

8.1 Approval of an Exception to the City Multifamily Housing Revenue Bond Policy Allowing View at Julian Affordable Housing Development to Use an Alternate Bond Issuer and Hold the Tax Equity and Fiscal Responsibility Act Hearing for California Municipal Finance Authority's Issuance of Tax-Exempt Multifamily Revenue Bonds to Finance View at Julian Affordable Housing Development. – TO BE HEARD AFTER ITEM 6.1

Recommendation:

(a) Adopt a resolution authorizing an exception to the City Council's Multifamily Housing Revenue Bond Policy, Council Policy 1-16, for the issuance of Multifamily Housing Revenue Bonds for View at Julian due to special circumstances, thereby allowing the California Municipal Finance Authority to issue the bonds.

(b) Hold a Tax Equity and Fiscal Responsibility Act of 1982 public hearing for the issuance of \$90,000,000, not to exceed \$125,000,000, of tax-exempt multifamily housing revenue bonds by the California Municipal Finance Authority, to finance the construction of a 300-unit multifamily rental housing development to be located at 950-970 West Julian Street in San José by JEMCOR Development Partners, LLC; and to pay certain expenses incurred in connection with the issuance of the bonds.

(c) Adopt a resolution approving the issuance of tax-exempt multifamily housing revenue bonds by the California Municipal Finance Authority in an aggregate principal amount of \$90,000,000, not to exceed \$125,000,000, to finance the construction of a new 300-unit multifamily affordable rental housing development to be located at 950-970 West Julian Street in San José, and to pay certain expenses incurred in connection with the issuance of the bonds.

CEQA: Categorically Exempt, File No. H21-044, CEQA Guidelines Section 15332 Infill Development Projects. Council District 6. (Housing/Finance)

– TO BE HEARD AFTER ITEM 6.1



Memorandum

TO: HONORABLE MAYOR
AND CITY COUNCIL

FROM: Rosalynn Hughey
Rick Bruneau

SUBJECT: SEE BELOW

DATE: January 30, 2024

Approved

Date

1/31/24

COUNCIL DISTRICT: 6

SUBJECT: APPROVAL OF AN EXCEPTION TO THE CITY MULTIFAMILY HOUSING REVENUE BOND POLICY ALLOWING VIEW AT JULIAN AFFORDABLE HOUSING DEVELOPMENT TO USE AN ALTERNATE BOND ISSUER AND HOLD THE TAX EQUITY AND FISCAL RESPONSIBILITY ACT HEARING FOR CALIFORNIA MUNICIPAL FINANCE AUTHORITY'S ISSUANCE OF TAX-EXEMPT MULTIFAMILY REVENUE BONDS TO FINANCE VIEW AT JULIAN AFFORDABLE HOUSING DEVELOPMENT

RECOMMENDATION

- a. Adopt a resolution authorizing an exception to the City Council's Multifamily Housing Revenue Bond Policy, Council Policy 1-16, for the issuance of Multifamily Housing Revenue Bonds for View at Julian due to special circumstances, thereby allowing the California Municipal Finance Authority to issue the bonds.
- b. Hold a Tax Equity and Fiscal Responsibility Act of 1982 public hearing for the issuance of \$90,000,000, not to exceed \$125,000,000, of tax-exempt multifamily housing revenue bonds by the California Municipal Finance Authority, to finance the construction of a 300-unit multifamily rental housing development to be located at 950-970 West Julian Street in San José by JEMCOR Development Partners, LLC; and to pay certain expenses incurred in connection with the issuance of the bonds.

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- c. Adopt a resolution approving the issuance of tax-exempt multifamily housing revenue bonds by the California Municipal Finance Authority in an aggregate principal amount of \$90,000,000, not to exceed \$125,000,000, to finance the construction of a new 300-unit multifamily affordable rental housing development to be located at 950-970 West Julian Street in San José, and to pay certain expenses incurred in connection with the issuance of the bonds.

