

## HOUSING DEVELOPMENT PROJECT REVIEW

**Application Review:** Orchard Gardens  
**Borrower:** TBD  
**Address:** 245 W Weddell Drive, Sunnyvale, CA 94089  
**Census Tract:** 5048.03 **San Jose Council District:** N/A **Supervisorial District:** 3  
**Developer/Sponsor:** First Community Housing  
**Residential sq. ft.:** 146,460 **Commercial/Office sq. ft.:** 1,050  
**Construction Type:** Type IIIA over IA

Orchard Gardens



245 W Weddell Drive, Sunnyvale, CA 94089

### **Project Summary:**

Orchard Gardens is an affordable housing development consisting of 93 new housing units and the substantial rehabilitation of an existing apartment building of 30 units, totaling 123 units on a 1.72-acre site development by First Community Housing (“FCH”). The project is located at 245 W. Weddell Drive in Sunnyvale. The proposed development is comprised of 4 studios, 76 one-bedrooms, 29 two-bedrooms (including one manager’s unit) and 14 three-bedrooms (including one manager’s unit). The project includes 14 permanent supportive housing (“PSH”) units to help homeless individuals and families with special needs obtain and maintain permanent housing, 31 rapid rehousing (“RRH”) units for homeless individuals and families with special needs, 15 units for individuals with intellectual and/or developmental disabilities (“I/DD”) and their families, 12 units for households earning up to 30% Area Median Income (“AMI”), 10 units for households earning up to 50% AMI, and 9 units for households earning up to 60% AMI. The project is also rehabilitating 30 affordable units ranging in affordability from 30% to 60% AMI. The apartments will be constructed in six-story building with podium parking on the ground level. Residential amenities include but are not limited to resident services and property management offices, , community gardens, outdoor courtyard with play structure equipment, community spaces and a bike storage room that will provide 124 secured bicycle parking spaces.

**Existing Conditions:** The site currently has two existing residential apartment buildings totaling 62 units.

**Land Use:** The proposed site is located in Sunnyvale along West Weddell Drive parallel to highway 101 with a gross land area of 1.72 acres. The property is improved with two residential apartment buildings totaling 62 units. The site has a General Plan Land Use designation of High Density Residential and a zoning designation of High-Density Residential (R-4) and Planned Development (PD) Combining District. The project obtained a Special Development Permit with a density bonus on November 8, 2021.

**Green Building:** The proposed development will include sustainable features such as a high-efficiency photovoltaic system, high-efficiency air conditioning units and all electric appliances.

Environmental Review: The project was deemed to be consistent with the City’s General Plan and no additional environmental review is required pursuant to the California Environmental Quality Standards Act (“CEQA”) Guidelines Section 15183 and Public Resource Code Section 21083.3. Under the CEQA Guidelines, project that are consistent with the development density established by existing zoning or general plan policies for which an environmental impact report (“EIR”) was certified do not require additional environmental review, except as might be necessary to examine whether there are project-specific significant effects which are peculiar to the project or its site.

Project-Based Vouchers (“PBVs”): FCH will apply for a reservation of 14 Section 8 PBVs from the Santa Clara County Housing Authority.

Services: First Housing Services will deliver on-site resident services to the 121 restricted units. The County will be responsible for coordinating services for 31 RRH units at a cost of approximately \$232,500 per year and 14 PSH units at a cost of approximately \$154,000 per year.

Project Schedule and Financing:

Milestone	Date of Completion
1. Site Control	June 2019
2. Community Engagement (continuous and ongoing)	June 2021
3. Entitlement/Land Use Approval	November 2021
4. Submit 4% Tax Credit Application	September 2022
5. Receive reservation of tax credit award	December 2022
6. Construction finance closing	April 2023
7. Begin Construction	April 2023
8. Start of Lease-Up Activities	October 2024
<b>9. Complete Construction</b>	<b>May 2025</b>
10. 100% Occupancy	August 2025
11. Permanent Loan Conversion	November 2025

**Permanent Source of Funds**

Conventional Loan	\$16,332,000
County of Santa Clara	\$19,650,000
City of Sunnyvale	\$10,231,927
Other Sources	\$8,994,427
Tax Credit Equity	\$48,895,896
Deferred Developer Fee	\$3,106,484
<b>Total Permanent Source of Funds</b>	<b>\$107,210,734</b>

**Use of Funds**

Acquisition	\$11,160,000
New Construction & Rehab	\$69,221,694
Architecture and Engineering	\$3,337,909
Financing Fees	\$1,056,835
Legal Fees	\$200,000
Capitalized Operating Reserve	\$986,269
Soft and Other Costs	\$15,181,543
Developer Fee	\$6,066,484
<b>Total Use of Funds</b>	<b>\$ 107,210,734</b>