



Housing

Loan Commitment Approvals for Kooser Apartments and 525 North Capitol

March 26, 2024

Item 8.3

Rosalynn Hughey

Deputy City Manager and
Acting Director of Housing

Kemit Mawakana

Division Manager

Banu San

Housing Policy and Planning
Administrator

Overview

- Combined Construction-Permanent Loan to construct **351 apartments** in two developments of which **70 apartments** will be permanent supportive housing:
 - Kooser Apartments – 191 apartments
 - 525 N Capitol Avenue – 160 apartments



Kooser Apartments

- Located at **1371 Kooser Road**
- Developed by **Affirmed Housing**
- **7-story building:** 5 levels of residential units and 2 levels of parking; 147 parking spaces
- **189** affordable units, of which **50** will be for extremely low-income, **65** for very low-income, **74** for low-income families
- **30** permanent supportive housing units (housing for the formerly homeless)
 - Assisted by Project-Based Vouchers
- **50%** are 2-bed and 3-bed apartments
- **20** Rapid Rehousing units
- Located in an Affordable Housing Expansion Area



Kooser Apartments: Features

- On-site resident services
 - Contract with Compass for Affordable Housing to provide services: adult educational, health, and skill building classes and programs
- Youth center with outdoor play structures and a community garden
- Additional amenities: community room, food pantry, computer lab, and outdoor courtyard



Kooser Apartments – Sources of Funding

Source	Permanent Amount	Entity	Type of Funding
Tax-Exempt Bank Loan	\$37,451,980	Private Lender	Loan
County of Santa Clara	\$4,000,000	Public	Loan
City of San José	\$19,551,066	Public	Loan
Private Equity Investment	\$88,590,955	Private Investment	Equity
Deferred Developer Fee	\$5,680,000	Private	Equity
Total	\$155,274,001		



525 North Capitol

- 🏠 Located at **525 N Capitol Avenue**
- 🏠 Developed by **Community Development Partners (CDP)**
- 🏠 **158** affordable units, of which **71** will be for extremely low-income, **25** for very low-income, and **62** for low-income families
- 🏠 **22%** 2-bed and 3-bed apartments
- 🏠 **65** voucher subsidized units
 - **15** Permanent Supportive Housing units
 - **25** Veterans Affairs Supportive Housing Vouchers
 - **25** additional Project-Based Vouchers
- 🏠 Located in a Continued Investment Area



525 North Capitol: Features

- Partnership with EngAGE to provide on-site resident services
 - Including intergenerational, case management, and community building programs
- Partnership with Veggielution to provide food services
 - Including on-site meal preparation and training, access to fresh produce, and educational programs
- Additional amenities: food pantry, computer lab, laundry facilities, and outdoor courtyard



525 N Capitol – Sources of Funding

Source	Permanent Amount	Entity	Type of Funding
Tax-Exempt Loan	\$27,250,000	Private Lender	Loan
County of Santa Clara	\$8,000,000	Public	Loan
City of San José	\$20,000,000	Public	Loan
California Department of Housing and Community Development – Infill Infrastructure Grant	\$4,000,000	Public	Grant
Private Equity Investment	\$49,429,825	Private Investment	Equity
Deferred Developer Fee	\$11,789,675	Private	Equity
Total	\$120,469,500		



Thank You!

🏠 Developer Partner

- Affirmed Housing
 - José J. Lujano, Project Manager
- Community Development Partners
 - Teresa Pakalski, Senior Project Manager
 - Angela Heyward, Development Director



🏠 City Staff

- Planning Division
 - Reema Mahamood, Planner III – Environmental Review
 - Ruth Cueto, Principal Planner
 - Maira Blanco, Planner III
- CAO
 - Gabriel Rodriguez, Senior Deputy City Attorney
 - Hana Hardy Gunther, Senior Deputy City Attorney
- Housing
 - Shelsy Bass, Senior Development Officer
 - Michael Jun, Senior Development Officer
 - Francisco Montes, Development Officer
 - Lucy Ma, Staff Specialist





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