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**San José Celebrates the Creation of
10,000 Affordable Homes**

***Groundbreaking at Paseo Senter project marks major milestone for
building affordable communities for San José families***

San José -- Today's groundbreaking ceremonies at the Paseo Senter housing project in San José marks the completion of the city's major milestone for creating 10,000 affordable homes since 1999 when Ron Gonzales became mayor.

Joining Gonzales at the event were the project's developers, the CORE Companies and Charities Housing, and its funders including CharterMac Capital and US Bank.

"We have an obligation to the families and children of San José. They deserve to live in a home that they can afford so they can work, play and stay in our community," said the mayor. "Our affordable housing program helps our residents, and it helps our employers recruit and keep a talented workforce in one of the nation's most expensive housing markets."

In the last seven years, San José has invested over \$800 million using redevelopment and other resources, and it has leveraged more than \$2.8 billion in other public and private funds, totaling more than \$3.6 billion to create affordable homes. The city's efforts have produced more affordable homes than any other California city over the same time. The 10,000 affordable homes also surpasses the combined affordable housing created in all other Santa Clara County cities in same time period.

The 218 apartments at Paseo Senter are targeted for San José's lowest income residents who make less than \$45,000 a year. Additionally, approximately one-third of the apartments will be available to those families earning under \$25,000.

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“We will continue to do everything we can to produce more affordable housing to meet the needs of all our residents.” said Leslye Krutko, director of the San José Housing Department. “We have the most aggressive local affordable housing program in California, if not the nation.”

As the region’s largest city, San José recognizes its role as a leader in affordable housing creation both in the Bay Area and throughout California. In his state of the city address in January this year, Gonzales recommitted to build yet another 6,000 affordable homes over the next five years.

“As long as we have families struggling to live in our community, we must do more,” he said. “Long after I’ve left office, I hope San José leaders will continue to believe in our vision, work with our partners, and honor our commitment to affordable housing.”

The first phase of the Paseo Senter project is expected to be finished in late 2007, and the second in early 2008. The complex will have a clubhouse, pool, community room with kitchen facilities, computer lab, exercise facility, bike storage, playground and picnic area, after school center, a preschool, and a carwash. It is located at 1896 Senter Road in San José.

Funding for the \$89 million project comes from a mix of private and public sources. The state contributed \$20 million, City of San José \$15 million, and Santa Clara County \$1.5 million.

The San José Redevelopment Agency also has invested \$500,000 for a new low-cost preschool in conjunction with Estrella Family Services in the second phase of construction. Estrella Family Services has been involved in all aspects of the design of the facility and will provide the child care services. The preschool would feature intergenerational programming.

The San José Housing Department was created by the City Council in 1988 to consolidate a variety of housing programs to ensure that affordable housing in San José receives priority attention. Since its creation, the department has created programs and policies to improve, preserve, and increase affordable housing stock in San José. In addition to administering affordable housing funding programs, the department provides homeless assistance, first-time homebuyer loans, and housing referrals.

For more information about San José affordable housing programs, contact the San José Housing Department at (408) 277-8486, or go to www.sjhousing.org.

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