

RESOLUTION NO. 74006

A RESOLUTION OF THE COUNCIL OF THE CITY OF SAN JOSE (1) CONVERTING TO A GRANT ALL PRINCIPAL AND ACCRUED INTEREST TOTALING APPROXIMATELY \$2,480,053 ON A LOAN TO FAMILY SUPPORTIVE HOUSING, INC., FORMERLY KNOWN AS CONCERN FOR THE POOR, INC., OR DESIGNEE, FOR THE ACQUISITION, CONSTRUCTION AND PERMANENT FINANCIGN OF THE EXISTING SAN JOSE FAMILY SHELTER PROJECT LOCATED AT 1590 LAS PLUMAS AVENUE; AND (B) APPROVING AN ADDITIONAL \$100,000 GRANT FROM THE MULTI-SOURCE HOUSING FUND TO FAMILY SUPPORTIVE SERVICES FOR ADDITIONAL PREDEVELOPMENT EXPENSES RELATED TO THE NEW SAN JOSE FAMILY SHELTER'S DEVELOPMENT, AND AUTHORIZING THE DIRECTOR OF HOUSING TO NEGOTIATE AND EXECUTE ALL DOCUMENTS FOR THIS GRANT.

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, the City Council's approval of converting the loan with accrued interest to a grant will allow Family Supportive Housing to preserve a \$1M funding commitment from the State of California Department of Housing and Community Development's

Emergency Housing and Assistance Program for Capital Development and obtain additional funding for construction of a new shelter, as more specifically set forth in the Director of Housing's Report dated August 28, 2007.

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

1. The conversion to a grant of all principal and accrued interest totaling approximately \$2,480,053 on a loan to Family Supportive Housing, Inc., formerly known as Concern for the Poor, Inc., or designee, for the acquisition, construction, and permanent financing of the existing San Jose Family Shelter project located at 1590 Las Plumas Avenue, as more specifically set forth in the Director of Housing Report dated August 28, 2007, is approved; and
2. An additional \$100,000 grant from the Multi-Source Housing Fund to Family Supportive Services for additional predevelopment expenses related to the New San Jose Family Shelter's development is approved, and the Director of Housing is authorized to negotiate and execute all documents for this grant, as both are more specifically set forth in the Report of the Director of Housing dated August 28, 2007.

ADOPTED this 18th day of September, 2007, by the following vote:

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

NOES: NONE

ABSENT: NONE

DISQUALIFIED: NONE

CHUCK REED
Mayor

ATTEST:

LEE PRICE, MMC
City Clerk