

RESOLUTION NO. _____

A RESOLUTION OF THE COUNCIL OF THE CITY OF SAN JOSE APPROVING A PREDEVELOPMENT LOAN TO QUETZAL GARDENS, L.P. FOR QUETZAL GARDENS APARTMENTS

WHEREAS, in July 2016, the Housing Department issued a Notice of Funding Availability (“NOFA”) in partnership with the County of Santa Clara (“County”) and the Housing Authority of the County of Santa Clara (“HACSC”); and

WHEREAS, the highest priority of the NOFA was the development of housing for the homeless, and Resources for Community Development (“Developer”) submitted a proposal for the Quetzal Gardens Apartments, a new 70 unit, rent and income restricted rental housing development for extremely low and very low income households (“Project”), on Developer-owned property located at 1695 Alum Rock Avenue (“Site”) in the City of San José (“**City**”); and

WHEREAS, the Project was deemed eligible for 32 project-based vouchers from HACSC, supportive services from the County, and a subsidy commitment request to the City Council; and

WHEREAS, the proposed eight-story Project will consist of six floors of residential units designed to promote social interaction with supportive supervision; a ground first floor with a lobby, manager’s office, mail room, bike parking, trash rooms, parking garage and nearly 7,000 square feet of retail space for a community serving nonprofit; the third floor podium courtyard will offer two offices and meeting space for supportive service staff, a community room, and play and outdoor space; and

WHEREAS, Developer intends to partner with Somos Mayfair, Inc. to lease out the ground level retail space and supplement supportive services provided to the building residents; and

WHEREAS, the Developer, with support from the County, has selected Abode Services as the onsite provider of integrated care for the 20 extremely low income formerly homeless residents, the services will be individually planned around the anticipated needs of each resident and will be continually adjusted to reflect the changing needs of the tenant population; and

WHEREAS, the Developer estimates the Project's total predevelopment costs at \$2,000,000.00, staff recommends approval of a predevelopment loan of up to \$1,000,000.00 to cover fees for architectural, engineering, and other consultants to prepare drawings and documents necessary to file building permit applications; and

WHEREAS, the City desires to approve a predevelopment loan of up to \$1,000,000.00 in Low and Moderate Income Housing Asset Funds to the Developer for the Project, with the predevelopment loan to be secured against the Site and repaid in full by construction financing proceeds;

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

Adopt a resolution approving a Predevelopment Loan of up to \$1,000,000 in Low and Moderate Income Housing Asset Funds to Quetzal Gardens, L.P., an affiliate development entity of Resources for Community Development, for the Quetzal Gardens Apartments, a new affordable development to be located at and secured by 1695 Alum Rock Avenue in order to offer rent- and income-restricted apartments for 70 extremely

RD:HAH:LJR
7/11/2017

low-income and very low-income households, as more specifically set forth in the Director of Housing's memorandum dated July 17, 2017, is hereby approved.

ADOPTED this _____ day of _____, 2017, by the following vote:

AYES:

NOES:

ABSENT:

DISQUALIFIED:

SAM LICCARDO
Mayor

ATTEST:

TONI J. TABER, CMC
City Clerk