



Memorandum

TO: HONORABLE MAYOR AND
CITY COUNCIL

FROM: Jacky Morales-Ferrand
Julia H. Cooper

SUBJECT: SEE BELOW

DATE: June 25, 2020

Approved

Date

6/25/2020

INFORMATION

SUBJECT: REPORT ON ACTIVITIES UNDERTAKEN BY THE DIRECTOR OF HOUSING AND THE DIRECTOR OF FINANCE UNDER THE DELEGATION OF AUTHORITY ORDINANCE FOR THE PERIOD OF JANUARY 1, 2020 THROUGH MARCH 31, 2020

EXECUTIVE SUMMARY

This memorandum details actions taken under the delegation of authority to the Director of Housing and the Director of Finance for the third quarter of FY 2019-20 (January 1, 2020 through March 31, 2020). During this reporting period, the Director of Housing approved actions for one (1) multifamily project. This transaction is listed in Attachment A. During the third quarter, the Director of Finance held one (1) TEFRA hearing. The Director of Housing did not approve any Building Equity and Growth in Neighborhoods Program (BEGIN) loans, Housing Trust Fund grants, or rehabilitation loans.

BACKGROUND

On September 4, 1990, City Council adopted Ordinance No. 23589, which delegated to the Director of Housing certain specified authorities in the administration of the City's comprehensive affordable housing program (the "Delegation of Authority" or "DOA"). On May 23, 2000, the DOA was amended by Ordinance No. 26127 to clarify certain sections and to add several other provisions. On June 25, 2002, the DOA was further amended by Ordinance No. 26657 to add several provisions delegating additional authority to the Director of Housing, the Director of Finance, and the City Manager. Subsequently, the City Manager delegated to the Director of Housing the contract authority granted to the City Manager. Effective July 26, 2007, the DOA was further amended by Ordinance No. 28067 to modify certain provisions in order to streamline the Housing Department's process of making and adjusting loans and grants.

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The DOA is codified in Chapter 5.06 of the Municipal Code. This memorandum reports on activities undertaken pursuant to the Administration's delegated authority for the period of January 2, 2020 through March 31, 2020.

ANALYSIS

The DOA authorizes the Director of Housing: to develop and implement additional guidelines for housing programs; to adjust terms on housing loans and grants; to change the funding sources of a loan; to convert loans to grants; to loan or to grant Housing and Homeless funds, Predevelopment funds, and Housing Rehabilitation Program funds; to negotiate and to execute grant agreements necessary to implement City Council-approved programs adopted in the Annual Action Plan of the Consolidated Plan; to provide management for, and/or dispose of, properties acquired through direct purchase, foreclosure or deed-in-lieu proceedings; to formalize City Council's policies and procedures regarding housing loan defaults; to apply for federal or State funding; to determine, within defined parameters, various terms and conditions of loans and grants previously approved by the City Council; to make adjustments, within defined parameters, to loans and grants previously approved by City Council; and to make other technical changes.

Further, the DOA delegates jointly to the Director of Housing and Director of Finance certain authority related to the City's issuance of tax-exempt, private activity bonds to finance the development of affordable housing projects. The DOA also delegates to the Director of Finance the authority to hold Tax Equity and Fiscal Responsibility Act (TEFRA) hearings on the City's proposed issuance of tax-exempt bonds to finance affordable housing projects.

Attached are charts that detail the actions taken under the DOA during the period of January 1, 2020 through March 31, 2020.

COORDINATION

Preparation of this report has been coordinated with the Office of the City Attorney.

/s/
JACKY MORALES-FERRAND
Director of Housing

/s/
JULIA H. COOPER
Director of Finance

For more information, contact Jacky Morales-Ferrand, Director of Housing, at (408) 535-3855.

Enclosure: Attachment A

ATTACHMENT A

**1. ACTIONS TAKEN BY THE DIRECTOR OF HOUSING
3rd Quarter FY 2019-20 (January – March 2020)**

#	Date	Action	Muni Code Citation
1	3/5/20	Approved an increase of \$1,106,225 to Charities Housing Development Corporation for a construction/permanent loan to Page Street Studios, L.P. for the Page Street Studios project. The developer did not win an award from the Affordable Housing and Sustainable Communities program creating a gap in the funding for the project.	5.06.340 (A)(4)

2. TEFRA HEARINGS HELD BY THE DIRECTOR OF FINANCE

Project Name	Date	Units	Location	Bond Amount	Mayor's Certificate No.
SAHA Arya	1/17/20	87	226 Balbach Street / 500 Almaden Boulevard, San Jose, CA 95110	\$45,000,000	2020-1

Single Family Rehabilitation and Improvement Loans and Grants approved by the Director of Housing

There were no Single-Family Rehabilitation and Improvement Loans and Grants during this reporting period.

Homebuyer Loans approved by the Director of Housing

There were no Homebuyer Loans during this reporting period.

Housing Trust Fund Grants approved by the Director of Housing

There were no Housing Trust Fund Grants during this reporting period.