SUMMARY AND OUTCOME

Approval of this recommendation will enable the development of View at Julian, a multifamily rental housing development located at 950-970 West Julian Street, to move forward with the California Municipal Finance Authority (CMFA) as its alternate bond issuer. This action will result in the construction of a 300-unit multifamily affordable housing development consisting of 296 new deed-restricted affordable apartments and four manager apartments.

The Tax Equity and Fiscal Responsibility Act of 1982 (TEFRA) hearing provides an opportunity for the public to review and provide comments on the issuance of \$90,000,000 of tax-exempt revenue bonds, for a not to exceed amount of \$125,000,000, for View at Julian rental housing development. The bond amount to be issued by CMFA for the multifamily rental housing development will be \$90,000,000. The aggregate amount of \$125,000,000 is the maximum bond allocation that CMFA may issue. The aggregate amount provides flexibility to the developer, whereby the developer could apply for a California Debt Limit Allocation Committee supplemental allocation after the TEFRA hearing is conducted, and an additional TEFRA hearing would not need to be conducted.

Additionally, approval of the recommended action will authorize CMFA to issue tax-exempt bonds to finance the construction of View at Julian rental housing development, allowing the development to move forward with no City funding.

BACKGROUND

San José lacks a sufficient amount of affordable housing to meet residents' needs. 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., for extremely low-, very low-, low-, and moderate-income households). The City's Housing Catalyst Work Plan incorporates programs and strategies to produce and preserve affordable housing in alignment with the 2023-2031 Housing Element.

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The City adopted a Multifamily Housing Revenue Bond Policy in 2002, City Council Policy 1-16¹ (Bond Policy), to provide guidance when the City acts as the issuer of multifamily housing revenue bonds. The Bond Policy requires the City serve as the bond issuer for financing affordable housing developments within the City unless the City Council approves an exception. The Bond Policy allows an alternate bond issuer under the following circumstances:

- If the City is not making a grant or loan to the project and the project is one of multiple projects being financed by the project sponsor;
- The alternate issuer will assume full responsibility for issuance and ongoing compliance of the bond issuance with federal tax and state laws; and
- If there are special circumstances merited by the needs of the development and the financing.

The Affordable Housing Development

View at Julian

The affordable housing development, View at Julian, is located at 950-970 West Julian Street (**Attachment** – Site Map.) The project proposal consists of 300 apartments, with all but four of the apartments (which are reserved as manager units) targeting families with incomes between 30-70% of area median income (AMI). JEMCOR Development Partners, LLC (Developer) proposes to demolish two commercial buildings totaling approximately 19,820 square feet and construct an eight-story housing development on the approximately 1.10-gross acre site. The existing commercial buildings are currently occupied by owner-users who will vacate prior to the start of construction. The development will be subject to the California Tax Credit Allocation Committee regulations and shall comply with the requirements of the California Relocation Assistance Law.

CMFA applied for an allocation of the 2023 State Ceiling on Qualified Private Activity Bonds from the California Debt Limit Allocation Committee and received an allocation of \$75,000,000 on August 23, 2023 for the View at Julian development. In addition to California Debt Limit Allocation Committee's allocation, CMFA plans to issue \$15,000,000 in recycled bonds for a total of \$90,000,000 in tax-exempt bond issuance. CMFA may issue bonds for a not to exceed amount of \$125,000,000 if a supplemental allocation from the California Debt Limit Allocation Committee is requested at a future date. The Developer expects construction to start in March 2024 and be completed by May 2026. Based on California Tax Credit Allocation Committee occupancy guidelines, the monthly rent limits proposed are detailed in **Table 1**. The timeline for bond financing is listed in **Table 2**.

¹ Bond Policy: <https://www.sanjoseca.gov/home/showpublisheddocument/12097/636918784470730000>

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Table 1: View at Julian's Affordability Unit Mix and AMI Levels

APART MENT SIZE	UP TO 30% AMI			UP TO 50% AMI			UP TO 60% AMI			UP TO 70% AMI			MGR APT	TOTAL
	Apts	Max Income **	Rent Limits	Apts	Max Income **	Rent Limits	Apts	Max Income **	Rent Limits	Apts	Max Income **	Rent Limits		
1-BD	20	\$40,155	\$1,003	20	\$66,925	\$1,673	82	\$80,310	\$2,007	82	\$93,695	\$2,342		204
2-BD	10	\$48,180	\$1,204	10	\$80,300	\$2,007	36	\$96,360	\$2,409	36	\$112,420	\$2,810	4	96
Total	30			30			118			118			4	300

