multi-disciplinary staff with expertise in economics, finance, accounting and engineering. The DRA's views do not necessarily reflect those of the CPUC. Other parties of record will also participate.

The CPUC may hold evidentiary hearings where parties of record present their proposals in testimony and are subject to cross-examination before an Administrative Law Judge (ALJ). These hearings are open to the public, but only those who are parties of record may present evidence or cross-examine witnesses during evidentiary hearings. Members of the public may attend, but not participate in, these hearings.

After considering all proposals and evidence presented during the hearing process, the ALJ will issue a draft decision. When the CPUC acts on this application, it may adopt all or part of PG&E's request, amend or modify it, or deny the application. The CPUC's final decision may be different from PG&E's application.

If you would like to learn how you can participate in this proceeding or if you have comments or questions, you may contact the CPUC's Public Advisor as follows:

Public Advisor's Office
505 Van Ness Avenue
Room 2103
San Francisco, CA 94102
1-415-703-2074 or 1-866-849-8390 (toll free)
TTY 1-415-703-5282 or TTY 1-866-836-7825 (toll free)

If you are writing a letter to the Public Advisor's Office, please include the name of the application to which you are referring. All comments will be circulated to the Commissioners, the assigned Administrative Law Judge and the Energy Division staff.

A copy of PG&E's ARB Administration Cost Recovery Program application and exhibits are also available for review at the California Public Utilities Commission, 505 Van Ness Avenue, San Francisco, CA 94102, Monday-Friday, 8 a.m.-noon.

Lee

David S. Wall
P.O. Box 7621
San José, California 95150

PUBLIC RECORD C

RECEIVED
San Jose City Clerk

August 11, 2010

2010 AUG 12 P 3:46

Mayor Reed and Members San José City Council
200 East Santa Clara Street
San José, California 95113-1905

Re: THE GHETTO LIFE: UPDATE ON THE SCEP

After the Tuesday afternoon (8.10.10) City Council meeting where the communist manifesto was emboldened by a "give away of taxpayer dollars to delay five (5) condominium projects from economic collapse; I ventured over to North Tenth Street @ Horning Street to "take the pulse" of the SCEP (Shopping Cart Entitlement Program). I arrived on station at approximately 1541 hours and found thirteen (13) stolen and abandoned shopping carts. *An 86% increase as to the number of stolen and abandoned shopping carts from last week is hereby recorded.*

The perennial garbage pile (PGP) has been removed, again by person(s) unknown. But the (1) 96-gallon, blue, "Allied Waste Services" garbage container (serial # 9895 292 1646), that is still full of putrefying garbage was found "upright", parallel to Manuel's fence line, full of contagion, with flies feeding and laying their eggs. Garbage still exists behind the "Horning Street" railroad crossing control box providing an ample feast for hungry rats.

The "perennial growing debris field" (PGDF) along the railroad tracks is still present. I did not visit the encampments this week. My knee hurt too much to traverse the tracks. I did not observe any persons near the encampments, but there was one individual sitting on a bucket next to the Horning Street railroad control box. He was just sitting amongst the stolen and abandoned shopping carts smoking a cigarette, passing the time of day.

The travel trailer, "*The Golden Falcon*" CA # JT 9621 is still present, but has moved. "The Golden Falcon's" new location is; on the north east side of North Eleventh Street, North of Horning Street. This trailer is used as a residence, the side door was open but I did not investigate. There was another trailer and a "motor home" also parked within this area. Further investigation will follow.

Ownership of the stolen and abandoned shopping carts is as follows;

"Unmarked" (4), Target (1), Costco (1), Trader Joe's (1), World Market (1), Walgreen's (1), Safeway (1), Safeway "The Market (1), 99 Ranch Market (1), CVS Pharmacy Brand (1) and (1) 96-gallon, blue, "Allied Waste Services" garbage container (serial # 9895 292 1646) full of garbage.

