

Meeting Date: 11/10/98

AGENDA REPORT

Agenda Item # 9B

- Council
- Agency
- SOSA

City of Santa Clara, California



DATE: November 4, 1998

TO: City Manager for Council Action
Executive Director for Agency Action

FROM: Redevelopment Agency Deputy Director

SUBJECT: Adoption of a City/Agency Resolution Approving a Sublease Agreement between the Redevelopment Agency of the City of Santa Clara and Project Match, Inc. for the Sublease of Property Located at 2319 Gianera Street to Project Match to be Used to Provide Shared Housing for Very Low Income Seniors and Making Certain Findings with Respect to Such Sublease

APPROVED BY COUNCIL
 Date: 11/10/98
 Resol. No. 6505

EXECUTIVE SUMMARY: On September 29, 1998, the Redevelopment Agency approved the use of \$25,000 in Affordable Housing funds for the rehabilitation of a three bedroom home owned by the City and located at 2319 Gianera Street (Property). On October 20, 1998, the City and Agency approved a Master Lease Agreement between the City and the Agency for the property and scheduled a Joint Public Hearing for November 10, 1998 to consider the sublease of the property by the Agency to Project Match. The Master Lease provides for the Agency to lease the property at a market rate of \$24,000 a year. The annual rent to be received by the Agency under the Sublease Agreement will be at a below market rate of approximately \$6,000 a year in order to provide a subsidy for the very low income seniors who will be occupying the home.

The Sublease Agreement, drafted by Agency Special Counsel, Glenn Wasserman of Kane Ballmer and Berkman, has been reviewed and accepted by Project Match. The Agency and Project Match will execute the Sublease Agreement when the upgrades to the property have been completed and the property is ready for occupancy. Redevelopment law requires City approval before the Agency leases property acquired with tax increment funds and that the disposition of that property be considered at a Noticed Public Hearing. The Agency will be using tax increment set-asides to lease the property from the City and therefore the Public Hearing and City approval are required. The proposed Sublease Agreement and the City/Agency Resolution approving the Sublease have been placed in Council Office for review.

ADVANTAGES/DISADVANTAGES: Approval of the Resolutions will further the City/Agency goals of providing safe decent affordable housing in the City of Santa Clara.

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November 10, 1998
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ECONOMIC/FISCAL IMPACT: The Sublease Agreement will provide the Agency with a minimum annual rent of \$6,000 which will be deposited to the Agency's Affordable Housing Fund.

RECOMMENDATION: It is recommended that the City Council/Agency approve the Resolutions approving the Sublease Agreement between the Agency and Project Match which provides for the sublease by the Agency to Project Match, property located at 2319 Gianera Street and making certain findings with respect to the Sublease of the property.



Kathleen Hickey
Deputy Director

APPROVED:



Jennifer Sparacino
City Manager
Executive Director

CITY COUNCIL OF
THE CITY OF SANTA CLARA

RESOLUTION NO. 6505

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SANTA CLARA APPROVING A SUBLEASE BETWEEN THE REDEVELOPMENT AGENCY OF THE CITY OF SANTA CLARA AND PROJECT MATCH, INC. AND MAKING CERTAIN FINDINGS WITH RESPECT TO SUCH SUBLEASE.

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF SANTA CLARA,
AS FOLLOWS:

WHEREAS, the City Council of the City of Santa Clara has heretofore adopted the Redevelopment Plan for the Bayshore North Redevelopment Project on December 28, 1973 by Ordinance No. 1283 (the "Redevelopment Plan"); and

WHEREAS, pursuant to Sections 33334.2(a) and 33334.6(c) of the California Community Redevelopment Law (Cal. Health and Safety Code Section 33000 et seq.) not less than 20% of all taxes which are allocated to the Redevelopment Agency of the City of Santa Clara ("Agency") are set aside by the Agency in a Low and Moderate Income Housing Fund and used by the Agency for the purpose of increasing, improving and preserving the community's supply of low and moderate housing available at affordable housing costs to persons and families of low and moderate income, including very low income persons; and