Table 2: View at Julian's Bond Financing Timeline

Task	Date
California Debt Limit Allocation Committee Application Deadline	May 23, 2023
California Debt Limit Allocation Committee Allocation Award	August 23, 2023
TEFRA Hearing	February 13, 2024
Bond Issuance Deadline	March 4, 2024

ANALYSIS

The Bond Policy states the City shall be the issuer of all bonds financing multifamily housing rental developments within the City, with specified exceptions. One of these exceptions allows an alternate issuer to issue bonds for an affordable housing development within the City when there are special circumstances merited by the needs of the development and the financing.

Special Circumstances That Support an Exception for View at Julian Development

1) The City Does Not Have Any Subordinate Funding in View at Julian Development

The Bond Policy was implemented, in part, to protect the City's subordinate debt. The City does not have any subordinate funding in connection with View at Julian development, so City issuance is not necessary.

View at Julian development anticipates receiving a \$90,000,000 bond issuance from the CMFA on March 4, 2024. CMFA may issue bonds for a not to exceed amount of \$125,000,000 if a supplemental allocation from the California Debt Limit Allocation Committee is requested at a future date. This development has not requested financing from the City.

2) The City Does Not Currently Have the Capacity to Prepare for and Manage the Issuance of These Bonds

The City received 19 Notice of Funding Availability applications in December 2021 and awarded 11 developments. The City Council approved seven of these developments for funding commitments, totaling 692 housing units. Six of these developments co-applied with the City for their California Debt Limit Allocation Committee bonds on August 9, 2022 and February 7, 2023 and received bond allocations. The City completed financing on four of the developments in spring 2023 and the other two developments in November 2023. There are four remaining Notice of Funding Availability proposers that will likely seek City Council approval for the City financing commitments in the first quarter of 2024 to prepare for California Debt Limit Allocation Committee's 2024 Round 1 or Round 2 applications. In addition, the Housing Department released a new Notice of Funding Availability on October 10, 2023 for \$50 million and anticipates releasing awards in early 2024.

The Housing Department, City Attorney's Office, and Finance Department staff are at capacity with this current pipeline and will work on the remaining five 2021 Notice of Funding Availability recipients' City multifamily housing revenue bond issuances through fiscal year 2023-2024. As such, considering the City's limited capacity for taking on any additional affordable housing issuances in the coming months and the Developer's need to close on construction financing by March 4, 2024, the City recommends a Bond Policy exception to allow this bond issuance to move forward through CMFA.

The Alternate Bond Issuer: CMFA

CMFA was established in 2004 under the California Government Code as a statewide joint powers authority to provide local governments and private industry access to tax-exempt low-interest financing to achieve public benefit goals. The Board of Directors of the California Foundation for Stronger Communities, a California non-profit public benefit corporation, acts as the Board of Directors for CMFA. CMFA shares a portion of its issuance fees with its member communities and donates a portion of issuance fees to the California Foundation for Stronger Communities to support local charities. It is expected that 25% of the CMFA \$82,500 issuance fee, \$20,625, will be contributed by CMFA to the City's Housing Trust Fund to support the activities of the Housing Department's Homelessness Response Division.

TEFRA Public Hearing Requirements

In instances where the City is not the bond issuer for a development, the Bond Policy normally requires the issuer to assume full responsibility for issuance and ongoing compliance of the bond

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issuance with federal and state tax laws. Although the City will not assume any monitoring responsibilities, the City will hold the TEFRA public hearing for the CMFA issuance.

Pursuant to Section 147(f) of the Internal Revenue Code of 1986, the issuance of the bonds by CMFA requires the City's approval because the developments are located within the territorial limits of the City. The proposed bond issuance by CMFA is classified as a private activity for purposes of the Internal Revenue Code. A qualified private activity bond is a bond issued to fund a development for a private entity that meets certain requirements under the Internal Revenue Code for the interest received by the bondholder to be excluded from gross income for federal income tax purposes.

