

**RESOLUTION NO. 74299**

**A RESOLUTION OF THE COUNCIL OF THE CITY OF SAN JOSE APPROVING A FUNDING COMMITMENT OF UP TO \$100,000 TO PROVIDE SECOND MORTGAGES OF UP TO \$50,000 EACH TO LOW- OR MODERATE-INCOME HOUSEHOLDS FOR THE PURCHASE OF THE REMAINING TWO AFFORDABLE UNITS AT THE WORKS DEVELOPMENT, LOCATED AT THE CORNER OF PATTERSON AND SOUTH THIRD STREETS IN THE SPARTAN KEYES STRONG NEIGHBORHOOD INITIATIVE AREA.**

**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**, the Works is a 74-unit condominium development that is subject to the City's inclusionary housing policy that requires 15 of the units to be available as affordable housing; and

**WHEREAS**, these second mortgages will give the City greater affordability with the units subsidized and will facilitate their sale to income-eligible households, and staff recommends approval of the funding commitment, as more specifically set forth in the Director of Housing's Report dated March 4, 2008.

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

A funding commitment of up to \$100,000 to provide second mortgages of up to \$50,000 each to low- or moderate-income households purchasing the remaining two affordable units at The Works Development, located at the corner of Patterson and

South Third Streets in the Spartan Keyes Strong Neighborhood Initiative Area, as more specifically set forth in Director of Housing Report dated March 4, 2008, is approved; and

ADOPTED this 25th day of March, 2008, by the following vote:

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

NOES: NONE

ABSENT: WILLIAMS

DISQUALIFIED: NONE

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CHUCK REED  
Mayor

ATTEST:

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LEE PRICE, MMC  
City Clerk