

RESOLUTION NO. 73606

A RESOLUTION OF THE COUNCIL OF THE CITY OF SAN JOSE APPROVING A REFUND OF CONSTRUCTION LOAN INTEREST IN THE AMOUNT OF \$16,917.00 TO KETZAL COMMUNITY DEVELOPMENT CORPORATION RELATED TO THE LAS MARIPOSAS FOR-SALE AFFORDABLE HOUSING PROJECT.

WHEREAS, on February 24, 2004, the City Council approved a construction loan in the amount of \$4,181,662 to Ketzal Community Development Corporation for a 66-unit affordable housing project, which construction loan was fully repaid on July 21, 2006; and

WHEREAS, Ketzal, a subsidiary of the Mexican-American Community Services Agency, Inc., has requested a refund of a portion of the construction loan interest equaling \$16,917.00 which is in excess of the amount budgeted and accrued due to delays in the sale of the units, in part due to the complexities and additional subordinate financing required; and

WHEREAS, the City staff recommends that the City Council approve the partial interest, as more specifically stated in the Director of Housing report dated January 3, 2007.

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

A refund of construction loan interest in the amount of \$16,917.00 to Ketzal Community Development Corporation, borrower for the Las Mariposas For-sale

///

///

///

///

///

RD:MDC

affordable housing project located at 2177 Alum Rock Avenue, San Jose, as set forth in the Director of Housing report dated January 3, 2007, is approved.

ADOPTED this 23rd day of January, 2007, by the following vote:

AYES: CAMPOS, CHIRCO, CONSTANT, CORTESE,
LICCARDO, NGUYEN, PYLE, WILLIAMS; REED

NOES: NONE

ABSENT: NONE

DISQUALIFIED: NONE

VACANT: DISTRICT 4, DISTRICT 6

CHUCK REED
Mayor

ATTEST:

LEE PRICE, MMC
City Clerk