

**RESOLUTION NO. 73697**

**A RESOLUTION OF THE COUNCIL OF THE CITY OF SAN JOSE APPROVING A FUNDING COMMITMENT OF UP TO \$9,875,000 TO FIRST COMMUNITY HOUSING, OR ITS DESIGNATED AFFILIATE, OF WHICH \$1,095,000 WILL FINANCE PROPERTY ACQUISITION, FOR THE DEVELOPMENT OF THE 100-UNIT NORTH FOURTH STREET APARTMENTS AFFORDABLE FAMILY HOUSING PROJECT LOCATED AT 1470 NORTH 4<sup>TH</sup> STREET TO BE MADE AVAILABLE TO EXTREMELY LOW-, VERY LOW-, AND LOW-INCOME HOUSEHOLDS.**

**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 April 7, 2006 First Community Housing submitted a NOFA application for a City funding commitment in the amount of \$7,000,000 for the development of the proposed 100-unit North Fourth Street project and on February 21, 2007 the application was amended to include a request for a loan increase of \$2,875,000 to fund anticipated construction cost increases; and

**WHEREAS**, staff recommends approval of the funding commitment, 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 funding commitment of up to \$9,875,000 to First Community Housing, or its designated affiliate, of which \$1,095,000 will finance property acquisition, for the development of the 100-unit North Fourth Street Apartments affordable family housing project located at 1470 North 4<sup>th</sup> Street to be made available to extremely low-, very low-, and low-income households, as more specifically set forth in the Report of the Director of Housing dated February 28, 2007, is approved.

ADOPTED this 20th day of February, 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

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CHUCK REED  
Mayor

ATTEST:

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LEE PRICE, MMC  
City Clerk