

HOUSING DEVELOPMENT PROJECT REVIEW

Application Review: Evans Lane Community Village
Borrower: TBD
Address: 2090 Evans Lane, San Jose
Census Tract: 5031.23 **San Jose Council District:** 6 **Supervisorial District:** 2
Developer/Sponsor: Allied Housing Inc.
Total Development Cost: \$36,688,535

Evans Lane Community Village



2090 Evans Lane, San Jose

Project Summary:

Evans Lane Community Village is a 61-unit affordable housing development on an approximately 3.5 acre site and is being developed by Allied Housing. The project is located on Evans Lane between Almaden Expressway and Curtner Avenue in San Jose. The proposed development will consist of 60 affordable studio apartments (plus 1 one-bedroom manager's unit) located in eight residential buildings. Thirty (30) of the residential units will be set aside as permanent support housing for homeless households. The community space will be located in a separate building from the residential units. Amenities include office space for 4 services staff and 1 property manager, a meeting room, mail room, laundry facilities, a large community/multipurpose room with a kitchenette and a separate food and storage closet which could support a food distribution center and could accommodate a domestic freezer. There is also a reception desk that will be staffed and/or have after-hours security which will function as the secure point of entry to check-in guests.

Existing Conditions: The site consists of two legal parcels that are both currently vacant.

Land Use: The properties located at the subject site on Evans Lane are zoned A (PD) Planned Development, File No. PDC86-057 (APN 455-31-053), and LI – Light Industrial (APN 455-31-055). Since the Project does not conform to the development standards of the existing zoning districts, a rezoning is required to allow residential uses on the site. On December 5, 2018 City of San José's Planning Commission considered and approved a recommendation that the City Council adopt an ordinance rezoning the Property and adopt a resolution approving a PD Permit to effectuate the PD Zoning district to allow the Project. The City Council will consider the Planning Commission's recommendation in January 2019.

Green Building: The project will meet the California Tax Credit Allocation Committee's Green Building threshold requirements. The site plan also envisions plentiful green space and community areas for the residents.

Environmental Review: An Initial Study (IS) and Mitigated Negative Declaration (MND) were prepared by the Director of Planning, Building and Code Enforcement for the subject site's General Plan Amendment. The documents were circulated for public review between March 23, 2016 and April 22, 2016. The MND states that

the proposed General Plan Amendment will not have a significant effect on the environment as long as the applicant agrees to make project revisions that clearly mitigate the identified effects to a less than significant level. On December 5, 2018, the City of San Jose Planning Commission considered and approved a recommendation that the City Council adopt a resolution to adopt an Addendum to the MND for the Project. The County’s funding is contingent upon the Project obtaining the necessary entitlements and CEQA clearance.

Project-Based Vouchers (PBV’s): Allied Housing is requesting a reservation of 30 Section 8 Project-Based Vouchers (PBVs) from the Santa Clara County Housing Authority.

Services: Allied Housing is proposing three on-site Clinical Service Providers, providing Intensive Case Management Services to approximately 30 individuals living on-site and one Resident Services Coordinator. Services staff will focus on maintaining housing stability and developing self-sufficiency to maintain quality community life. In addition to personalized support service management, services staff will convene regular house and community meetings, celebrations, and other group activities. Services staff will also provide income-enhancement services such as job training, resume writing, life skills training, and connections to full-scope recovery and mental health programs, as needed.

Project Schedule and Financing:

Milestone	Date of Completion
1. Site Control	August 16, 2016
2. Community Engagement (continuous and ongoing)	June 2016 – November 2018
3. City Council Land Use Approval	January 8, 2018
4. Submit 4% Tax Credit Application	March 2019
5. Receive reservation of tax credit award	June 2019
6. Construction finance closing	October 2019
7. Begin Construction	November 2019
8. Start of Lease-Up Activities	December 2020
9. Complete Construction	February 2021
10. 100% Occupancy	May 2021
11. Permanent Loan Conversion	August 2021

Permanent Source of Funds

County of Santa Clara	\$12,000,000
City Loan	\$6,611,363
Deferred Developer Fee	\$200,000
Partner Contribution	\$100
Tax Credit Equity	\$17,877,072
Permanent Source of Funds	\$36,688,535

Use of Funds

Acquisition	\$2,250
New Construction	\$22,168,630
Architectural and Engineering	\$1,540,100
Const. Interest, fees and perm financing	\$1,885,525
Other (legal, reserves, etc.)	\$5,765,167
Contingency	\$2,626,863
Developer Fee	\$2,700,000
Total Use of Funds	\$36,688,535