*"Unmarked stolen and abandoned shopping carts have been "purposefully altered" to shield true identity. ***special note*** the overall cleanliness of shopping carts picked up off the streets and returned to stores should be addressed by some governmental agency. Unsuspecting customers may use excrement coated shopping carts without their knowledge. Shopping carts picked up off the street are "filthy" and are potential reservoirs of microbial agents waiting to spread contagion(s).

Public Safety Hazard on North Tenth Street has not been abated.

As reported last week, illegally parked vehicles were in front of, "T&A Supply, Inc., 1045 North Tenth Street", in the parking strip; create a "blind spot" placing motorists and pedestrians in jeopardy. This week: a gold Toyota Camary CA# 3DDH221, a white Honda sedan CA# 5CJW 659 and pewter Chevy Truck CA# 6B58725 were also similarly so parked. **Please abate this safety hazard.**

Anna, from a recycle shop asked me if I knew were her "sign" was. She thinks the City "took it" when they picked up some trash. I told her I to make inquires at the Mabury Service Yard.

Respectfully submitted,

David S. Wall
08.12.10

Cc: City Attorney / City Auditor / City Manager

David S. Wall
P.O. Box 7621
San José, California 95150

PUBLIC RECORD d

RECEIVED
San Jose City Clerk

August 12, 2010

2010 AUG 12 P 3:46

Mayor Reed and Members San José City Council
200 East Santa Clara Street
San José, California 95113-1905

Re: "Original" or "Extra crispy"?

Chief of San José Fire Department was interviewed by KRON T.V. before "RULES".

Chief skillfully evades answering poignant question concerning layoffs and Public safety concerns.

Forty-Nine (49) laid off valiant San José Fire Fighters at issue.

Dateline: The "WING hallway", in between chambers and the San José Mercury News room (08.11.10), 1331 hours.

I got to city hall a little early in preparation for the "RULES AND OPEN GOVERNMENT COMMITTEE" meeting and noticed a representative from KRON T.V. setting up his video camera with the newly hired Chief of the San José Fire Department and what appeared to be a San José Fire Captain in attendance.

Sure enough, the Chief got interviewed all right, with the Fire Captain standing "down wind" of the camera.

The Chief was queried by "Rob" as to the Fire Department's ability to protect the public's safety with reference to the Forty Nine (49) Fire Fighters who have been recently laid off.

The Chief responded to the question and I am paraphrasing, "We have the best fire fighters and the best equipment..."

"Rob", who appeared to be modestly annoyed that the Chief evaded answering the question, (in my opinion), again asked the same question again to the Chief, concerning the safety of the public with forty nine (49) fewer fire fighters on the job to protect them. The response from the Chief was, "We have the best fire fighters and the best equipment..." The topic of the interview shifted to the "moth balling" of a Fire station but I did not hear the Chief's response because I was distracted by an aroma of food that reminded me of Kentucky Fried Chicken.

As the interview with the Chief and the KRON reporter concluded, and just as the Chief was turning to walk towards the "Tower", the Holy Spirit moved me to say, "Chief, why don't you tell "Rob" (the reporter) that some of the public are probably going to burn to death! Chief, you should tell people that they might get a "little crispy" because we have forty nine (49) fewer fire fighters to come to their rescue! "People are going to burn, Chief", we need our forty nine (49) fire fighters back". Well, the Chief politely excused himself from the one-sided conversation stating that he was late for a meeting and hurriedly walked away towards the Tower.

Still having the thought of Kentucky Fried Chicken on my mind, I felt that the Chief missed an opportunity to support the fire fighters by telling the public (via KRON T.V.), with forty nine (49) fewer fire fighters, some members of the public might just resemble "fried chicken" by the time the Fire Department pulled them from the raging flames.

I think the Chief should have said to "Rob", "Without those forty nine (49) laid off fire fighters back on the job and at full pay, some members of the public might end up looking and feeling like a piece of fried chicken. Whether you turn out to be "Original" or "Extra Crispy" is determined by just how fast we can rescue them with fewer fire fighters."

Of course, the public's safety is going to be protected according to Mayor Reed and Council.