For the interest on the bonds to be exempt from federal income tax, an "applicable elected representative" of the government unit must approve the issuance of the bond after a public hearing (TEFRA Public Hearing). Because the CMFA Board of Directors is not an elected body, the Internal Revenue Code provides that a governmental unit with elected representatives and jurisdiction over the area in which the development to be financed is located, in this case the City of San José City Council, is an applicable elected representative with respect to the bond issuance. The City Council's approval of the staff recommendation for View at Julian development is not an approval for any other purpose.

The TEFRA Public Hearing is scheduled to be held as part of the action items on February 13, 2024 San José City Council Agenda and serves as a method of notifying the community of CMFA's intent to approve and issue tax-exempt private activity bonds for View at Julian development. A public hearing notice will be published in the *San José Post-Record* on or prior to February 5, 2024, announcing the time and location of the public hearing.

Federal tax law limits the types of developments that may be funded with tax-exempt bond proceeds since the interest earned on such bonds is exempt from federal taxation. The purpose of a TEFRA public hearing is to identify a development which may subsequently receive funding from the sale of private activity tax-exempt bonds. A hearing will also provide interested individuals the opportunity to provide testimony on any matters related to such potential bond issuances, including the nature and location of View at Julian's affordable housing development.

EVALUATION AND FOLLOW-UP

This memorandum presents the set of recommendations related to the City Council's approval of an exception to the City Bond Policy for the issuance of multifamily housing revenue bonds. Additionally, this action will facilitate the issuance of tax-exempt revenue bonds by CMFA and requires no follow-up involving the City Council.

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The Housing Department posts periodic reports on the status of affordable properties undergoing rehabilitation or construction on its website. If the recommended actions are approved, the progress of this development will be included in these periodic production reports.

COST SUMMARY/IMPLICATIONS

Approving this recommendation will result in the City receiving a \$5,000 fee for holding the TEFRA Public Hearing. CMFA will also contribute \$20,625 of its issuance fee to the City to be deposited into the Housing Trust Fund. The staff recommendation will, however, result in the City forgoing bond administration fees for this transaction. The Bond Policy outlines the parameters for the administrative fees, including the issuance fee, an amount equal to the sum of (a) 0.50% of the first \$10,000,000 issued and (b) 0.25% of the remaining par issued and the annual monitoring fee in an amount equal to 0.125% of the original principal loan amount which may be reduced at conversion, subject to a minimum fee of \$7,500, for the 55-year term of the regulatory period. Based on these parameters and a total issuance of \$90,000,000 for View at Julian development, the City will forgo approximately \$250,000 in issuance fees and \$112,500 in monitoring fees annually. These fees would be collected only if the City issued the bond.

COORDINATION

Preparation of this memorandum was coordinated with the City Attorney's Office and the City Manager's Budget Office.

PUBLIC OUTREACH

This memorandum will be posted on the City's Council Agenda website for the February 13, 2024 City Council meeting.

The TEFRA Public Hearing, to be held as part of the action items on the February 13, 2024 City Council meeting, is a method of notifying members of the public about CMFA's intent to issue tax-exempt private activity bonds for the View at Julian development. Also, a public hearing notice will be published on or before February 5, 2024 in the *San José Post-Record* announcing the time and location of the TEFRA Public Hearing.

COMMISSION RECOMMENDATION AND INPUT

No commission recommendation or input is associated with this action.

HONORABLE MAYOR AND CITY COUNCIL

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CEQA

Categorically Exempt, File No. H21-044, CEQA Guidelines Section 15332 Infill Development Projects.

PUBLIC SUBSIDY REPORTING

This item does not include a public subsidy as defined in section 53083 or 53083.1 of the California Government Code or the City's Open Government Resolution.

