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Item 19

Item # 19-1509




**City of Santa Clara**

**City Council Meeting –  
January 15, 2019**

**Update on the Selection of a  
Developer for the 3575 De La Cruz  
Boulevard Housing Site**


**Item# 19-1509**



**3575 De La Cruz Boulevard**

**Site Description**

- Vacant, City-owned 0.69 acre parcel
- Adjoined to the north by three single family homes and a single family residential neighborhood beyond.
- Montague park on opposite side of De La Cruz Boulevard
- Current General Plan: Very Low Density Residential
- Current Zoning: Public /Quasi-Public (B)



**POST MEETING MATERIAL**



## 3575 De La Cruz Boulevard

### RFP Timeline

- **Community Engagement**                      **January 29, 2018**
- **Community Survey**                              **March, 2018**
- **RFP Available**                                      **June 8, 2018**
- **Question and Answer Period**              **June 22, 2018**
- **Proposals due**                                      **July 31, 2018**
- **Evaluation**    **October, 2018**



## 3575 De La Cruz Boulevard

### Community Engagement

- **185**      Flyers to nearby residents
- **25+**      Community participants
- **50+**      Survey Responses
- **50+**      Additional written comments





**Responses from the online survey**

**All responses: 49**

**What income range do you feel is most appropriate at this site?**

100% extremely low-income (\$0 - \$35,800 for a family of 4)		6.1%
100% very low-income (\$35,801 - \$59,700 for a family of 4)		6.1%
100% low-income (\$59,700 - \$84,900 for a family of 4)		22.4%
100% moderate income (\$84,901 - \$135,950 for a family of 4)		32.7%
A range of incomes across all affordability levels.		32.7%

**What do you feel is an appropriate density for this .69 acre site?**

30 units per acre or roughly 20 total units		6.1%
25 units per acre or roughly 18 total units		10.2%
35 units per acre or roughly 25 total units		14.3%
20 units per acre or roughly 15 total units		69.4%

**What is the maximum building height that should be allowed at the site?**

4 stories		14.3%
3 stories		30.6%
2 stories		55.1%



## 3575 De La Cruz Boulevard

### RFP Selection Process

- Only 2 proposals received, both Respondents were interviewed
- Difficulty attracting Respondents due to low potential unit count
- 100% affordable housing rental projects generally have an economic feasibility threshold around 50 units
- Habitat for Humanity was unanimously selected



## **3575 De La Cruz Boulevard**

### **Habitat for Humanity East Bay / Silicon Valley**

- Habitat for Humanity East Bay / Silicon Valley is an affiliate of Habitat for Humanity International serving Santa Clara County.
- Habitat's mission is to create successful homeownership opportunities for families with limited incomes by building sustainable housing and revitalizing neighborhoods.
- Since 1986 Habitat has served over 8,000 individuals by providing affordable homeownership opportunities, including homes developed by Habitat along Gianera Street in Santa Clara



## **3575 De La Cruz Boulevard**

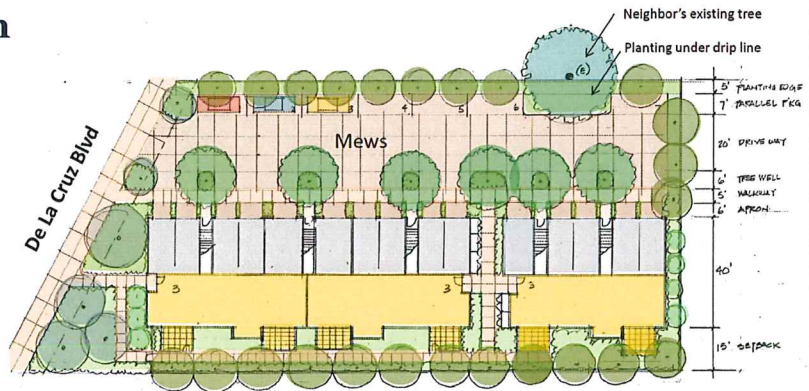




## 3575 De La Cruz Boulevard

### Conceptual Site Plan

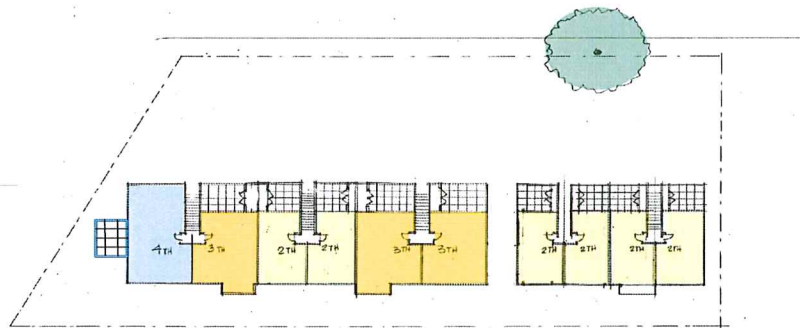
- 13 new units
- 60% to 120% AMI
- 3 Story Height
- Open Space
- Mitigates Impact
- Townhomes and Flats