But, if members of the public are burned to death because of forty nine (49) fewer fire fighters, I wonder how the public would like Mayor Reed's and Council's political rumps served up, "Original or Extra Crispy"?

Respectfully submitted,

David S. Wall
08.12.10

Cc: City Attorney / City Auditor / City Manager

David S. Wall
P.O. Box 7621
San José, California 95150
Phone / Fax (408)-295-5999

RECEIVED
San Jose City Clerk

August 12, 2010

2010 AUG 12 P 3:48

President Barack Obama
The White House
1600 Pennsylvania Avenue, NW
Washington, D.C. 20500

Re: San José's economy is rebounding, low interest loans for \$2,325,000 condo w/ hot water, O.K.'d

I hope this letter finds you well in all regards.

With all the sadness that you have to endure as our President, I felt a little "good news" should come your way.

At the Tuesday afternoon San José City Council meeting (08.10.10) those dutiful aficionados of the public's trust heralded their accomplishment of obtaining \$8,396,500 dollars from the "BEGIN (Building Equity and Growth in Neighborhoods) housing program grants from the California Department of Housing and Community Development (HCD)." Some folks out here say that this "BEGIN grant money" has "Federal Roots" but this is not why I am writing to you.

I felt that you needed a good laugh at how this money is to be spent.

So, I have provided you with the following documents: the "cover page" of the "The City of San José- CITY COUNCIL AGENDA, dated August 10, 2010, AMENDED AGENDA; page six (6) of said agenda where you can see "Item 4.4 BEGIN PRORAM GRANTS"; a six (6) page memorandum describing the "BEGIN PROGRAM GRANTS", dated (July 19, 2010) by the Budget and Housing Directors of San José to Honorable Mayor and City Council, a "draft copy of the resolution" adopted by Council on 08.10.10 (the final copy of the aforementioned resolution has yet to clear the Attorney's Office as of the date of this letter); AND FINALLY, a document I pulled off the internet "SanJose.com" San Jose Real Estate, referencing a property included within the BEGIN GRANT PROGRAM, 38 N. Almaden Blvd #2101, San Jose, California 95110.

This \$2,325,000 condominium is part of the "Axis condominium development" slated to receive a \$2,400,000 grant from the BEGIN GRANT program.

Get this, first time home buyers, who don't have a "pot to piss in", if they qualify, can get taxpayer assistance to buy this \$2,325,000 condo and then pay \$510 a month for an Association Fee.

Now if that doesn't get you chuckling hard and loud, read down to the part what the \$510 dollar a month Association Fee will get the lucky buyer..."hot water". Can you believe this one? Hot water is provided as long as you "pay your bills". I guess one gets a "cold shower" if one does not pay the \$510 dollar Association Fee.

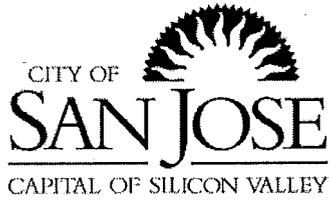
It sure seems like "the times they are a changing". I can still remember not too long ago one would "get into hot water" for *NOT* paying their bills, not so in San José.

If you are ever in San José, California, my wife and I would be glad to let you stay at our house. We have plenty of "Hot Water" and we don't pay \$510 dollars a month for it.

Respectfully submitted,

David S. Wall
08.12.10

Cc: Mayor Reed and Members San José City Council



CITY COUNCIL AGENDA

AUGUST 10, 2010

AMENDED AGENDA

PETE CONSTANT
ASH KALRA
SAM LICCARDO
KANSEN CHU
NORA CAMPOS

DISTRICT 1
DISTRICT 2
DISTRICT 3
DISTRICT 4
DISTRICT 5

CHUCK REED MAYOR

PIERLUIGI OLIVERIO
MADISON P. NGUYEN
ROSE HERRERA
JUDY CHIRCO, VICE MAYOR
NANCY PYLE

DISTRICT 6
DISTRICT 7
DISTRICT 8
DISTRICT 9
DISTRICT 10

4. COMMUNITY & ECONOMIC DEVELOPMENT

4.3 Actions Related to the NUMMI Re-Employment Project. (Cont'd.)

Recommendation:

- (b) (3) Establish an appropriation to the Office of Economic Development for a National Emergency Grant Dislocated Workers – NUMMI Project in the amount of \$2,006,901.

