

**RESOLUTION NO. 74118**

**A RESOLUTION OF THE COUNCIL OF THE CITY OF SAN JOSE (A) APPROVING A CONSTRUCTION/PERMANENT FUNDING COMMITMENT OF UP TO \$12,900,000 TO ROEM DEVELOPMENT CORPORATION, OR ITS DESIGNATED AFFILIATE, FOR THE DEVELOPMENT OF THE 201-UNIT FAIRGROUNDS SENIOR APARTMENTS PROJECT THAT IS LOCATED AT 520 TULLY ROAD; AND (B) FINDING THAT USE OF 20% LOW- AND MODERATE-INCOME HOUSING FUNDS FOR THE FAIRGROUNDS SENIOR APARTMENTS PROJECT IS OF BENEFIT TO THE REDEVELOPMENT PROJECT AREAS IN SAN JOSE.**

**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 December 12, 2006, the City Council initially approved a funding commitment for a loan of up to \$11,464,563 to the Housing Authority of the County of Santa Clara (HACSC) and the County of Santa Clara for the proposed project

**WHEREAS**, an RFP was issued by HACSC in December, 2006, and ROEM was unanimously selected to take over the project and HACSC and the County assigned and transferred all their interests to ROEM;

**WHEREAS**, on August 23, 2007, ROEM submitted a NOFA application for a loan up to \$12,900,000 for developing the project; and

**WHEREAS**, it is found that the use of 20% Low- and Moderate-Income Housing Funds for the Fairgrounds Senior Apartments project is of benefit to the Redevelopment Project Areas in San Jose.

**WHEREAS**, staff recommends approval of the funding commitment, as more specifically set forth in the Director of Housing's Report dated October 29, 2007.

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

1. A construction/permanent funding commitment of up to \$12,900,000 to ROEM Development Corporation, or its designated affiliate, for the development of the 201-unit Fairgrounds Senior Apartments that is located at 520 Tully Road in San Jose, as more specifically set forth in Director of Housing Report dated October 29, 2007, is approved; and

2. The use of 20% Low- and Moderate-Income Housing Funds for the Hillsdale Townhomes project is of benefit to the Redevelopment Project Areas in San Jose, as more specifically set forth in the Report of the Director of Housing dated October 29, 2007, is approved.

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

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

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CHUCK REED  
Mayor

ATTEST:

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LEE PRICE, MMC  
City Clerk

