

## HOUSING DEVELOPMENT PROJECT REVIEW

**Application Review:** Residence Inn  
**Borrower:** Santa Clara County Housing Authority and Jamboree Housing Corporation  
**Address:** 6111 San Ignacio Ave, San José, CA 95116  
**Census Tract:** 5120.32 **San Jose Council District:** 1 **Supervisory District:** 1  
**Developer/Sponsor:** Santa Clara County Housing Authority and Jamboree Housing Corporation  
**Residential sq. ft.:** 76,458 **Commercial/Office sq. ft.:** 20,581  
**Construction Type:** Conversion of existing Hotel to permanent housing

Residence Inn



6111 San Ignacio Ave, San José, CA 95116

### **Project Summary:**

The Residence Inn is a conversion affordable housing development from 150 hotel units to 102 units on a 3.88-acre site and is being co-developed by the Santa Clara County Housing Authority and Jamboree Housing Corporation (“SCCHA + Jamboree”). The project is located at 6111 San Ignacio Ave in San José. The proposed development will consist of 100 affordable apartments, comprised of 33 one-bedrooms, 48 two-bedrooms and 21 three-bedrooms (plus two manager's unit). The project includes 35 Permanent Supportive Housing (“PSH”) units to help homeless individuals and families with special needs (including unhoused pregnant women) obtain and maintain permanent housing, 15 rapid rehousing (“RRH”) units to help homelessness individuals and families with special needs, and 50 units for households at risk of homelessness earning up to 50% of the area median income (“AMI”). The hotel is currently three stories and will remain three stories. Residential amenities will include but are not limited to resident services and property management offices, laundry facilities and a community room with an attached kitchen for staff and resident use.

**Existing Conditions:** The site is improved with an existing Residence Inn by Marriott San José hotel.

**Land Use:** The proposed site is located at 6111 San Ignacio Ave in San José. The site has a General Plan Land Use designation of Neighborhood/Community Commercial with a zoning designation of R-M(PD) Planned Development Zoning. The project is applying for HomeKey funds, as a result, the project shall not be subject to any local permit review or approval process.

**Green Building:** The proposed development is to improve the existing energy efficiency by at least 10% with water efficient plumbing fixtures, energy efficiency lighting and windows and repairs to HVAC system.

**Environmental Review:** SCCHA has submitted an application for Homekey Program funds which make the project eligible for streamlining approval under Assemble Bill 83 (“AB 83”). Specifically, CA Health & Safety Code §

50675.1.1, subd. (g), states that all Homekey projects are eligible for such streamlining and are “deemed consistent and in conformity with any applicable local plan, standard, or requirement, and allowed as a permitted use, within the zone in which the structure is located, and shall not be subject to a conditional use permit, discretionary permit, or to any other discretionary reviews or approvals”. Such projects are not required to undergo any discretionary local permit review or approval process before being able to proceed with the project. In addition, use of the hotel for transitional or permanent housing would qualify for a CEQA exemption under the Health and Safety Code section 50675.1.2.

Project-Based Vouchers (PBV's): SCCHA has reserved 85 PBV's for this project.

Services: SCCHA + Jamboree will deliver on-site resident services to the 100 restricted units. The County will be responsible for coordination services for 15 RRH units at a cost of \$112,500 per year and 35 PSH units at a cost of \$395,00 per year.

Project Schedule and Financing:

Milestone	Date of Completion
1. Site Control	February 2022
2. Community Engagement (continuous and ongoing)	November 2021
3. Entitlements	March 2022
4. Submit <b>HomeKey</b> Application	January 2022
5. Receive reservation of HomeKey award	April 2022
6. Construction finance closing	July 2022
7. Begin Construction	July 2022
8. Start of Lease-Up Activities	April 2023
<b>9. Complete Construction</b>	<b>April 2023</b>
10. 100% Occupancy	July 2023
11. Permanent Loan Conversion	November 2023

**Permanent Source of Funds**

Conventional Loan	\$22,885,059
County of Santa Clara	\$5,000,000
SCCHA Move to Work Loan	\$10,000,000
HCD HomeKey	\$34,637,500
Other Sources	\$14,815,000
Deferred Developer Fee	\$2,441
<b>Total Permanent Source of Funds</b>	<b>\$87,340,000</b>

**Use of Funds**

Acquisition	\$55,000,000
Construction	\$16,925,758
Architecture and Engineering	\$475,000
Financing Fees	\$880,427
Legal Fees	\$200,000
Soft and Other Costs	\$11,678,330
Reserves	\$644,485
Developer Fee	\$1,536,000
<b>Total Use of Funds</b>	<b>\$ 87,340,000</b>