

# Memorandum

**TO:** HONORABLE MAYOR  
AND CITY COUNCIL

**FROM:** Jacky Morales-Ferrand

**SUBJECT:** SEE BELOW

**DATE:** February 23, 2022

Approved



Date

02/24/22

## INFORMATION

**SUBJECT: PRELIMINARY DATA FROM ROUND 2 OF THE HOUSING DEPARTMENT'S 2021 NOTICE OF FUNDING AVAILABILITY**

The purpose of this memorandum is to update the City Council regarding the preliminary results from the 2<sup>nd</sup> round of the 2021 Notice of Funding Availability (NOFA) that closed on February 9, 2022.

## BACKGROUND

On December 20, 2021, the Housing Department released a Notice of Funding Availability (NOFA) for \$150 million for the development of new affordable housing throughout the City of San José. The submission deadline was February 9, 2022. Staff has compiled preliminary high-level data for review.

## ANALYSIS

Staff has completed a preliminary review of developer submissions to the NOFA released on December 20, 2021. There are 19 developments, submitted by 15 developers, that are requesting a total of \$241 million dollars in funding. The NOFA was oversubscribed by \$91 million which demonstrates a strong pipeline in San José for affordable housing development. If all developments were funded at the requested levels, 2,275 affordable apartments would become available for the community with an average subsidy per unit of \$105,000. A range of populations will be served including housing for people experiencing homelessness, seniors, and families. For a list of proposed developments, developer, target population, number of apartments, neighborhood category per the Affordable Housing Siting Policy, subsidy per unit, and the funding requests please see **Attachment A**.

*Tentative Next Steps*

Staff is currently reviewing and scoring the received applications. Below in Table 1 is a tentative timeline for the ongoing progress of the NOFA awards. Due to the unusually high number of applications, these dates are subject to change to allow time for thorough analysis.

**Table 1**

<b>Tentative Timeline</b>	
Publish Award Recommendations	March 8, 2022
Deadline to Submit an Appeal	March 18, 2022
Notification of NOFA Awards	March 23, 2022

/s/

JACKY MORALES-FERRAND

Director, Housing

The principal author of this memorandum is Shelsy Bass, Senior Development Officer. For questions, please contact Rachel VanderVeen, Deputy Director, at Rachel.Vanderveen@sanjoseca.gov or (408) 535-8231.

**Attachment A:** San José NOFA Round 2 Initial Submissions

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<b>San José 2021 NOFA Round 2 Initial Submittals</b>						
<b>Developer</b>	<b>Project Name</b>	<b>Target Population</b>	<b>Council District</b>	<b>Neighborhood Category</b>	<b># of Units</b>	<b>Amount of Funds Requested</b>
Maracor	2350 Bascom	Families	9	1	123	\$12,300,000
Golden West	2880 Alum Rock	Families	5	2	164	\$8,900,000
SAHA	501 S Almaden	Seniors	3	2	86	\$10,625,000
CDP	525 N Capitol	PSH/Families	5	2	160	\$15,000,000
Charities	551 Keyes	PSH/Families	3	3	99	\$9,675,885
Danco	777 W San Carlos	PSH/Families	6	2	154	\$19,125,000
RCD	797 Almaden	PSH/Families	3	3	99	\$12,250,000
Affirmed	Almaden Apartments	PSH/Seniors	6	2	80	\$9,750,000
Charities	Alum Rock Multifamily	PSH/Families	5	2	60	\$7,500,000
EAH	Blossom Hill	PSH/Families	10	2	89	\$10,875,000
CRP	Dry Creek Crossing	Families	9	1	64	\$9,450,000
FCH	Dupont	PSH/Families	6	2	141	\$17,375,000
Affirmed	Kooser	PSH/Families	9	1	190	\$19,251,066
Allied/County	Parkmoor Hub	PSH/Special Needs/Families	6	2	81	\$10,175,000
CORE	Tamien	PSH/Families	3	3	135	\$14,125,000
Sand Hill	The Gardens at Cathedral of Faith	Seniors/Families/Special Needs	9	2	237	\$29,625,000
FCH	The Villages	PSH/Seniors	3	3	74	\$7,400,000
CRP	Mitzi	Families	1	2	45	\$5,500,000
Pacific West	Villa Del Sol	Families	5	2	194	\$12,000,000
<b>Total</b>					<b>2,275</b>	<b>\$240,901,951</b>