

HOUSING DEVELOPMENT PROJECT REVIEW

Development Name: Sango Court Apartments

Borrower: To be determined

Address: 355 Sango Court, Milpitas

Census Tract: 5045.05 **San Jose Council District:** N/A

Supervisorial District: 3

Developer/Sponsor: Resources for Community Development

Total Development Cost: \$72,488,258

Sango Court Apartments



355 Sango Court, Milpitas

Project Summary:

The Sango Court Apartments is a 102-unit affordable housing development on a 1.26 acre site, located at 355 Sango Court in Milpitas being developed by Resources for Community Development (RCD). Forty (40) apartments will be reserved as permanent supportive housing to help individuals and families with special needs, thirty-one (31) apartments for other extremely low income households and thirty units for households earning up to 60% of the area median income (AMI). The entire development will be designed to be adaptable to the needs of residents with disabilities, including six units that will be fully accessible. On-site amenities will include a community room with a full kitchen, Resident Services and Property Management offices, a learning lab and meeting space, a laundry room, and secure parking for cars and bicycles. The building's design will feature thoughtful elements intended to promote quality of life. All of the units will surround a large, landscaped interior courtyard that features a playground area for children and outdoor seating. The community and laundry rooms open to the courtyard, connecting the inside and outdoor spaces.

Existing Conditions: The site is currently developed with a 12,700 square foot light industrial building that is proposed for demolition.

Land Use: On May 23, 2018 the Planning Commission approved the entitlement application. The Milpitas City Council will be considering the density bonus request at their regularly scheduled meeting of June 12, 2018. RCD has held a community engagement meeting in conjunction with Milpitas City Staff and has met with individual community members.

Green Building: The development will include several green building features including solar hot water, electric PV, energy efficient light fixtures, low flow water saving plumbing fixtures, irrigation supplied by municipal greywater and high performance windows.

Project-Based Vouchers: RCD has received a preliminary reservation of 15 Housing and Urban Development – Veterans Affairs Supportive Housing (HUD-VASH) Project-Based Vouchers (PBVs) and is seeking an allocation of 25 Section 8 PBVs from the Santa Clara County Housing Authority.

Services: On-site Resident Services will be offered to assist residents in obtaining access to local social services, organizing community meetings and events, and providing classes on topics, such as financial literacy and nutrition.

Project Schedule and Financing:

Milestone	Date of Completion
1. Site Control	January 2017
2. Community Engagement (continuous and ongoing)	October 2017
3. Planning Commission Land Use Approval	May 24, 2018
4. Submit 4% Tax Credit Application	September 2018
5. Receive reservation of tax credit award	December 2018
6. Construction finance closing	March 2019
7. Begin Construction	March 2019
8. Start of Lease-Up Activities	July 2020
9. Complete Construction	September 2020
10. 100% Occupancy	December 2020
11. Permanent Loan Conversion	July 2021

Permanent Sources of Funds

County of Santa Clara	\$16,000,000
Conventional Loan	\$6,173,821
City	\$6,050,000
State HOME	\$4,600,000
AHP	\$1,010,000
HCD Loans	\$11,520,124
Tax Credit Equity	\$26,034,313
Deferred Developer Fee	\$1,100,000
Total Permanent Source of Funds	\$72,488,258

Use of Funds

Acquisition	\$ 7,107,000
New Construction	\$ 42,878,274
Architectural and Engineering	\$ 1,895,000
Const. Interest & Fees	\$ 3,527,110
Permanent Financing	\$ 81,738
Legal Fees	\$ 15,000
Reserves	\$ 379,832
Appraisal	\$ 30,000
Const. Contingency	\$ 4,287,827
Other	\$ 9,586,477
Developer Fee	\$ 2,500,000
Syndication Expenses	\$ 100,000
Total Use of Funds	\$72,488,258