

HOUSING DEVELOPMENT PROJECT REVIEW

Application Review: Alvarado Park
Borrower: Alvarado Park LP
Address: 216, 230 Grand Ave & 237, 243 & 245 Race St. San José, CA 95126
Census Tract: 5019.01 **San Jose Council District:** 6 **Supervisory District:** 4
Developer/Sponsor: Santa Clara County Housing Authority
Residential sq. ft.: 66,895 **Commercial/Office sq. ft.:** 3,199
Construction Type: Type VA over Type 1A

Alvarado Park



216, 230 Grand Ave & 237, 243 & 245 Race St. San José, CA 95126

Project Summary: Alvarado Park is a senior affordable housing development consisting of 90 units on a 0.9-acre site and is being developed by the Santa Clara County Housing Authority (“SCCHA”). The project is located between Grand Ave and Race St in San José. The proposed development will consist of 83 one-bedrooms, and 7 two-bedrooms (including one manager’s unit). The project includes 23 Permanent Supportive Housing (“PSH”) units to help homeless individuals and families with special needs obtain and maintain permanent housing, 31 units for households earning up to 30% area median income (“AMI”), and 35 units for households earning up to 50% AMI. The apartments will be constructed in one five-story building with one story of above-grade podium parking and four stories of residential floors above. Residential amenities include but are not limited to resident services and property management offices, laundry facilities, community rooms, outdoor landscaped open spaces with play structure equipment, barbecue equipment, and dedicated bike storage.

Existing Conditions: The site currently has nine parcels of commercial and single-family residential uses, along with associated parking and landscaping.

Land Use: The proposed site is located in San José along Race Street, north of West San Carlos Street, and covers 0.9 net acres of a gross land area of 2.3 acres as phase two of the development on an existing residential and commercial parcel. Phase one is 1.4 net acres. The site has a General Plan Land Use designation of Urban Residential (30-95 du/ac) with a zoning designation of R-M(PD) Planned Development Zoning. On March 27, 2018, the City Council adopted Ordinance No. 30083 rezoning the subject property from A(PD) Planned Development Zoning District to the R-M(PD) Planned Development Zoning District. The project subsequently obtained PD permit number PD18-043 to allow for the demolition of 13 structures and the construction of the project and Vesting Tentative Map (PT18-046) to combine 7 parcels into 2 lots.

Green Building: Alvarado Park is targeting a GreenPoint Rating of Silver. The project includes electric vehicle car

charging stations and infrastructure, energy efficient and water efficient appliances, and resource efficient landscaping.

Environmental Review: On March 27, 2018, the City Council adopted Ordinance No. 30083 rezoning the subject property from A(PD) Planned Development Zoning District to the R-M(PD) Planned Development Zoning District and Resolution No. 78541 to adopt the Mitigated Negative Declaration and related Mitigation Monitoring and Reporting Program (“MMRP”) prepared for the Project.

Project-Based Vouchers (PBV’s): SCCHA has reserved 41 Section 8 PBVs for this project.

Services: SCCHA has not selected a service provider to deliver on-site resident services for all restricted units. The County would be responsible for coordinating services for the residents of the 23 PSH units at a cost of approximately \$253,000 per year.

Project Schedule and Financing:

Milestone	Date of Completion
1. Site Control	June 2022
2. Community Engagement (continuous and ongoing)	January 2020
3. Entitlements/Land Use Approval	August 2020
4. Submit 4% Tax Credit Application	March 2023
5. Receive reservation of tax credit award	June 2023
6. Construction finance closing	December 2023
7. Begin Construction	December 2023
8. Start of Lease-Up Activities	November 2024
9. Complete Construction	June 2025
10. 100% Occupancy	September 2025
11. Permanent Loan Conversion	December 2025

Permanent Source of Funds

Permanent Loan	\$12,777,000
HCD MHP Loan	\$18,777,767
SCCHA MTW	\$5,434,247
County of Santa Clara	\$4,600,000
Tax Credit Equity	\$28,802,093
Total Permanent Source of Funds	\$ 70,391,207

Use of Funds

Acquisition	\$4,580,000
New Construction	\$45,971,274
Construction Contingency	\$4,597,127
Soft Cost Subtotal	\$12,286,320
Capitalized Operating Reserve	\$452,024
Soft Cost Contingency	\$304,462
Developer Fee	\$2,200,000
Total Use of Funds	\$ 70,391,207