

HOUSING DEVELOPMENT PROJECT REVIEW

Application Review: Kifer Senior Apartments
Borrower: Allied Housing
Address: 3335 Kifer Rd., Santa Clara
Census Tract: 5045.05 **San Jose Council District:** N/A **Supervisorial District:** 4
Developer/Sponsor: Allied Housing Inc.
Residential sq. ft.: 45,923 **Commercial/Office sq. ft.:** 1,897
Construction Type: Type III-A over Type I-A

Kifer Senior Apartments



3335 Kifer Road, Santa Clara

Project Summary:

The Kifer Senior Apartments is an affordable housing development, consisting of 80 units on a 0.54 acre site, located at 3335 Kifer Road in the City of Santa Clara being developed by Allied Housing. The proposed development will consist of 79 affordable apartments, comprised of 30 studios, 45 one-bedrooms and four two bedrooms (plus one manager unit). Forty-Five (45) apartments will be reserved as permanent supportive housing (PSH) to help seniors with special needs, seventeen (17) apartments will be available to households earning up to 30% of the area median income, seventeen (17) apartments will be available to households earning up to 50% of area median income, and one apartment will be set aside as a manager's unit. Amenities will include community space, public terraces, and private offices for use by clients and their service providers.

Existing Conditions: The site is currently developed with a 8,992 square foot research and development building and surface parking that is proposed for demolition.

Land Use: The property is a 0.54-acre site in the City of Santa Clara in the Lawrence Station Area Plan ("Area Plan"), which allows for Very High Density Residential (51-100 dwelling units per acre). The Area Plan is intended to guide development in a specific geographical area, and establishes development policies and design standards and guidelines applicable to properties within the boundary of the Area Plan. The proposed housing development is consistent with the Area Plan, however the City of Santa Clara will require a design review application to be considered by the City of Santa Clara's Architectural Review Board. While the proposed density is higher than what is allowed in the Area Plan, the developer is seeking a higher density under Assembly Bill (AB) 1763 – the state density bonus law which allows the site to achieve greater density beyond the current 35% affordable housing density bonus if it meets certain criteria. The entitlement process is expected to be completed in May 2020.

Green Building: The project will integrate solar arrays on the roof and additional energy-efficient innovations.

Environmental Review: The County’s commitment to fund will be contingent upon the project obtaining the necessary entitlements and CEQA clearance. As part of the entitlement process, the City of Santa Clara would determine whether the proposed project conforms with the Area Plan’s Environmental Impact Report, which was adopted by the Santa Clara City Council on November 29, 2016.

Project-Based Vouchers (PBV’s): Allied Housing has also submitted a request for an allocation of 45 Section 8 Project-Based Vouchers (PVB’s) from the County of Santa Clara Housing Authority.

Services: Allied Housing has selected Abode Services as the on-site services provider to deliver supportive services for the 45 restricted PSH units. The County will be responsible for coordinating services with Abode Services for the PSH residents at a cost of \$495,000 per year.

Project Schedule and Financing:

Milestone	Date of Completion
1. Site Control	12/2019
2. Community Engagement (continuous and ongoing)	04/2020
3. Architectural Review Board Approval	08/2020
4. Submit MHP Application	09/2020
5. Submit IIG Application	10/2020
6. Submit 4% Tax Credit Application	03/2021
7. Receive reservation of tax credit award	06/2021
8. Construction finance closing	12/2021
9. Begin Construction	12/2021
10. Start of Lease-Up Activities	02/2023
11. Complete Construction	05/2023
12. 100% Occupancy	08/2023
13. Permanent Loan Conversion	11/2023

Permanent Source of Funds

County of Santa Clara	\$14,000,000
City of Santa Clara	\$4,000,000
Permanent Loan	\$5,752,144
GP Equity	\$500,000
Investor Equity	\$20,586,961
IIG	\$2,972,286
MHP	9,756,231
Total Permanent Source of Funds	\$ 57,567,622

Use of Funds

Acquisition	\$4,720,000
New Construction	\$38,544,157
Architecture and Engineering	\$1,500,000
Financing Fees	\$3,716,327
Reserve	\$666,624
Soft and Other Cost	\$5,420,886
Developer Fee	\$3,000,000
Total Use of Funds	\$57,567,622