First Floor: three brm flats: 3  
 garages: 15  
 open stalls: 7



## 3575 De La Cruz Boulevard



Second Floor: first level of townhomes  
 two-brm townhomes: 6  
 three-brm townhomes: 3  
 four-brm townhome: 1  
 10



## 3575 De La Cruz Boulevard

### Proposal

- Ensures long-term affordability as Habitat imposes 60 year resale restrictions that they administer for the buyers
- Limits City’s capital contribution to \$100,000 per unit
- Leverages other subsidies (\$1.5 million from County/State)
- Supports broad income range including low income households (60% - 120% AMI)
- Maximizes the number of affordable homes while minimizing the impact to adjacent property owners



## 3575 De La Cruz Boulevard

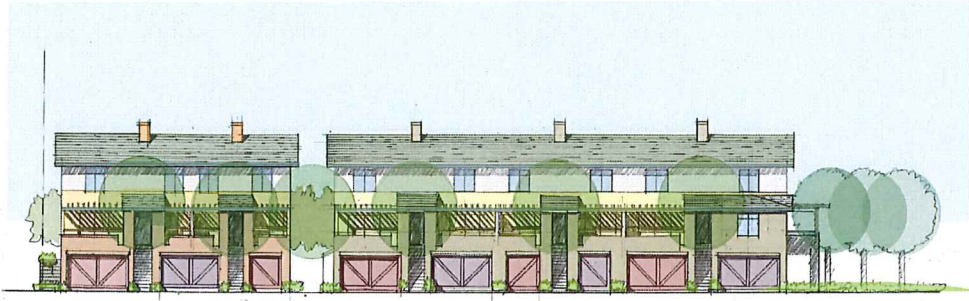
### Proposed Unit Mix and Financing Sources

Unit Mix		
	Total	Percentage
2BD < 80% AMI	3	23%
2BD < 120% AMI	3	23%
3BD < 80% AMI	3	23%
3BD < 120% AMI	3	23%
4BD < 120% AMI	1	8%
<b>Total</b>	<b>13</b>	<b>100%</b>

Permanent Sources	
	Amount
City of Santa Clara Loan	\$ 1,300,000
Home Sale Proceeds (Low)	\$ 1,863,780
Home Sale Proceeds (Mod)	\$ 3,572,520
Habitat Contributions	\$ 269,408
County / State Funds	\$ 1,500,000
<b>Total Sources</b>	<b>\$ 8,505,708</b>



## 3575 De La Cruz Boulevard



Elevation facing Mews (north)



## 3575 De La Cruz Boulevard



Elevation facing neighboring commercial building (south)



## **3575 De La Cruz Boulevard**

### **Considerations**

- Implements General Plan goals for providing affordable housing that meets the needs of Santa Clara residents
- Includes extensive Community Engagement Plan with community meetings during initial design and development
- Aligns with the community objectives identified in the Community Visioning Report
- Provides long-term affordable homeownership for 13 families



## **3575 De La Cruz Boulevard**

### **Next Steps...**

- Negotiate an Exclusive Negotiation Agreement (ENA) with Habitat Development for future Council consideration
- Continue engagement opportunities for the public
- Further refine project design and transaction details
- City Council and/or Planning Commission hearings for General Plan Amendment, Rezoning, Architectural and Environmental Review
- Council Consideration of Disposition and Development Agreement (DDA)





## **3575 De La Cruz Boulevard**

### **Recommendation**

- 1) Note and File Staff Recommendation of Habitat for Humanity East Bay / Silicon Valley Development's Proposal for the Development of 3575 De La Cruz Boulevard.
- 2) Direct Staff to initiate negotiation on an Exclusive Negotiation Agreement (ENA) with Habitat for Humanity East Bay / Silicon Valley, for future Council consideration.

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