

HOUSING DEVELOPMENT PROJECT REVIEW

Application Review: Pavilion Inn
Borrower: Jamboree Housing Corporation
Address: 1280 N. 4th Street, San José, CA 95112
Census Tract: 5051.00 **San Jose Council District:** 6 **Supervisorial District:** 2
Developer/Sponsor: Jamboree Housing Corporation and Santa Clara County Housing Authority
Residential sq. ft.: 19,500 **Commercial/Office sq. ft.:** 3,500
Construction Type: Conversion of existing Hotel to supportive and transitional housing

Pavilion Inn



1280 N. 4th Street, San José

Project Summary: The development includes the acquisition and conversion of a 61-room hotel into 43 units of permanent supportive and transitional housing on a 1.15-acre site and is being co-developed by the Santa Clara County Housing Authority (SCCHA) and Jamboree Housing Corporation (Jamboree). The project is located at 1280 N. 4th Street in San José. The hotel unit count will decrease from 61 rooms to 43 rooms and will be comprised of 30 studios and 12 one-bedroom units, plus one manager's unit. Of the 43 proposed units, 21 will be permanent supportive housing (PSH) units to help transition age youth (TAY) ages of 18 and 25 with special needs obtain and maintain permanent housing, 18 units will be set aside as transitional housing units for TAY, three mentor housing units, and one manager's unit. All the units will be rent restricted to 30% area median income (AMI). The exterior of the building envelope will largely stay the same but changes to the exterior landscaping are planned to include a more dynamic outdoor space with a large barbeque and patio area. Residential amenities will include 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 a vacant unrenovated hotel.

Land Use: The proposed site is located at 1280 N. 4th Street in San José. The site has a General Land Use designation and zoning designation of Combined Industrial/Commercial (CIC). On June 1, 2022, the project was awarded HomeKey program funds. As a result, the project shall not be subject to a local permit review or approval process.

Green Building: The proposed project will comply with necessary Title 24 requirements and accessibility upgrades needed to comply with the City's Building Code.

Environmental Review: A project using Homekey Program funds to provide housing for households experiencing homelessness or who are at risk of homelessness are not subject to local plans or any discretionary reviews or approvals (Health and Safety Code 50675.1.3(i)). On June 1, 2022, SCCHA received a Homekey Program award

(Contract No. 21-HK-17276), making the project eligible for streamlining approval under Assemble Bill 83 (AB 83). The project is exempt from CEQA under Health and Safety Code 50675.1.4.

Project-Based Vouchers (PBV's): SCHAA has committed 21 Section 8 Project Based Vouchers for this project.

Services: The Bill Wilson Center will deliver on-site services for 18 of the transitional TAY units. In addition, the County will be responsible for coordination services for the 21 TAY PSH units at a cost of \$231,000 per year.

Project Schedule and Financing:

Milestone	Date of Completion
1. Site Control	April 2022
2. Community Engagement (continuous and ongoing)	October 2021
3. Planning Commission Land Use Approval	N/A - Exempt pursuant to AB-140
4. City Council Land Use Approval	N/A - Exempt pursuant to AB-140
5. Building permit issuance	December 2022
6. Construction finance closing	December 2022
7. Begin Construction	December 2022
8. Start of Lease-Up Activities	May 2023
9. Complete Construction	August 2023
10. 100% Occupancy	November 2023

Permanent Source of Funds

Homekey Round 2	\$14,328,401
City of San Jose (HHAP & Measure E)	\$2,776,286
County of Santa Clara	\$4,200,000
SCCHA- Moving to Work	\$8,679,288
SCCHA- Non MTW	\$803,578
Other Sources	\$1,300,000
Total Permanent Source of Funds	\$32,087,550

Use of Funds

Acquisition	\$16,250,000
Construction Costs	\$10,417,500
Construction Contingency	\$1,026,000
Soft Costs	\$3,161,409
Soft Cost Contingency	\$316,141
Developer Fee	\$916,500
Total Use of Funds	\$32,087,550