

Agenda Report

20-216

Agenda Date: 8/19/2020

REPORT TO ECONOMIC DEVELOPMENT, COMMUNICATIONS, AND MARKETING COMMITTEE

SUBJECT

Discussion on Use of the \$5 Million San Jose Settlement Funds Designated for Affordable Housing and Transportation

BACKGROUND

In January 2018, the City of Santa Clara (City) and the City of San Jose reached a settlement over their disputes related to the Santana West Development Project, located in San Jose and near Santa Clara city limits.

As part of the Santana West Development Project Settlement Agreement, the City received \$5 million from the City of San Jose for affordable housing and transportation improvements in Santa Clara.

DISCUSSION

Staff will discuss the City's affordable housing and transportation needs, and is requesting that the Economic Development, Communications, and Marketing Committee (Committee) provide a recommendation to the City Council based on the potential project list for the Santana West Development Project Settlement Affordable Housing and Transportation Funds. The provided project list included below exceeds the \$5.0 million available and it is acknowledged that the Committee may recommend other projects within the City's housing and transportation needs.

Potential Project List

Affordable Housing

Charities Housing has purchased a 1.41-acre site (61,419 square feet) located at 1601 Civic Center Drive in Santa Clara. The settlement fund is necessary to provide financial participation in the project with the expectation that Charities would also arrange for a variety of other public and private sources of financing, including Measure A funding. Early yield studies have shown that with \$6 million from the City, the 100% low-income family housing development could achieve approximately 120 units, with a building height of 6 stories and one level of underground parking.

Transportation

El Camino Real Bicycle Lanes - \$5.5 million Benton Bicycle Lanes - \$1.4 million Lick Mill Boulevard Ped Beacons Upgrade - \$0.5 million

Total - \$7.4 million

ENVIRONMENTAL REVIEW

The action being considered does not constitute a "project" within the meaning of the California Environmental Quality Act ("CEQA") pursuant to CEQA Guidelines section 15378(a) as it has no potential for resulting in either a direct physical change in the environment, or a reasonably foreseeable indirect physical change in the environment.

FISCAL IMPACT

There is no fiscal impact to the City other than administrative staff time.

PUBLIC CONTACT

Public contact was made by posting the Economic Development, Communications, and Marketing Committee agenda on the City's official-notice bulletin board outside City Hall Council Chambers. A complete agenda packet is available on the City's website and in the City Clerk's Office at least 72 hours prior to a Regular Meeting and 24 hours prior to a Special Meeting. A hard copy of any agenda report may be requested by contacting the City Clerk's Office at (408) 615-2220, email <u>clerk@santaclaraca.gov <mailto:clerk@santaclaraca.gov></u> or at the public information desk at any City of Santa Clara public library.

RECOMMENDATION

Provide a recommendation to the City Council based on the potential project list for the Santana West Development Project Settlement Affordable Housing and Transportation Funds.

Reviewed by: Ruth Mizobe Shikada, Assistant City Manager Approved by: Deanna J. Santana, City Manager