

RESOLUTION NO. _____

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SAN JOSE AUTHORIZING AN EXCEPTION TO CITY COUNCIL'S MULTIFAMILY HOUSING REVENUE BOND POLICY, COUNCIL POLICY 1-16, FOR THE ISSUANCE OF MULTIFAMILY HOUSING REVENUE BONDS FOR VIEW AT JULIAN LOCATED AT 950 WEST JULIAN STREET DUE TO SPECIAL CIRCUMSTANCES, THEREBY ALLOWING ISSUANCE FOR THOSE PROJECTS BY THE CALIFORNIA MUNICIPAL FINANCE AUTHORITY

WHEREAS, the City of San José ("City") lacks enough affordable housing to meet resident's needs, with a severe shortage of adequate affordable housing for extremely low-, very low-, and moderate-income households; and

WHEREAS, the City's Regional Housing Needs Allocation for the 2023-2031 (sixth cycle) Housing Element is 62,200 housing units. Fifty-five percent of these units must be affordable (*i.e.*, affordable for extremely low-, very low-, and low-, and moderate-income households.); and

WHEREAS, the City adopted a policy for the issuance of Multifamily Housing Revenue bonds in 2002 ("Council Policy 1-16") stating the parameters for when the City will serve as the bond issuer for affordable housing developments; and

WHEREAS, Council Policy 1-16 states that the City shall be the issuer of all bonds financing multifamily housing rental projects within the City, with specified exceptions; and

WHEREAS, one of these exceptions allows an alternate issuer to issue bonds for affordable housing within the City when there are "special circumstances" merited by the circumstances of the project and the financing and in which case the City will not be the issuer of bonds for the project; and

WHEREAS, the City Council Policy 1-16 requires the alternate issuer to assume full responsibility for issuance and ongoing compliance of the bond issue with federal tax and state laws; and

WHEREAS, due to special circumstances, as described in the Memorandum from Housing and Finance Departments dated February 13, 2024, staff recommended an exception to the City Council Policy 1-16 for the View at Julian located at 950 West Julian Street which approval will result in the development of 300 new affordable apartments to our community; and

WHEREAS, California Municipal Finance Authority (“CMFA”) will be the issuer of bonds for the View at Julian and the City will hold the Tax Equity and Fiscal Responsibility Act of 1986 hearing for the CMFA issuances; and

WHEREAS, approval of the recommended exception to the Council Policy 1-16 will enable the View at Julian to move forward with CMFA as their alternate bond issuer and their current financing plan as set forth in the Memorandum from Housing and Finance Departments dated February 13, 2024;

NOW, THEREFORE, BE IT RESOLVED, by the City Council of the City of San José as follows:

An exception to the City’s Policy for the issuance of Multifamily Housing Revenue Bonds is hereby authorized for the View at Julian located at 950 West Julian Street due to special circumstances, thereby allowing issuance for this project by the California Municipal Finance Authority.

ADOPTED this _____ day of _____, 2024 by the following vote:

AYES:

NOES:

ABSENT:

DISQUALIFIED:

MATT MAHAN
Mayor

ATTEST:

TONI J. TABER, CMC
City Clerk