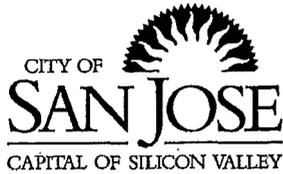
CEQA: Not a Project; File No. PP10-067(b), Appropriation Ordinance. (Economic Development/City Manager's Office)

4.4 BEGIN Program Grants.

Recommendation:

- (a) Adopt a Resolution Authorizing the Director of Housing to accept Building Equity and Growth in Neighborhoods (BEGIN) housing program grants from the California Department of Housing and Community Development (HCD) when issued and to negotiate and execute the grant agreements and any amendments or other documents necessary to implement the programs funded by the following BEGIN grants:
- (a) (1) A \$2,000,000 grant to fund down payment assistance loans to first-time homebuyers purchasing in The 88 condominium development.
- (2) An \$820,000 grant to fund down payment assistance loans to first-time homebuyers purchasing in The Works condominium development.
- (3) A \$2,400,000 grant to fund down payment assistance loans to first-time homebuyers in the Axis condominium development.
- (4) A \$2,000,000 grant to fund down payment assistance loans to first-time homebuyers in the 360 Residences condominium development.
- (5) A \$1,176,500 grant to fund down payment assistance loans to first-time homebuyers in the Villa Fontana condominium development.
- (b) Adopt the following Appropriation Ordinance and Funding Sources Resolution amendments in the Multi-Source Housing Fund:
- (1) Increase the estimate for Earned Revenue by \$2,820,000.
- (2) Increase the CalHome (BEGIN) Program project by \$2,820,000.

CEQA: Not a Project, File No. PP10-066(e), Services that involve no physical changes to the environment. Council Districts 3 and 6. SNI Area: Julian/Stockton & Spartan/Keyes. (Housing/City Manager's Office)



Memorandum

TO: HONORABLE MAYOR
AND CITY COUNCIL

FROM: Leslye Krutko
Jennifer A. Maguire

SUBJECT: BEGIN PROGRAM GRANTS

DATE: July 19, 2010

Approved

Date

7-26-10

COUNCIL DISTRICT: 3 & 6
SNIAREA: Julian/Stockton &
Spartan/Keyes

RECOMMENDATION

It is recommended that the City Council:

- 1) Adopt a Resolution Authorizing the Director of Housing to accept Building Equity and Growth in Neighborhoods (BEGIN) housing program grants from the California Department of Housing and Community Development (HCD) when issued and to negotiate and execute the grant agreements and any amendments or other documents necessary to implement the programs funded by the following BEGIN grants:
 - a. A \$2,000,000 grant to fund downpayment assistance loans to first-time homebuyers purchasing in The 88 condominium development.
 - b. An \$820,000 grant to fund downpayment assistance loans to first-time homebuyers purchasing in The Works condominium development.
 - c. A \$2,400,000 grant to fund downpayment assistance loans to first-time homebuyers in the Axis condominium development.
 - d. A \$2,000,000 grant to fund downpayment assistance loans to first-time homebuyers in the 360 Residences condominium development.
 - e. A \$1,176,500 grant to fund downpayment assistance loans to first-time homebuyers in the Villa Fontana condominium development.
- 2) Adoption of the following Appropriation Ordinance and Funding Sources Resolution amendments in the Multi-Source Housing Fund:
 - a. Increase the estimate for Earned Revenue by \$2,820,000

HONORABLE MAYOR AND CITY COUNCIL
Due Date: July 19, 2010
Subject: **BEGIN Program Grants**
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- b. Increase the CalHome (BEGIN) Program project by \$2,820,000

OUTCOME

The City of San José will receive \$8,396,500 in State grant funds that will be used to provide low-interest mortgage loans to low- and moderate-income families in targeted new housing communities in San José. In addition to providing families with homeownership opportunities, these funds will help stimulate the local housing market.

