



1162 EL CAMINO REAL STUDY SESSION

Deanna Chow Community Development Director



PRESENTATION OVERVIEW



- Purpose of study session
- Project background
- Alternative BMR options
- Next steps



PURPOSE OF STUDY SESSION



- Review alternative proposals to meet the below market rate (BMR) housing requirements for the residential project at 1162 El Camino Real
- City Council provides feedback
- No action

SANTA CRUZ AVE. PROJECT BACKGROUND

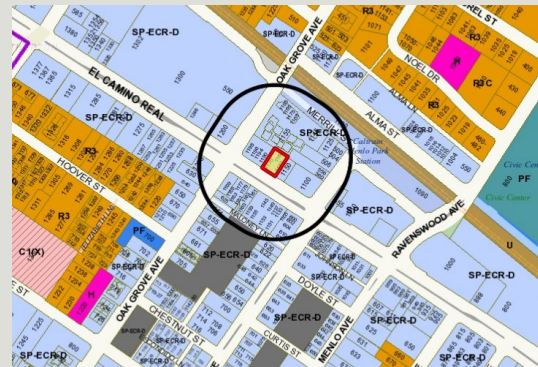


- 506-556 Santa Cruz Ave./1125 Merrill St. (Santa Cruz Project)
 - Three (3) coordinated mixed-use projects
 - Planning Commission approved – May 2018
 - +/- 0.76-acre site
 - Nine (9) residential units
 - Approximately 27,000 sf of non-medical office, retail and restaurant uses
 - Flexibility in satisfying BMR requirement
 - Construction completed June 2021
 - No on-site BMR unit



1162 EL CAMINO REAL PROJECT BACKGROUND

- 1162 El Camino Real (1162 ECR Project)
 - Planning Commission approved – Feb. 2021
 - +/- 0.19-acre site
 - Nine (9) residential units
 - 1 BMR unit (Very-low income studio)
 - 2 BMR units (off-site requirement for the Santa Cruz Project)
 - One (1) bedroom, 1 bathroom – Low-income unit
 - Two (2) bedroom, 2 bathroom – Low-income unit
 - Site is vacant land





SUMMARY OF KEY DATES

- June 2021 - Completion of Santa Cruz Project
- April 2023 – Approval of revised BMR agreements
- June 2023 – Original due date for Santa Cruz Project BMR obligation
- September 2023 – City Council feedback on HIP housing funding request, including land dedication
- March 2024 – Eden Housing submits NOFA for 100% affordable, 26-unit senior housing project
- Nov. 12, 2024 (tonight) – City Council study session on alternative BMR options
- May 4, 2025 – New due date for Santa Cruz Project BMR obligation



BMR AGREEMENT OPTIONS



Refer to Table 3 in the staff report

- Construct two on-site BMR units by developer per 1162 ECR Project BMR Agreement
- Developer to pay BMR in-lieu fee of approximately \$4.5 million
- Land donation from developer to City
- Developer to directly transfer land to Eden (in-kind payment of in-lieu fee)
- Other (e.g. hybrid of land donation and in-lieu fee payment)



NEXT STEPS



- City Council feedback on BMR options
- Staff recommends payment of the \$4.5 million BMR in-lieu fee
 - Payment due by Aug. 4, 2025
- If City Council is interested in the land donation:
 - Conduct peer review of appraisal to confirm land value
 - Provide direction if land should be transferred to City or Eden
 - Staff to return with next steps for accepting the property as an alternative means
- Provide direction on another option



THANK YOU