

**RESOLUTION NO. 73696**

**A RESOLUTION OF THE COUNCIL OF THE CITY OF SAN JOSE APPROVING A CONSTRUCTION LOAN OF UP TO \$4,766,000.00 TO SAN CARLOS TOWN HOMES, LLC. FOR THE WEST SAN CARLOS AFFORDABLE HOUSING PROJECT LOCATED AT 1523 WEST SAN CARLOS STREET WITH \$1,600,000.00 OF THIS AMOUNT SET ASIDE TO FUND SECOND MORTGAGES FOR 16 MODERATE INCOME BUYERS.**

**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 affordable 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**, on June 25, 2002 the City Council approved an acquisition loan of up to \$4,113,000 to Core Development Corporation and ROEM Development Corporation for developing a 30-unit for-sale townhome project and a conditional grant of up to \$4,775,000 for the acquisition and development of the 100-unit San Carlos senior rental housing project; and

**WHEREAS**, because of relocation issues involving a current tenant, staff recommends approval of a construction loan only for the homeownership townhome portion of the site, as more specifically set forth in the Director of Housing Report dated February 28, 2007.

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

A construction loan in the amount of \$4,766,000 to San Carlos Townhomes, LLC., that includes \$1,600,000 to fund second mortgages for 16 moderate-income homebuyers of the townhome for-sale project located at 1523 West San Carlos Street, as more specifically set forth in the Report of the Director of Housing dated January 17, 2007, is approved.

ADOPTED this 20th day of March, 2007, by the following vote:

AYES:	CAMPOS, CHIRCO, CONSTANT, CORTESE, LICCARDO, NGUYEN, OLIVERIO, PYLE, WILLIAMS; REED
NOES:	NONE
ABSENT:	NONE
DISQUALIFIED:	NONE
VACANT:	DISTRICT 4

---

CHUCK REED  
Mayor

ATTEST:

---

LEE PRICE, MMC  
City Clerk