BACKGROUND

Proposition 1C was approved by the voters in November 2006; one of the programs funded is the State's BEGIN program. HCD has made BEGIN funds available to cities and counties that have significantly contributed to the reduction of housing development costs to builders through various regulatory relief and development incentives such as modification of density standards, flexible parking standards, streamlined project review, and fee waivers or deferrals. Since the inception of the BEGIN Program in 2002, the Department of Housing has applied for and received over \$19.4 million in competitive grant funding from HCD, making the City of San José the largest beneficiary of BEGIN program funds in the State. Thus far, approximately 257 first-time homebuyers have received a BEGIN program loan from the City of San José.

The most recent BEGIN Notice of Funding Availability was published in April, 2010. In response, the Department of Housing submitted five applications. As of the date of this memo, formal award letters have been received for two grants totaling \$2,820,000. HCD continues to review applications in the order in which they are received and Housing Department staff is working closely with HCD to help expedite the review of the remaining three applications. It is anticipated that formal award letters for the remaining three projects will be received by early August. If all five of the applications are approved, the total amount of new grant revenue will total \$8,396,500 and will be used to assist approximately 99 first-time homebuyer households in the following new for-sale developments: (1) The 88; (2) The Works; (3) Axis; (4) 360 Residences; and (5) Villa Fontana. HCD requires approval by the City Council to accept these new funds. Upon City Council approval, the Director of Housing will be authorized to execute five new BEGIN grant agreements, and related documents or amendments with HCD.

ANALYSIS

Upon approval of this memo, the City will use the BEGIN funds to make deferred payment loans for low- and moderate-income first-time homebuyers purchasing homes in the new housing developments for which the City receives a BEGIN award. Maximum BEGIN program loan amounts can be as high as 20% of the sales price, providing much needed gap financing for first-time homebuyer households. Further, all BEGIN loans are structured as 3% simple-interest loans, with no monthly payment requirements for thirty years, or until the home is sold or transferred to

HONORABLE MAYOR AND CITY COUNCIL

Due Date: July 19, 2010

Subject: BEGIN Program Grants

Page 3

an ineligible household. BEGIN program grants will continue to be offered to income-eligible families until either the grant funds are depleted, or three years from the date of the award, whichever occurs first.

Under the BEGIN Program, the City may retain program income from loan repayments and any interest earned on these funds. This income may be reused only for future first-time homebuyer downpayment assistance loans for persons or families of low-or moderate income.

NEW DEVELOPMENTS:

The 88:

The 88 is a 197-unit high-rise condominium located in the San Antonio Redevelopment Project Area in downtown San José. The \$2.0 million in BEGIN funds will be used to assist twenty-two low- and moderate-income first-time homebuyers purchase a market rate home within that development. The project was developed by Wilson, Meany, and Sullivan, LLC in late 2008. The 88 is over 50% sold, and Pacific Marketing Associates is currently marketing and selling the remaining units.

The Works:

The Works is a 74-unit condominium project located in the Spartan/Keyes Strong Neighborhoods Initiative (SNI) Area. The project was subject to the City's Inclusionary Housing Policy and all designated affordable units have sold. The \$820,000 in BEGIN funds will be used to assist homebuyers of the remaining ten market rate units purchase a home within this project. The project was developed by Barry Swenson Builders in December 2006.

Axis:

The Axis is a 329-unit high-rise residential condominium development located in the Almaden Gateway Redevelopment Project Area in Downtown San José. The \$2.4 million in BEGIN funds will be used to assist approximately thirty low- and moderate-income first-time homebuyers purchase a market rate home within that development. The project was sponsored by KT Properties, Inc., and completed construction in 2008. The project is approximately 40% sold, and Pacific Marketing Associates is marketing the remaining units.

360 Residences:

The 360 Residences is a 213-unit high-rise condominium development located in the Market Gateway Redevelopment Project Area in Downtown San José. The \$2.0 million in BEGIN funds will be used to assist approximately twenty-four low- and moderate-income first-time homebuyers purchase a market rate home within that development. The project was developed by Mesa Development, LLC in 2009. The Mark Company is helping to market and sell the units.