WHEREAS, pursuant to Section 33334.2(e) of the Community Redevelopment Law, the Agency may exercise any and all of its powers to carry out this purpose; and

WHEREAS, pursuant to Section 33334.6(a) of the Community Redevelopment Law, the California State Legislature has found and declared that the provision of affordable housing outside of

redevelopment project areas can be of direct benefit to those projects in assisting the accomplishment of project objectives; and

WHEREAS, in connection with the Redevelopment Plan, the Agency has established a Low and Moderate Income Housing Fund in accordance with California Health and Safety Code Section 33334.2 et seq. (the "Housing Funds"), to provide funding for housing within the City of Santa Clara that is affordable to persons and families of very low, low or moderate income; and

WHEREAS, pursuant to Section 33334.2(g) of the Community Redevelopment Law, Agency may use the Housing Funds to assist in the provision of housing for low or moderate income households outside the Redevelopment Project Area upon resolution of the City Council and the Redevelopment Agency that such use will be of benefit to the Redevelopment Projects; and

WHEREAS, the City of Santa Clara (the "City") owns a single family residence in the City of Santa Clara outside of the Redevelopment Project area (the "Property") and the City and Agency have heretofore found that the use of Housing Funds to rehabilitate the Property and provide housing subsidies on behalf of persons of very low income is of benefit to the Redevelopment Project; and

WHEREAS, City and Agency have heretofore entered into a Master Lease, pursuant to which Agency will master lease the Property from City and sublease it in order to provide for its use as affordable housing; and

WHEREAS, Project Match, Inc., a California nonprofit corporation ("Project Match"), has offered to sublease the Property from Agency in order to provide for its use as affordable housing for very low income households; and

WHEREAS, Project Match has requested that Agency enter into a Sublease in the form presented to this City Council, pursuant to which the Agency will make certain improvements to the Property and sublease the Property to Project Match, for a rent and pursuant to the conditions and restrictions contained in the Sublease, and Project Match will sub-sublease the Property to very low income households, for an affordable rent; and

WHEREAS, pursuant to the California Community Redevelopment Law (California Health and Safety Code, Sections 33000, et seq.) this City Council and the Agency held a joint public hearing on the proposed Sublease, having duly published notice of such public hearing and made copies of the proposed Sublease available for public inspection and comment; and

WHEREAS, the City Council has duly considered all terms and conditions of the proposed Sublease and believes that it is in the best interests of the City and the health, safety, morals and welfare of its residents, and in accord with the public purposes and provisions of applicable state and local law and requirements.

NOW, THEREFORE, the City Council of the City of Santa Clara hereby finds and resolves as follows:

1. The City Council hereby finds that the foregoing recitals are true and correct.
2. The City Council recognizes that it has received and heard all oral and written objections to the proposed sublease of the Property pursuant to the Sublease and to other matters pertaining to this transaction, and that all such oral and written objections are hereby overruled.

3. The City Council hereby finds and determines that the Sublease will provide affordable housing for very low income persons.

4. The Sublease is hereby approved.

5. This Resolution shall take effect upon adoption.

6. The City Clerk shall certify to the passage and adoption of this Resolution, shall enter the same in the Book of Resolutions of the City Council, and shall cause the action of the Mayor and City Council in adopting the same to be entered in the official minutes of the City Council.