/s/

ROSALYNN HUGHEY
Deputy City Manager and
Acting Housing Director

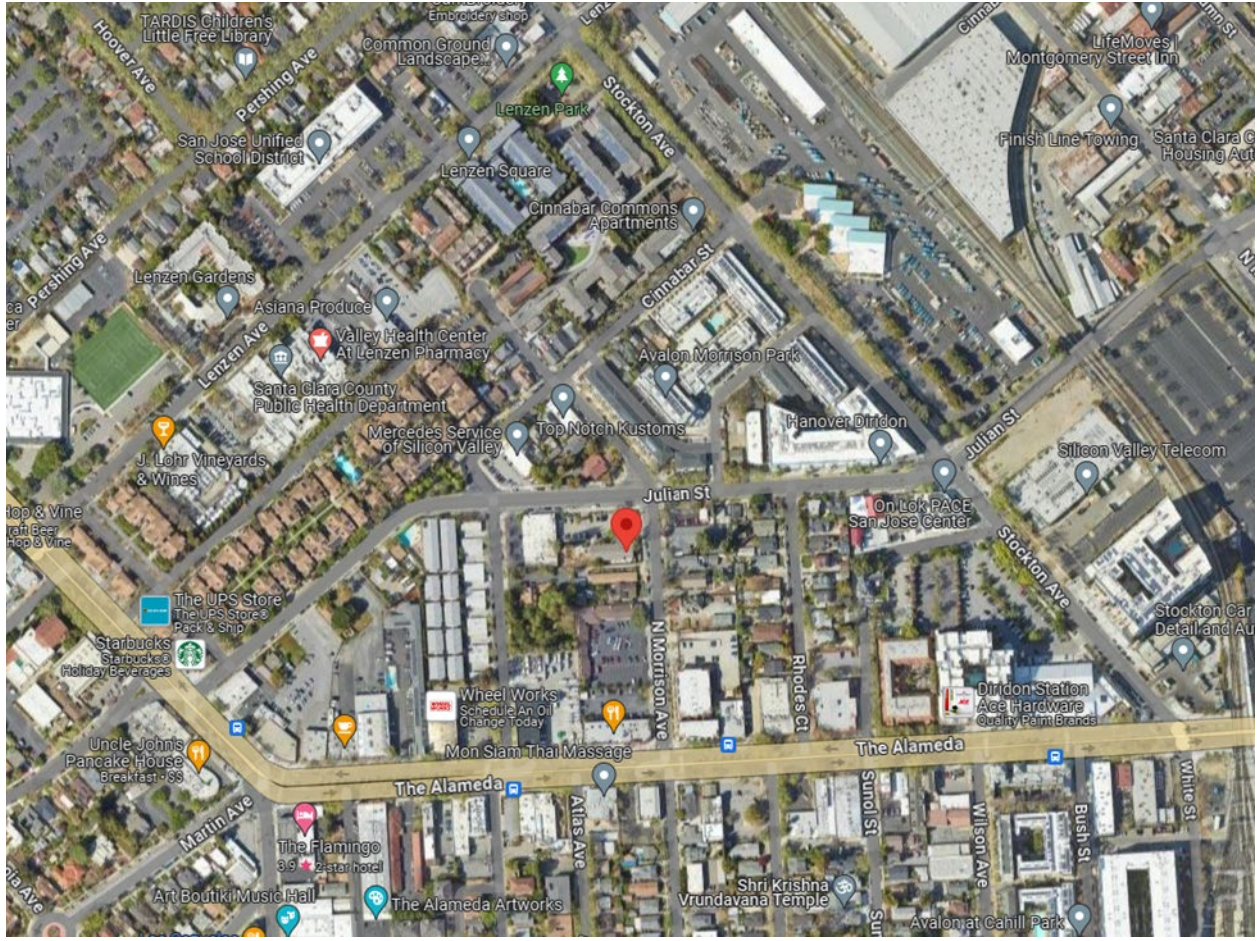
/s/

RICK BRUNEAU
Director of Finance

The principal author of this memorandum is Michael Jun, Senior Development Officer, Residential Development Division, Housing Department. For questions, please contact Qianyu Sun, Deputy Director, Debt & Treasury Management, Finance Department, at qianyu.sun@sanjoseca.gov or Ragan Henninger, Deputy Director, Housing Department, at ragan.henninger@sanjoseca.gov.

