

*Dedicated to the Health
Of the Whole Community*



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Section D.2.....Development Description



Project Summary

Donner Lofts is a new construction project being developed by MidPen Housing that will include 102 studios and one-bedroom apartments of permanent, affordable rental housing for households at or below 50% of Area Median Income (AMI). Fifteen of these units will be reserved for households with mentally ill members at or below 50% AMI who are homeless or at risk of being homeless. The tenant portion of the rent for these fifteen units will be the equivalent of 30% of a household's SSI income. This project provides a community meeting room and kitchen, computer lab, laundry, public restrooms, and outdoor courtyards. This project is located at 156 East St John Street in San José.

Mid Peninsula Housing Coalition (“MPHC”) is the project sponsor. The project’s property management agent (“Management Agent”) and service coordinator (“Service Coordinator”) will be provided by MPHC wholly owned subsidiaries.

Housing and Service Goals and Tenants to be Served

The goal of this housing project will be to provide housing with supportive services to fifteen (15) mentally ill individuals who are homeless or at risk of homelessness. These units will be designated for MHSA tenants. Service providers will be able to furnish appropriate tenant services on-site. County-provided Case Managers will work with these individuals to enable them to enhance their independent living skills, obtain employment, increase their money management skills, obtain support from other sources (including in-home support if needed), take part in support group and social/recreational activities, and obtain other assistance as needed. Tenant participation in these activities will be voluntary. Case Managers and Service Coordinators will also help tenants obtain additional services, including services available to other residents in the community.

Type of Housing

Donner Lofts is permanent, affordable rental housing for households at or below 50% of Area Median Income (AMI) and offers a mix of studios and one-bedroom units.

Way that the Housing Will Meet the Housing and Service Needs of the Tenants

Case Managers will visit the tenants on a regular basis and attend to their needs appropriately. In this environment, the Case Managers will also organize and coordinate—while working with the housing staff on site—helpful workshops, support groups, and social/recreational activities.

In addition, mental health counseling and medication assistance will be made available to the tenants through their usual appointments with their psychiatrists and medical professionals at mental health and medical clinics. The tenants will be able to access those and other off-site services through the help of their Case Manager, family/friends, public transportation (with or without discounted VTA passes via the nearby senior center), or Outreach, a non-profit paratransit provider.

The County will also provide a Housing Support Liaison to facilitate interactions between MHSA tenants, their Case Managers, and property management.

Primary Service Provider

The Santa Clara County Mental Health Department is designated as the primary service provider. However, any service provider that participates in the MHD’s System of Care and that serves the older adult population can refer a consumer to this housing program and provide services to him/her while he/she is a tenant in any of the housing sites designated in this application. Whether the consumer is referred by a Case Manager from a county mental health clinic or another mental health service provider, he/she will receive the personalized attention that they need and deserve during the time that he/she is housed. This individualized attention provided with the service philosophy mentioned previously will enable the individual to remain in his/her housing, even if

he/she decompensates and needs to be hospitalized or enter a recovery program. Finally, the staff involved in the consumer’s care will meet on a regular basis to integrate their work with the consumer and chart his/her progress according to his/her individualized Wellness Recovery Action Plan.

Development Financing

The total development sources for this project are approximately \$29,000,000. This represents funds from expected tax credit equity for Federal credits, funds from the Federal Home Loan Bank’s Affordable Housing Program (AHP), a loan from the City of San Jose, a general partner capital contribution, and a conventional mortgage loan, along with financing from the MHSA program in the form of a capital contribution and a COSR reserve.

The total pre-development and construction uses equal \$26,772,822. This will be paid with a City of San Jose Acquisition and Predevelopment Loan, a conventional construction loan, AHP funds, and the MHSA capital contribution.

Permanent sources are listed in the below table.

City Of San Jose Loan	\$	4,900,000	4%, 55 Years, Resid Receipts
Commercial Permanent Loan	\$	1,632,740	6.5%, 30 Years, 1.2 DCR, Fully Amortized
Tax Credit Investor Equity	\$	18,553,820	\$1.05 per credit
AHP	\$	1,000,000	0%, 55 Years, Resid Receipts
MHSA Capital	\$	1,620,000	3%, 55 Years, Resid Receipts
MHSA Cap Op Subsidy Reserve	\$	1,466,250	n/a
GP Equity	\$	96	n/a