

RESOLUTION NO. \_\_\_\_\_

**A RESOLUTION OF THE CITY OF SANTA CLARA, CALIFORNIA  
APPROVING AN AFFORDABLE HOUSING AGREEMENT  
BETWEEN THE CITY OF SANTA CLARA AND ZAEN PARTNERS,  
LLC, FOR THE PROJECT LOCATED AT 2310 CALLE DEL  
MUNDO, SANTA CLARA**

**BE IT RESOLVED BY THE CITY OF SANTA CLARA AS FOLLOWS:**

**WHEREAS;** ZAEN Partners, LLC (“Developer”), is the project sponsor for three infill, mixed-use projects that would cumulatively include approximately 969 rental apartment units, parking garages, up to 30,000 square feet of retail space, approximately 4,500 square feet of leasing space, and approximately 55,000 square feet of amenity space (collectively, the “ZAEN Tasman East Projects”);

**WHEREAS;** On July 17, 2019, the City approved the first project, known as the “Station Project,” which includes 503 residential rental units and approximately 23,870 square feet of retail space located at 5123 Calle Del Sol. The second project proposed by Developer would include 150 residential rental units with approximately 5,000 square feet of retail located at 2310 Calle Del Mundo (the “Parcel 24 Project”); the Parcel 24 Project is currently pending review by City staff and anticipated to be brought forward for architectural control approval in the near future. The third project proposed by Developer would include 316 residential rental units located at 2263 Calle Del Mundo (the “Parcel 60/61 Project”) and is also currently under review by City staff;

**WHEREAS;** the City and Developer have worked collaboratively to identify options to consolidate the cumulative affordable housing obligations of Developer in order to deliver thirty (30) very low income units as part of the Parcel 24 Project in order to satisfy Developer’s affordable housing obligations for all of the ZAEN Tasman East Projects, and anticipate that one or more Development Agreements for the ZAEN Tasman East Projects may be required in order to facilitate the consolidation of very low income housing units as part of the Parcel 24 Project;

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**WHEREAS;** Developer intends to develop a mixed-income housing project on Parcel 24 that includes approximately one hundred fifty (150) rental units with the required unit mix of studio, one bedroom and two bedroom units, and consisting of thirty (30) very low income units (which are intended to satisfy the affordable housing obligations for the Station Project, the Parcel 24 Project, and the Parcel 60/61 Project), one hundred nineteen (119) market rate units, one manager's unit (1) and related facilities;

**WHEREAS;** Developer will pay an Affordable Housing In-Lieu fee equivalent to one half unit (1/2) at the Rental Residential Rate per Attachment "A" to Resolution 17-8482. The thirty (30) very low-income units on the Parcel 24 Site, along with the in lieu fee, are intended to satisfy the Affordable Housing Requirements for all 969 units associated with the ZAEN Tasman East Projects. In order to ensure that the affordable units are provided prior to or concurrently with the market rate units, the City will not issue a building permit for the Station Project or the Parcel 60/61 Project until such time as a building permit is issued for the Parcel 24 Project, unless otherwise approved by the Community Developer Director, or unless Developer elects to default to the original conditions of approval for the Station Project (i.e., construct inclusionary units as part of the Station Project at the standard levels of affordability);

**WHEREAS,** the Affordable Housing Agreement contemplates that implementation of the Project will require myriad permits, approvals, entitlements, agreements, permits to enter, utility services, building permits, and other authorizations to implement the Project (together, the "Project Documents"); and,

**WHEREAS,** the development of units as contemplated by the Project Documents will help address the City's housing needs at very low income levels by providing the City with thirty (30) very low income units that will be affordable to households with Area Median Income (AMI) levels below 50% and delivered sooner than would otherwise occur, and by paying an Affordable Housing In-Lieu Fee equal to one half (1/2) unit at the Rental Residential Rate.

**NOW THEREFORE, BE IT FURTHER RESOLVED BY THE CITY OF SANTA CLARA AS FOLLOWS:**

1. That the City Council hereby finds that the above Recitals are true and correct.
2. That the City Council approves and authorizes the City Manager to execute the Affordable Housing Agreement, substantially in the form attached hereto as Exhibit "Affordable Housing Agreement."
3. That the City Manager is authorized to negotiate and execute minor amendments and clarifying changes to the Affordable Housing Agreement consistent with the Agreement attached.
4. That the City Manager is authorized to execute any documents necessary to implement the terms of the Affordable Housing Agreement to accomplish the transfer of Developer's Affordable Housing Requirements to the Parcel 24 project and the development of the affordable housing units as contemplated by the Affordable Housing Agreement.
5. Effective date. This resolution shall become effective immediately.

I HEREBY CERTIFY THE FOREGOING TO BE A TRUE COPY OF A RESOLUTION PASSED AND ADOPTED BY THE CITY OF SANTA CLARA, CALIFORNIA, AT A SPECIAL MEETING THEREOF HELD ON THE \_\_\_\_ DAY OF \_\_\_\_\_, 2019, BY THE FOLLOWING VOTE:

AYES:	COUNCILORS:
NOES:	COUNCILORS:
ABSENT:	COUNCILORS:
ABSTAINED:	COUNCILORS:

ATTEST: \_\_\_\_\_

NORA PIMENTEL, MMC  
ASSISTANT CITY CLERK  
CITY OF SANTA CLARA

Attachments incorporated by reference:  
1. Affordable Housing Agreement