* * * *


I HEREBY CERTIFY THE FOREGOING TO BE A TRUE COPY OF THE RESOLUTION PASSED AND ADOPTED BY THE CITY COUNCIL OF THE CITY OF SANTA CLARA, CALIFORNIA AT A REGULAR MEETING THEREOF HELD ON THE 10TH DAY OF NOVEMBER, 1998, BY THE FOLLOWING VOTES:

AYES: COUNCILMEMBERS: Diridon, Gillmor, Mahan, McLemore, Parle and Mayor Nadler

NOES: COUNCILMEMBERS: None

ABSENT: COUNCILMEMBERS: Arno

ABSTAINED: COUNCILMEMBERS: None

ATTEST: 
J. E. BOCCIGNONE
City Clerk

REDEVELOPMENT AGENCY OF
THE CITY OF SANTA CLARA

RESOLUTION NO. 98-13 (RA)

A RESOLUTION OF THE REDEVELOPMENT AGENCY OF THE CITY OF SANTA CLARA APPROVING A SUBLEASE WITH PROJECT MATCH, INC. AND MAKING CERTAIN FINDINGS WITH RESPECT TO SUCH SUBLEASE.

BE IT RESOLVED BY THE REDEVELOPMENT AGENCY OF THE CITY OF SANTA CLARA, AS FOLLOWS:

WHEREAS, the City Council of the City of Santa Clara has heretofore adopted the Redevelopment Plan for the Bayshore North Redevelopment Project on December 28, 1973 by Ordinance No. 1283 (the "Redevelopment Plan"); and

WHEREAS, pursuant to Sections 33334.2(a) and 33334.6(c) of the California Community Redevelopment Law (Cal. Health and Safety Code Section 33000 et seq.) not less than 20% of all taxes which are allocated to the Redevelopment Agency of the City of Santa Clara ("Agency") are set aside by the Agency in a Low and Moderate Income Housing Fund and used by the Agency for the purpose of increasing, improving and preserving the community's supply of low and moderate housing available at affordable housing costs to persons and families of low and moderate income, including very low income persons; and

WHEREAS, pursuant to Section 33334.2(e) of the Community Redevelopment Law, the Agency may exercise any and all of its powers to carry out this purpose; and

WHEREAS, pursuant to Section 33334.6(a) of the Community Redevelopment Law, the California State Legislature has found and declared that the provision of affordable housing outside of

redevelopment project areas can be of direct benefit to those projects in assisting the accomplishment of project objectives; and

WHEREAS, in connection with the Redevelopment Plan, the Agency has established a Low and Moderate Income Housing Fund in accordance with California Health and Safety Code Section 33334.2 et seq. (the "Housing Funds"), to provide funding for housing within the City of Santa Clara that is affordable to persons and families of very low, low or moderate income; and

WHEREAS, pursuant to Section 33334.2(g) of the Community Redevelopment Law, Agency may use the Housing Funds to assist in the provision of housing for low or moderate income households outside the Redevelopment Project Area upon resolution of the City Council and the Redevelopment Agency that such use will be of benefit to the Redevelopment Projects; and

WHEREAS, the City of Santa Clara (the "City") owns a single family residence in the City of Santa Clara outside of the Redevelopment Project area (the "Property") and the City and Agency have heretofore found that the use of Housing Funds to rehabilitate the Property and provide housing subsidies on behalf of persons of very low income is of benefit to the Redevelopment Project; and

WHEREAS, City and Agency have heretofore entered into a Master Lease, pursuant to which Agency will master lease the Property from City and sublease it in order to provide for its use as affordable housing; and

WHEREAS, Project Match, Inc., a California nonprofit corporation ("Project Match"), has offered to sublease the Property from Agency in order to provide for its use as affordable housing for very low income households; and

WHEREAS, Project Match has requested that Agency enter into a Sublease in the form presented to this Agency, pursuant to which the Agency will make certain improvements to the Property and sublease the Property to Project Match, for a rent and pursuant to the conditions and restrictions contained in the Sublease, and Project Match will sub-sublease the Property to very low income households, for an affordable rent; and

WHEREAS, pursuant to the California Community Redevelopment Law (California Health and Safety Code, Sections 33000, et seq.) this Agency and the City Council held a joint public hearing on the proposed Sublease, having duly published notice of such public hearing and made copies of the proposed Sublease available for public inspection and comment; and

WHEREAS, the Agency has duly considered all terms and conditions of the proposed Sublease and believes that it is in the best interests of the City and the health, safety, morals and welfare of its residents, and in accord with the public purposes and provisions of applicable state and local law and requirements.