ATTACHMENT – Site Map

ATTACHMENT SITE MAP



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

RESOLUTION NO. _____

**RESOLUTION OF THE CITY COUNCIL OF THE
CITY OF SAN JOSE APPROVING THE ISSUANCE OF
TAX-EXEMPT MULTIFAMILY REVENUE BONDS BY THE
CALIFORNIA MUNICIPAL FINANCE AUTHORITY IN THE
AGGREGATE PRINCIPAL AMOUNT OF \$90,000,000, NOT
TO EXCEED \$125,000,000, FOR THE PURPOSE OF
FINANCING OR REFINANCING THE ACQUISITION,
CONSTRUCTION, IMPROVEMENT AND EQUIPPING OF
VIEW AT JULIAN AND CERTAIN OTHER MATTERS
RELATING THERETO**

WHEREAS, View at Julian, LP (the "Borrower") a partnership of which JEMCOR Development Partners, LLC (the "Developer") or a related person to the Developer is the general partner, has requested that the California Municipal Finance Authority (the "Authority") adopt a plan of financing providing for the issuance of exempt facility bonds for a qualified residential rental project pursuant to Section 142(a)(7) of the Internal Revenue Code of 1986 (the "Code") in one or more series issued from time to time, including bonds issued to refund such exempt facility bonds in one or more series from time to time, in the amount of \$90,000,000, and at no time to exceed \$125,000,000, in aggregate principal amount (the "Bonds"), to finance or refinance the acquisition, construction, improvement and equipping of a multifamily rental housing project located at 950 West Julian Street, San José, California (the "Project"); and

WHEREAS, pursuant to Section 147(f) of the Code, the issuance of the Bonds by the Authority must be approved by the City of San José (the "City") because the Project is located within the territorial limits of the City; and

WHEREAS, the City Council of the City of San José (the "City Council") is the elected legislative body of the City and is one of the "applicable elected representatives" required to approve the issuance of the Bonds under Section 147(f) of the Code; and

WHEREAS, the Authority has requested that the City Council approve the issuance of the Bonds by the Authority in order to satisfy the public approval requirement of Section 147(f) of the Code and the requirements of Section 4 of the Joint Exercise of Powers Agreement Relating to the California Municipal Finance Authority, dated as of January 1, 2004 (the "Agreement"), among certain local agencies, including the City; and

WHEREAS, on January 31, 2024, a notice appeared in the San Jose Post-Record, which is a newspaper of general circulation in the City of San José, stating that a public hearing with respect to the issuance of the Bonds would be held by the City Council on February 13, 2024; and

WHEREAS, pursuant to Section 147(f) of the Code, the City Council has, following notice duly given, held a public hearing regarding the issuance of the Bonds, and now desires to approve the issuance of the Bonds by the Authority; and

WHEREAS, it is intended that this Resolution shall comply with the public approval requirements of Section 147(f) of the Code; provided, however, that this Resolution is neither intended to nor shall it constitute an approval by the City Council for any other purpose, including, but not limited to, compliance with the California Environmental Quality Act (California Public Resources Code, Section 21100, et seq.) ("CEQA");

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

Section 1. The foregoing resolutions are true and correct.

Section 2. The City Council hereby approves the issuance of the Bonds by the Authority. It is the purpose and intent of the City Council that this resolution constitute approval of the issuance of the Bonds by the Authority, for the purposes of (a) Section 147(f) of the Code by the applicable elected representative of the governmental unit having jurisdiction over the area in which the Project is located, in accordance with said Section 147(f) and (b) Section 4 of the Agreement.

Section 3. The issuance of the Bonds shall be subject to the approval of the Authority of all financing documents relating thereto to which the Authority is a party. The City shall have no responsibility or liability whatsoever with respect to the Bonds.

Section 4. The adoption of this Resolution shall not obligate the City or any department thereof to (i) provide any financing to acquire or construct the Project or any refinancing of the Project; (ii) approve any application or request for or take any other action in connection with any planning approval, permit or other action necessary for the acquisition, construction, rehabilitation, installation or operation of the Project; (iii) make any contribution or advance any funds whatsoever to the Authority; or (iv) take any further action with respect to the Authority or its membership therein.