Villa Fontana:

Villa Fontana is a 91-unit condominium development located in the Fruitdale Station Neighborhood Business District on the corner of Fruitdale Avenue and Southwest Expressway in District 6. The \$1,176,500 in BEGIN funds will be used to assist approximately thirteen low- and moderate-income first-time homebuyers purchase a market rate home within that development.

HONORABLE MAYOR AND CITY COUNCIL

Due Date: July 19, 2010

Subject: **BEGIN Program Grants**

Page 4

The project was sponsored by Hudson Companies, and completed construction in early 2009. The project is approximately 75% sold, and the requested BEGIN funds will help homebuyers with downpayment assistance so that they can afford to purchase the remaining units.

EVALUATION AND FOLLOW-UP

Upon approval of this memo, staff from the Department of Housing will work with HCD to ensure that all of the listed grants are awarded and to negotiate and execute the BEGIN grant awards and related documents and amendments.

POLICY ALTERNATIVES

To arrive at this proposal, staff also considered the following option:

Alternative #1: *Do not accept the BEGIN grant funds.*

Pros: Each of the developers is already reaching out to prospective low- and moderate-income homebuyers, and some income-eligible buyers may be able to access sufficient mortgage financing without additional funding from the City.

Cons: Declining to accept the funds will disrupt the ongoing marketing efforts that are already targeting low- and moderate-income families. Further, the BEGIN funds will provide significant financial assistance to first-time homebuyers in need of downpayment assistance.

Reasons for Not Recommending: Despite the housing market downturn, the City of San José remains one of the most expensive housing markets in the nation and demand for new housing units continues in some communities is still slower than expected. Providing homebuyers with much needed financial assistance will help increase affordability for low- and moderate-income first-time homebuyer households and help stimulate home sales of new construction condominiums in and near Downtown San José. Further, future BEGIN loan repayments may be kept by the City to help create a sustainable revolving loan program that can be used to assist future first-time homebuyers.

PUBLIC OUTREACH/INTEREST

This action meets Public Outreach Criterion #1. This memo will be posted to the City Council Agenda for August 10, 2010, via the City's website. In addition, the developers with new construction for-sale housing projects have been notified of these current and future grant funds and are working closely with staff from the Department of Housing to market these funds to homebuyers in an effort to sell their units. Housing Department staff has also notified prospective

homebuyers and the City's primary housing partners, such as Neighborhood Housing Services of Silicon Valley (NHSSV), the Santa Clara County Association of Realtors (SCCAOR), and the Housing Trust of Santa Clara County (HTSCC) of this agenda item via a posting on the Department of Housing website at www.sjhousing.org, and various outreach and training events.

- Criterion 1:** Requires Council action on the use of public funds equal to \$1 million or greater. **(Required: Website Posting)**
- Criterion 2:** Adoption of a new or revised policy that may have implications for public health, safety, quality of life, or financial/economic vitality of the City. **(Required: E-mail and Website Posting)**
- Criterion 3:** Consideration of proposed changes to service delivery, programs, staffing that may have impacts to community services and have been identified by staff, Council or a Community group that requires special outreach. **(Required: E-mail, Website Posting, Community Meetings, Notice in appropriate newspapers)**

COORDINATION

Preparation of this memorandum has been coordinated with the City Attorney's Office.

FISCAL/POLICY ALIGNMENT

This recommendation is consistent with the City's Council-approved Five-Year Housing Investment Plan for FY 2007/08-FY 2011/12, which describes the process of applying for State funds through the BEGIN Program in order to provide second mortgage assistance for first-time homebuyers in newly constructed for-sale housing developments.

COST SUMMARY/IMPLICATIONS

The recommendations in this memorandum will recognize and appropriate funds for two of the five grants awarded totaling \$2,820,000 from the California Department of Housing and Community Development. The grant funding will provide low-interest mortgage loans to low- and moderate-income families in targeted new housing communities in San José.

