

## HOUSING DEVELOPMENT PROJECT REVIEW

**Project Name:** Leigh Avenue Senior Apartments  
**Borrower:** Leigh Avenue L.P.  
**Address:** 1030 Leigh Avenue, San Jose, CA 95126  
**Census Tract:** 5022.01 **San Jose Council District:** 6 **Supervisorial District:** 4  
**Developer/Sponsor:** First Community Housing  
**Total Development Cost:** \$49,947,164  
**Residential Square Footage:** 52,670 **Commercial/Office Square Footage:** 7,532 square feet

### Leigh Avenue Senior Apartments



1030 Leigh Avenue, San Jose

#### PROJECT SUMMARY

Leigh Avenue Senior Apartments is a new 64-unit affordable senior housing complex and is being developed by First Community Housing (“FCH”). The development includes approximately 7,532 square feet of commercial space that will be subdivided and sold separately as a condominium. Potential uses for the space include dental or medical offices. The development will set aside sixty-three (63) of the units to serve homeless and special needs seniors.

***Existing Conditions:*** This site is currently undeveloped. This transit-oriented infill project is located at Leigh Avenue and Southeast Expressway in San Jose and is located 0.4 miles from the Fruitdale/ Southwest Expressway VTA Light Rail Station. The site is also located within a Consolidated Area Priority Development Area (PDA) under the One Bay Area plan.

***Land Use:*** FCH obtained approval of a Planned Development (“PD”) permit on July 10, 2009. Due to delays in obtaining project financing, FCH obtained extensions of the PD permit on two separate occasions. The current extension of the permit is valid until July 2019.

***Green Building:*** The development will be LEED Platinum certified and will be a pilot for the Healthy Building Network’s HomeFree Initiative, whose goal is to improve the health of residents in affordable housing by using less toxic building materials.

***Environmental Review:*** As part of the land use approval, the City of San Jose adopted a Mitigated Negative Declaration (“MND”) and a determination of Consistency with the MND for the extension.

*Project-Based Section 8 Vouchers (PBV's):* FCH has received an allocation of 63 PBV's for an initial contract term of 15 years with a one term extension for an additional 15 years.

*Services:* CCH, an organization with over 50 years of experience managing service enriched affordable senior communities, will serve as the resident services provider.

*Project Schedule and Financing:*

<b>Milestone</b>	<b>Date of Completion</b>
1. Site Control	2008
2. Community Engagement (continuous and ongoing)	March 2016
3. City Council Land Use Approval (Planned Development permit)	July 10, 2009
4. Submit Tax Exempt Bond Allocation	March 1, 2018
5. Receive bond allocation and tax credit award	May 1, 2018
6. Construction finance closing	August 1, 2018
7. Begin Construction	August 1, 2018
8. Start of Lease-Up Activities	January 1, 2019
<b>9. Complete Construction</b>	<b>February 1, 2020</b>
10. 100% Occupancy	June 1, 2020
11. Permanent Loan Conversion	August 1, 2020

**Permanent Source of Funds**

Perm Loan	\$1,326,720
Perm Loan B	\$9,149,158
City of San Jose Loan	\$8,581,365
County Capital Loan	\$13,500,000
AHP Loan	\$750,000
Tax Credit Equity	\$12,426,821
Park Fee Waiver	\$1,369,600
Deferred Developer Fee	\$1,750,000
Accrued/Deferred Interest	\$1,093,500

**Total Permanent Source of Funds      \$49,947,164**

**Use of Funds**

Acquisition	\$3,545,000
Title/Recording Escrow - Acquisition	\$5,000
Land Holding Cost	\$100,000
Predevelopment Loan Interest/Fees	\$228,000
New Construction	\$25,816,278
Construction Contingency	\$2,014,199
Soft Cost Subtotal	\$14,756,883
Capitalized Operating Reserve	\$631,804
Soft Cost Contingency	\$350,000
Developer Fee Paid	\$750,000
Developer Fee Deferred/Contributed	\$1,750,000

**Total Use of Funds      \$49,947,164**