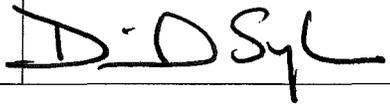


CITY COUNCIL ACTION REQUEST

Department(s): Housing	CEQA: Exempt, Section 15061(b)(3), No potential for causing a significant effect on the environment, File No. PP16-013.	Coordination: CAO, City Manager's Budget Office	Dept. Approval: /s/ Jacky Morales-Ferrand
Council District(s): 3			CMO Approval: 

SUBJECT: PARTIAL RECONVEYANCE OF A CITY DEED OF TRUST

RECOMMENDATION:

Adopt a resolution authorizing the Director of Housing to execute a partial reconveyance of the Deed of Trust recorded by the Center for Employment and Training (CET) from a 1.55 acre portion of the CET property located at 701 Vine Street in San José to accommodate the sale of such property to Rocketship Charter School, provided that such Deed of Trust will remain as security against the 4.64 acre portion of the property owned and occupied by CET.

BASIS FOR RECOMMENDATION:

In 2002, the City made a conditional grant of \$375,000 of Community Development Block Grant (CDBG) funds to the Center for Employment and Training (CET) to fund the replacement of plumbing in the former school building it occupies at 701 Vine Street in San José. A Deed of Trust (DOT) was recorded on CET's property to secure the grant, which required that the CDBG-eligible job-training use be maintained for a term of 15 years.

Rocketship Charter School (Rocketship) leases a portion of the CET property of approximately 1 acre at the corner of Locust and West Virginia Streets. Rocketship has requested to purchase the leased parcel from CET, together with an adjacent parking lot, which collectively comprise approximately 1.55 acres of the CET property. CET desires to sell Rocketship the 1.55 acres of the CET property so that Rocketship can expand. CET has requested that the City remove its DOT from the portion of its property intended for Rocketship's expansion.

CET's CDBG-eligible functions will continue to operate in the former school building on the remaining 4.64-acres of the CET property, which will not be released from the lien of the City's DOT.

COST AND FUNDING SOURCE:

N/A

FOR QUESTIONS CONTACT: Jacky Morales-Ferrand, Director of Housing, at 408-535-3855