BUDGET REFERENCE

Not applicable.

CEQA

Not a project, File No. PP10-066(e), Services that involve no physical changes to the environment.

HONORABLE MAYOR AND CITY COUNCIL

Due Date: July 19, 2010

Subject: BEGIN Program Grants

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/s/

LESLYE KRUTKO
Director of Housing



JENNIFER A. MAGUIRE
Budget Director

I hereby certify that there will be available for appropriation in the Multi-Source Housing Fund in the fiscal year 2010-2011 monies in excess of those heretofore appropriated there from, said excess being at least \$2,820,000.



JENNIFER A. MAGUIRE
Budget Director

For questions, please contact Leslye Krutko, Director of Housing, at 408.535.3851

RESOLUTION NO.

A RESOLUTION OF THE COUNCIL OF THE CITY OF SAN JOSE AUTHORIZING THE DIRECTOR OF HOUSING TO ACCEPT BUILDING EQUITY AND GROWTH IN NEIGHBORHOODS HOUSING PROGRAM GRANTS FROM THE CALIFORNIA DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT

WHEREAS, Building Equity and Growth in Neighborhoods ("BEGIN") funds are available to cities and counties that have contributed to the reduction of housing costs through various "regulatory relief measures, such as modification of density or zoning standards, flexible parking standards, reduction in permit processing or regulatory costs, and project design"; and

WHEREAS, the California Department of Housing and Community Development ("HCD") has issued a Notice of Funding Availability for the BEGIN Program established by Chapter 14.5, Sections 50860 through 50866 of Part 2 of Division 31 of the Health and Safety Code (the "Statute"). Pursuant to the Statute, HCD is authorized to approve funding allocations utilizing monies made available by the State Legislature to the BEGIN Program, subject to the terms and conditions of the Statute and the BEGIN Program guidelines adopted as amended by HCD; and

WHEREAS, the City of San José ("City") has applied for allocations of funds through the BEGIN Program, for a total of \$8,396,500, to assist up to 99 first-time homebuyers in the following for-sale developments: (1) The 88, (2) The Works, (3) Axis, (4) 360 Residences, and (5) Villa Fontana, and the City has received formal award letter for two grants; and

WHEREAS, the City will use the BEGIN funds to make deferred payment loans for low and moderate income persons or families purchasing homes in the targeted developments; and

WHEREAS, HCD requires approval by the City Council to accept these new funds; and

WHEREAS, the City desires to accept the BEGIN grant funds when issued and to authorize the Director of Housing to negotiate and execute the grant agreements and any amendments or other documents necessary to implement the programs funded by the BEGIN grants;

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

The Director of Housing is hereby authorized to as more specifically set forth in the Director of Housing's report dated July 19, 2010:

1. Accept Building Equity and Growth in Neighborhoods ("BEGIN") housing program grants from the California Department of Housing and Community Development to fund the following downpayment assistance loan programs:
 - a) A \$2,000,000 grant to fund downpayment assistance loans to first-time homebuyers purchasing in The 88 condominium development.
 - b) An \$820,000 grant to fund downpayment assistance loans to first-time homebuyers purchasing in The Works condominium development.

- c) A \$2,400,000 grant to fund downpayment assistance loans to first-time homebuyers purchasing in the Axis condominium development.
 - d) A \$2,000,000 grant to fund downpayment assistance loans to first-time homebuyers purchasing in the 360 Residences condominium development.
 - e) A \$1,176,500 grant to fund downpayment assistance loans to first-time homebuyers purchasing in the Villa Fontana Condominium development.
2. Negotiate and execute all necessary grant agreements and any amendments or other documents necessary to implement the programs funded by the following BEGIN grants.

ADOPTED this ____ day of _____, 2010, by the following vote:

AYES:

NOES:

ABSENT:

DISQUALIFIED:

CHUCK REED
Mayor

ATTEST:

LEE PRICE, MMC
City Clerk

RD:SSG:LJR
7/23/2010

T-18724.001\678561.doc
Council Agenda: 08/10/10
Item No.: 4.4

4

DRAFT--Contact the Office of the City Clerk at (408)535-1260 or CityClerk@sanjoseca.gov for final document.

