

RESOLUTION NO. 74278

A RESOLUTION OF THE COUNCIL OF THE CITY OF SAN JOSE APPROVING A RESOLUTION (A) VAPPROVING A CONDITIONAL GRANT OF UP TO \$6,291,000 TO FAMILY SUPPORTIVE HOUSING, INC., OR ITS DESIGNEE, FOR PREDEVELOPMENT, CONSTRUCTION, AND PERMANENT FINANCING OF THE 36-UNIT NEW SAN JOSE FAMILY SHELTER PROJECT LOCATED AT 686 NORTH KING ROAD, TO BE MADE AFFORDABLE TO EXTREMELY LOW INCOME HOUSEHOLDS, AND (B) FINDING THAT THE USE OF REDEVELOPMENT TAX INCREMENT FUNDS OUTSIDE OF A REDEVELOPMENT PROJECT AREA FOR THE NEW SAN JOSE FAMILY PROJECT IS OF BENEFIT TO THE REDEVELOPMENT PROJECT AREAS IN SAN JOSE.

WHEREAS, in 1987 the City made a loan to Concern for the Poor, Inc., now known as Family Supportive Housing (FSH), in the amount of \$2,061,590.00 for the acquisition, construction and permanent financing of the San Jose Family Shelter, a converted warehouse building located on Las Plumas Avenue ; and

WHEREAS, FSH plans to build, own and operate a replacement shelter on a .50 acre portion of the new 25-acre, master-planned Newbury Park community located on the northeast corner of North King Road and Dobbin Drive; and

WHEREAS, out of the requested funding commitment of \$6,291,000.00 of Redevelopment Tax Increment Funds, the agency has already received \$200,000 in predevelopment grants and a forgiveness of the 1987 loan plus accrued interest, in the total amount of \$2,480,053; 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 extremely low-income 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 use of Redevelopment Tax Increment Funds for the proposed project will provide affordable housing to 35 extremely low-income households, including both single-parent and two-parent families and is of benefit to the Redevelopment Project Areas in San Jose, and staff recommends funding this project, as more specifically set forth in the Report of the Director of Housing and the Report of the Budget Director, dated February 19, 2008.

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

1. A conditional grant of up to \$6,291,000 to Family Supportive Housing, Inc., or its designed, for the predevelopment, construction, and permanent financing of the 36-unit New San Jose Family Shelter project located at 686 North King Road, to be made affordable to extremely low-income households, as more specifically set forth in the Director of Housing Report and the Director of Budget Report, dated February 19, 2008, is hereby approved.
2. The use of Redevelopment Tax Increment Funds outside of a project area for the New San José Family Shelter project as affordable housing for extremely

low-income households is of benefit to the Redevelopment Project Areas in San Jose, as more specifically set forth in the Director of Housing Report and the Director of Budget Report, dated February 19, 2008, is hereby approved.

ADOPTED this 11th day of March, 2008, 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