ATTACHMENT K

Expanding the range of opportunities for all by developing, managing and promoting quality affordable housing and diverse communities.



Distel Circle Apartments Proposal Statement – Planning Application February 28, 2022

Project:	
Location:	
Current Landowner:	
Applicant/Developer:	

90-Unit Multifamily Affordable Housing Community 330 Distel Circle, Los Altos Midpen Regional Open Space District EAH Housing



BACKGROUND

The County of Santa Clara is under contract to purchase 330 Distel Circle (APN# 170-04-051), a 0.87-acre site containing a 12,120 sq ft single story office building ("Property"). EAH proposes to demolish existing office building and to develop a 90 unit, permanently affordable deed-restricted multifamily community. The proposed development will also have about 10,130 sq ft of amenity space, 90 parking stalls and 45 bicycle stalls.

In alignment with the MOU between the City of Los Altos and the County of Santa Clara, we are in a public-private partnership between EAH, the County, and the City of Los Altos that will create a beautiful, inclusive, and healthy rental community offering permanently affordable housing to income and program-eligible residents.

PROPERTY CHARACTERISTICS

The Property is located a half block from the El Camino Real corridor and is within the El Camino Real Special Planning Area delineated within the current City of Los Altos General Plan. The site is conveniently located in proximity to the Sutter Healthaffiliated Palo Alto Medical Foundation and within safe walking distance to public transit and commercial, service, and recreational amenities along the El Camino corridor. The Property is located within a Transit Priority Area, as identified by The Metropolitan Transportation Commission (MTC) and is within one-half mile from a Major Transit Stop located at El Camino Real and Showers Drive. The Property is a generally flat parcel bounded by Distel Circle to the East, and



commercial properties to the North, South, and West. Single family homes are along Marich Way to the South and Southwest of the Property but do not directly abut the subject parcel.

Our proposal seeks to achieve the following key outcomes:

- A community comprised of diverse tenants who qualify under CA Low Income Housing Tax Credit guidelines, and which creatively integrates affirmative set asides for households meeting the program criteria for Permanent Supportive Housing
- An environmentally sustainable building program designed to LEED Silver or comparable certification
- An economically viable and intentionally flexible building program designed to factory-built modular or panelized specification and incorporates a mechanical parking system which maximizes ground floor uses and site efficiency.

The site is not in a very high fire severity zone, or wetlands and is not considered a hazardous waste site. The subject parcel is in Flood Zone X (0.2% chance of flooding). The parcel is not in a delineated earthquake fault zone nor does the subject parcel have a stream or other resource that may be subject to a streamed alteration agreement.

DEVELOPMENT PROPOSAL

Note: On January 11, 2022, the City held a publicly notified Joint Study Session with the City Council, the Planning Commission, EAH and its design team. This current Proposal Statement and its associated plans and materials incorporate various edits in response to comments and direction received through the Joint Study Session.

The development proposal delivers measurable outcomes in relation to neighborhood densification and diversification, sustainable and affordable housing, and mass transit use and mobility. EAH proposes:

- A public-private partnership with the City of Los Altos which efficiently streamlines entitlement approvals, as necessary to promptly secure commitments of local, State and Federal financing that will move the project to shovel-readystatus
- Demolish the existing building for the development of a 5-story, Type III building containing 90 apartments (a mix of studio, 1-, 2-, and 3-bedrooms) and ground floor residential serving amenity space. The amenity space will include lobby, community common area, laundry room, mail/package area, bicycle storage, and offices for property management and resident services.
- A permanently affordable rental community incorporating a mix of unit types and a range of rent tiers that supports a diversity of income-eligible tenants earning incomes from 30% to no more than 80% of Area Median Income (AMI).



Land-Use:

As proposed, the 330 Distel Circle development will advance a great number of plans, policies, and objectives adopted by the City of Los Altos and other regional agencies, including:

- Los Altos General Plan Land Use Element Goals
- Los Altos General Plan Housing Element Goals:
 - Los Altos Climate Action Plan
 - Los Altos Reach Codes
- Affordable Housing Ordinance
- Santa Clara County Office of Supportive Housing
- ABAG Plan Bay Area 2050

Los Altos <u>Land Use Element</u> encourages a variety of residential housing opportunities by allowing residential uses with adequate parking in appropriate commercial areas, including sections along El Camino Real. The Land Use Element also identifies the Special Planning Area of El Camino Real with a

specific goal to improve the land use mix along El Camino Real to ensure fiscal stability, encourage affordable housing, and allow for development intensification along this corridor in a manner that is compatible with the adjacent residential neighborhoods and the local circulation system.

The Property carries a General Plan designation of <u>Thoroughfare Commercial</u> which permits affordable residential opportunities along El Camino Real Corridor. The Property is zoned CT – <u>Commercial</u> <u>Thoroughfare District</u> which has the specific purpose to encourage a variety of residential developments, including affordable housing developments. Per Los Altos Zoning Code, upon granting of a use permit, Multiple-family housing shall be permitted in the CT District. The proposed development is consistent with the underlying land-use.

We anticipate that the proposed development will either comply with the CEQA Class 32 Infill Development criteria and requirement for a categorical exemption or will meet CEQA approval through a Mitigated Negative Declaration.



Design:

The development proposed for 330 Distel Circle is designed as a walkable, equitable, and integral addition to a lively and thriving El Camino Real corridor. This project includes 90 rental units in a single 5 story building. As previously noted, the project as proposed is consistent with existing land use designations. The apartments include a range of studios (465 sq ft), One-Bedroom (645 sq ft), Two-Bedroom (965 sq ft) and Three-Bedroom Plans (1,105 to 1,175 sq ft.). The Gross Building Area is 114,970 sf with 96,840 sf dedicated to net rentable residential area. Planned amenities include Residential Community Center, exterior courtyards, a co-working area, Bike Storage, and secured parking. The building will include

elevator access to all floors. The project will include vehicular access to a private and secure 90-stall parking area with access provided by a gated entry located on Distel Circle.

AFFORDABILITY PROGRAM

The proposed development is designed to provide a beautiful and healthy rental community and is currently modeled to provide affordable rents ranging from 30% AMI up to 80% AMI. As currently structured, the project provides rents earning affordable to households incomes ranging from ELI to LI, with an average affordability of approximately 45% AMI. Rental rates and regulatory use restrictions are proposed to be consistent with conditions. the terms. and



underwriting requirements of the County of Santa Clara Measure A program, the County of Santa Clara Sect. 8 Project Based Voucher program, CA HCD soft-loan programs, and the 4% Low Income Housing Tax Credit program. Accordingly, regulatory agreements will be recorded against the property to ensure continued affordability and restricted use over no less than a 55-year term.

As currently modeled, 45 units (or 50% of the total units) will have rents affordable to families or individuals earning no more than 30% AMI, 12 units will have rents up to 50% AMI, 25 units will have rents up to 60% AMI and 6 units will have rents up to 80% AMI. Based on these proposed rent levels, the proposed development will comply with the Los Altos Affordable Housing Ordinance.



1. Distel Drive Elevation

PROJECT CONTACTS

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