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San Jose Real Estate

< San Jose homes for sale

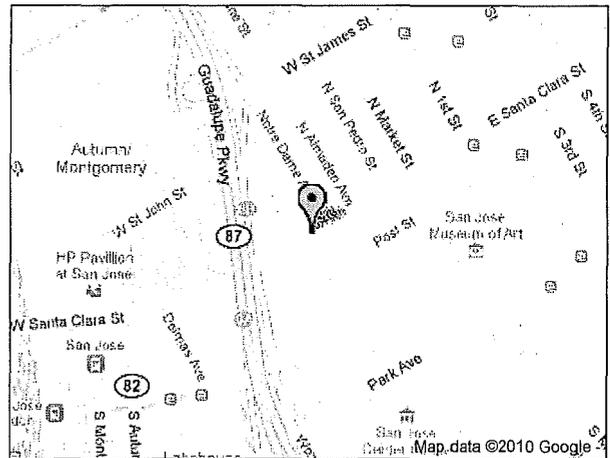
38 N Almaden Blvd #2101, San Jose, CA 95110



\$2,325,000
3 bed / 2 baths
Square ft: 1,882
Style: Modern/High Tech,
Contemporary
County: Santa Clara County
How much can I afford?

» View more photos

For more information about this property:
BNMI Real Estate Services ☎ +1 866.906.1535



Property Details

- Area Name:** Central San Jose
- Community Name:** AXIS
- Type:** Condominium
- Architectural Style:** Modern/High Tech, Contemporary
- Association Fee:** \$510
- Unit Location:** Top Floor or Penthouse Unit
- Unit Description:** 1 Level
- Square Feet:** 1882
- Flooring:** Area Carpeting, Partial Hardwood
- Garage Description:** Electric Door or Gate Opener, 2 Car Garage
- Heat Source:** Heat Pump
- Air Conditioning:** Central Air Conditioning
- Energy Savings:** Low-Flow Toilet(s)
- Lot Size Area:** 1.42
- View:** View of Mountains, Valley View, View of City Lights
- Zoning:** r
- MLS #:** 81006223
- Agent:** Paul A. Zeger
- Brokerage:** Pacific Marketing Assoc.

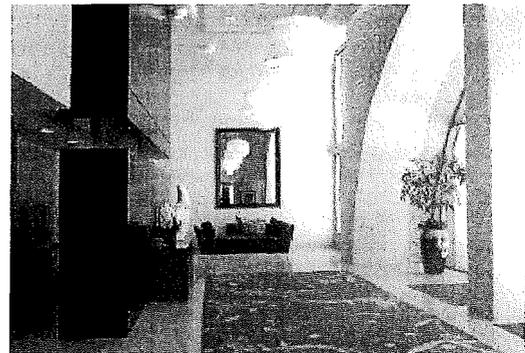
Features/Amenities

- Shower/Tub:** 1 Shower over Tub
- Shower:** 1 Stall Shower
- Tub:** 1 Tub
- Property Includes:** 1 Dishwasher, Cooktop Range, 1 Refrigerator, Microwave Oven, Built-In Oven
- Association Fee Includes:** Hot Water, Landscaping/Gardening, Pools/Spa/Tennis, Professional Management, Reserve Fund, Roof, Water, Common Area Electricity, Common Area Gas, Exterior Painting, Garbage
- Additional Features:** 220 Volts in Kitchen, Central Fire Alarm, Double Pane Windows, Fire Sprinkler System, Gas Hookup in Kitchen, High Ceilings, 220 Volts in Laundry Area, Balcony/Patio
- Additional Benefits:** Clubhouse/Recreation Room, Door Person, Additional Storage, Electronic Security Features, Elevator(s), Exercise Room, Pet Restrictions, Pool, Security Gates, Barbecue Area, Spa

Room Information

Family Room Description: No Family Room

38 N Almaden Blvd #2101 PHOTO GALLERY



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