Section 5. The officers of the City are hereby authorized and directed, jointly and severally, to do any and all things and to execute and deliver any and all documents which they deem necessary or advisable in order to carry out, give effect to and comply with the terms and intent of this resolution and the financing transaction approved hereby.

Section 6. This resolution shall take effect immediately upon its adoption.

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

AYES:

NOES:

ABSENT:

DISQUALIFIED:

MATT MAHAN
Mayor

ATTEST:

TONI J. TABER, CMC
City Clerk

SAN JOSE POST-RECORD

This space for filing stamp only

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LAUREN SOMMERHAUSER
ORRICK, HERRINGTON & SUTCLIFFE LLP
405 HOWARD ST
SAN FRANCISCO, CA - 94105

PROOF OF PUBLICATION

(2015.5 C.C.P.)

State of California)
County of SANTA CLARA) ss

Notice Type: HRG - NOTICE OF HEARING

Ad Description:

NOTICE OF HEARING - Tuesday, February 13, 2024 at 1%253A30 p.m

I am a citizen of the United States and a resident of the State of California; I am over the age of eighteen years, and not a party to or interested in the above entitled matter. I am the principal clerk of the printer and publisher of the SAN JOSE POST-RECORD, a newspaper published in the English language in the city of SAN JOSE, county of SANTA CLARA, and adjudged a newspaper of general circulation as defined by the laws of the State of California by the Superior Court of the County of SANTA CLARA, State of California, under date 02/03/1922, Case No. 27844. That the notice, of which the annexed is a printed copy, has been published in each regular and entire issue of said newspaper and not in any supplement thereof on the following dates, to-wit:

01/31/2024

Executed on: 01/31/2024
At Los Angeles, California

I certify (or declare) under penalty of perjury that the foregoing is true and correct.



Signature



Email

SJ#: 3778519

NOTICE OF PUBLIC HEARING

NOTICE IS HEREBY GIVEN that the City Council of the City of San José (the "City"), on Tuesday, February 13, 2024 at 1:30 p.m. (or as soon thereafter as the matter can be heard) will hold a public hearing as required by Section 147(f) of the Internal Revenue Code of 1986 (the "Code"), will be held with respect to a proposed plan of financing providing for the issuance by the California Municipal Finance Authority (the "Authority") of exempt facility bonds for a qualified residential rental project pursuant to Section 142(a)(7) of the Code in one or more series issued from time to time, including bonds issued to refund such exempt facility bonds in one or more series from time to time, in an amount not to exceed \$125,000,000 in aggregate principal amount (the "Bonds"). The proceeds of the Bonds will be used to: (1) finance or refinance the acquisition, construction, improvement and equipping of View at Julian, a 300-unit multifamily rental housing project located at 950 West Julian Street, San José, California; and (2) pay certain expenses incurred in connection with the issuance of the Bonds. The facilities are to be owned View at Julian, LP (the "Borrower") or a partnership of which JEMCOR Development Partners, LLC (the "Developer") or a related person to the Developer is the general partner. The Bonds and the obligation to pay principal of and interest thereon and any redemption premium with respect thereto do not constitute indebtedness or an obligation of the City of San José, the Authority, the State of California or any political subdivision thereof, within the meaning of any constitutional or statutory debt limitation, or a charge against the general credit or taxing powers of any of them. The Bonds shall be a limited obligation of the Authority, payable solely from certain revenues duly pledged therefor and generally representing amounts paid by the Borrower. Interested persons wishing to express their views on the issuance of the Bonds or on the nature and location of the facilities proposed to be financed or refinanced may attend the public hearing or, prior to the time of the hearing, submit written comments.

The hearing will be conducted both in person in the Council Chambers at 200 East Santa Clara Street in San José and by teleconference or online as described below. The following are alternatives to in-person attendance for viewing and participating in the hearing.