NOW, THEREFORE, the Redevelopment Agency of the City of Santa Clara hereby finds and resolves as follows:

1. The Agency hereby finds that the foregoing recitals are true and correct.

2. The Agency recognizes that it has received and heard all oral and written objections to the proposed sublease of the Property pursuant to the Sublease and to other matters pertaining to this transaction, and that all such oral and written objections are hereby overruled.

3. The Agency hereby finds and determines that the Sublease will provide affordable housing for very low income persons.

4. The Sublease is hereby approved.

5. The Agency hereby authorizes the use of Housing Funds from the Redevelopment Project to improve the Property and/or to provide subsidies on behalf of very low income households.

6. The Executive Director of the Agency or her designee is hereby authorized to execute the Sublease on behalf of the Agency, provided that the City Council has first approved the Sublease.

7. The Executive Director of the Agency or her designee is hereby authorized, on behalf of the Agency, to sign all documents necessary and appropriate to carry out and implement the Sublease and to administer the Agency's obligations, responsibilities and duties to be performed thereunder.

8. This Resolution shall take effect upon adoption.

9. The Agency Secretary shall certify to the passage and adoption of this Resolution, shall enter the same in the Book of Resolutions of said Agency, and shall cause the action of the Chairman and Governing Board in adopting the same to be entered in the official minutes of said Governing Board.

* * * *

I HEREBY CERTIFY THE FOREGOING TO BE A TRUE COPY OF THE RESOLUTION PASSED AND ADOPTED BY THE REDEVELOPMENT AGENCY OF THE CITY OF SANTA CLARA, CALIFORNIA AT A REGULAR MEETING THEREOF HELD ON THE 10TH DAY OF NOVEMBER, 1998, BY THE FOLLOWING VOTES:

AYES: AGENCY MEMBERS: Diridon, Gillmor, Mahan, McLemore, Parle and Chairman Nadler

NOES: AGENCY MEMBERS: None

ABSENT: AGENCY MEMBERS: Arno

ABSTAINED: AGENCY MEMBERS: None

ATTEST: J. E. Bocchione
J. E. BOCCIGNONE
Secretary

REDEVELOPMENT AGENCY OF THE
CITY OF SANTA CLARA
ROUTING SHEET

Agency Meeting Date: November 10, 1998

SUBJECT: Agency Resolution Approving the Sublease Agreement between the Redevelopment Agency of the City of Santa Clara and Project Match, Inc. for the sublease of property located at 2319 Gianera Street to Project Match to be used as shared housing for very low income seniors.

CERTIFICATION

The proposed request to approve a Resolution of the Agency approving an agreement for the sublease of property located at 2319 Gianera Street by the Agency has been reviewed and is hereby certified.

1. As to Agency Functions, by

Kathleen Hickey
for Department Head

2. As to Legality, by

Michael J. Journey
City Attorney's Office

3. As to Environmental Impact Requirements, by

Director of Planning & Inspection

4. As to Substance, by

J. Sparacino
Executive Director

AGENCY AUTHORIZATION:

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CITY OF SANTA CLARA
ROUTING SHEET

Council Date: November 10, 1998

SUBJECT: Council Resolution Approving the Sublease Agreement between the Redevelopment Agency of the City of Santa Clara and Project Match, Inc. for the sublease of property located at 2319 Gianera Street to Project Match to be used as shared housing for very low income seniors.

CERTIFICATION

The proposed request to approve a Resolution of the City Council approving an agreement for the sublease of property located at 2319 Gianera Street by the Agency to Project Match, Inc. has been reviewed and is hereby certified.

1. As to City Functions, by

for Kathleen Hickey

Department Head

2. As to Legality, by

Michael P. Gorney

City Attorney's Office

3. As to Environmental
Impact Requirements, by

Director of Planning
& Inspection

4. As to Substance, by

City Manager

COUNCIL AUTHORIZATION:

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