



# Memorandum

**TO:** HONORABLE MAYOR AND  
CITY COUNCIL

**FROM:** Councilmember Raul Perez

**SUBJECT:** SEE BELOW

**DATE:** March 19, 2021

Approved

Date: 03/19/2021

**SUBJECT:** LOAN COMMITMENT TO HABITAT FOR HUMANITY EBSV FOR  
THE PALLESEN APARTMENT BUILDING RELOCATION PROJECT

## RECOMMENDATION

Approve City Staff's recommendation approving a loan commitment to Habitat for Humanity East Bay/Silicon Valley for the construction and rehabilitation cost of Four Affordable Units for Sale at the property located at East Reed Street and South Fourth Street.

## DISCUSSION

In October 2019, the City Council approved my direction<sup>1</sup> calling for best efforts to preserve and relocate the Pallesen Apartment Building from First and Reed Street at the future Garden Gate development project site to a city-owned parcel at Fourth and Reed Street. Late last year, as all stakeholders were at an impasse, my office along with the community fought to salvage this effort to spare the Pallesen from demolition. Over a series of meetings, communications and public appeals, the community generously answered our call and we now have a plan that would safely relocate this beautiful historic building; all while providing four much-needed affordable units in our SoFA and South University Neighborhood. This council action of authorizing a loan commitment is one of the last and major steps in bringing this long overdue relocation plan to fruition.

I would like to thank Habitat for Humanity EBSV, all the benefactors, the historic preservation community including the Preservation Action Council, City Staff and the Garden Gate developers for coming together to create a new home for not only the Pallesen, but for all the future residents who will be able to afford to live there.

<sup>1</sup> <https://bit.ly/3rY7Vj9>