How to Observe the Meeting (No Public Comment)

- 1) Cable Channel 26;
- 2) <https://www.sanjoseca.gov/news-stories/watch-a-meeting>, or
- 3) <https://www.youtube.com/CityofSanJoseCalifornia>

How to Submit Written Public Comment Before the City Council Meeting

- 1) Use the eComment tab located on the City Council Agenda page. eComments are also directly sent to the iLegislate application used by City Council and staff.
- 2) By email to city.clerk@sanjoseca.gov by 12:00 p.m. the day of the meeting. Those emails will be attached to the Council Item under "Letters from the Public." Please identify the Agenda Item Number in the subject line of your email.

3) By mail to: City Clerk, City of San José, 200 E. Santa Clara Street, Tower 14th Floor, San José, California 95113.

How to Submit Written Public Comment During the City Council Meeting

- 1) Email during the meeting to councilmeeting@sanjoseca.gov, identifying the Agenda Item Number in the email subject line. Comments received will be included as a part of the meeting record but will not be read aloud during the meeting.

How to Provide Spoken Public Comment During the City Council Meeting

- 1) By phone (888) 475-4499 (Toll-Free). Webinar ID: 94558095100. Click *9 to raise a hand to speak.
 - 2) By online <https://sanjoseca.zoom.us/j/94558095100>
 - a. Use a current, up-to-date browser: Chrome 30+, Firefox 27+, Microsoft Edge 12+, Safari 7+. Certain functionality may be disabled in older browsers including Internet Explorer. Mute all other audio before speaking. Using multiple devices can cause an audio feedback.
 - b. Enter an email address and name. The name will be visible online and will be used to notify you that it is your turn to speak.
 - c. When the Mayor calls for the item on which you wish to speak, click on "raise hand." Speakers will be notified shortly before they are called to speak. Click
 - d. When called, please limit your remarks to the time limit allotted.
- Dated: January 31, 2024
1/31/24

SJ-3778519#

FW: 2-13-2024 City council public comment on item #8.1

City Clerk <city.clerk@sanjoseca.gov>

Wed 2/14/2024 7:52 AM

To:Agendadesk <Agendadesk@sanjoseca.gov>

From: Rigoberto Gallardo [REDACTED]
Sent: Tuesday, February 13, 2024 5:07 PM
To: City Clerk <city.clerk@sanjoseca.gov>
Subject: 2-13-2024 City council public comment on item #8.1

[External Email]

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Good afternoon mayor and city council my name is Rigo Gallardo a field rep for carpenters local 405

I stand before you today to share a journey—a journey of transformation, resilience, and opportunity. It's a story that begins with struggle but is illuminated by the beacon of hope provided by meaningful work and fair labor practices.

Not long ago, I found myself on probation, navigating the tough reality of making ends meet through temporary agency jobs. Every day was a battle against uncertainty and financial instability. But amidst the chaos, an opportunity emerged—an opportunity to work on a residential project at the old Del Monte cannery in San Jose.

From cleaning construction sites to becoming a carpenter apprentice, every nail hammered and every beam set paved the way for a brighter future. Through perseverance and dedication, I graduated from the apprenticeship program and eventually found myself leading worksites, advocating for fairness and justice as a union representative.

The Del Monte cannery project wasn't just about building homes; it was about building lives, including mine. It taught me the value of hard work, the power of community, and the importance of setting standards for fair labor practices.

But as I stand here today, I can't help but wonder—when will we extend these opportunities to the next generation? When will we acknowledge that college isn't the only path to success and provide avenues for those who seek to make a decent living with their hands and hearts?

San Jose boasts of its low-income housing initiatives, yet we fail to address the fundamental issue—the lack of well-paying job opportunities for our residents. Developers cite profit margins as an excuse to bypass labor standards, but at what cost? When will San Jose demand that those who wish to build here invest in the very community they seek to serve?

It's time to set a precedent. It's time to prioritize the well-being of our residents over profit margins. It's time for San Jose to stand firm and say, "If you want to build here, you must invest in our community—with fair wages, apprenticeship programs, and healthcare benefits."

Together, let's create a future where opportunity knows no bounds, where hard work is rewarded, and where every resident can thrive. The journey begins with us, and the time for change is now.



Rigoberto Gallardo

Organizer

Nor Cal Carpenters Union



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