



**Multi-Family Housing  
355 Sango Court  
P-SD17-0017, P-DB17-0001, P-  
EA18-0001**

Milpitas City Council

June 12, 2018

# Application

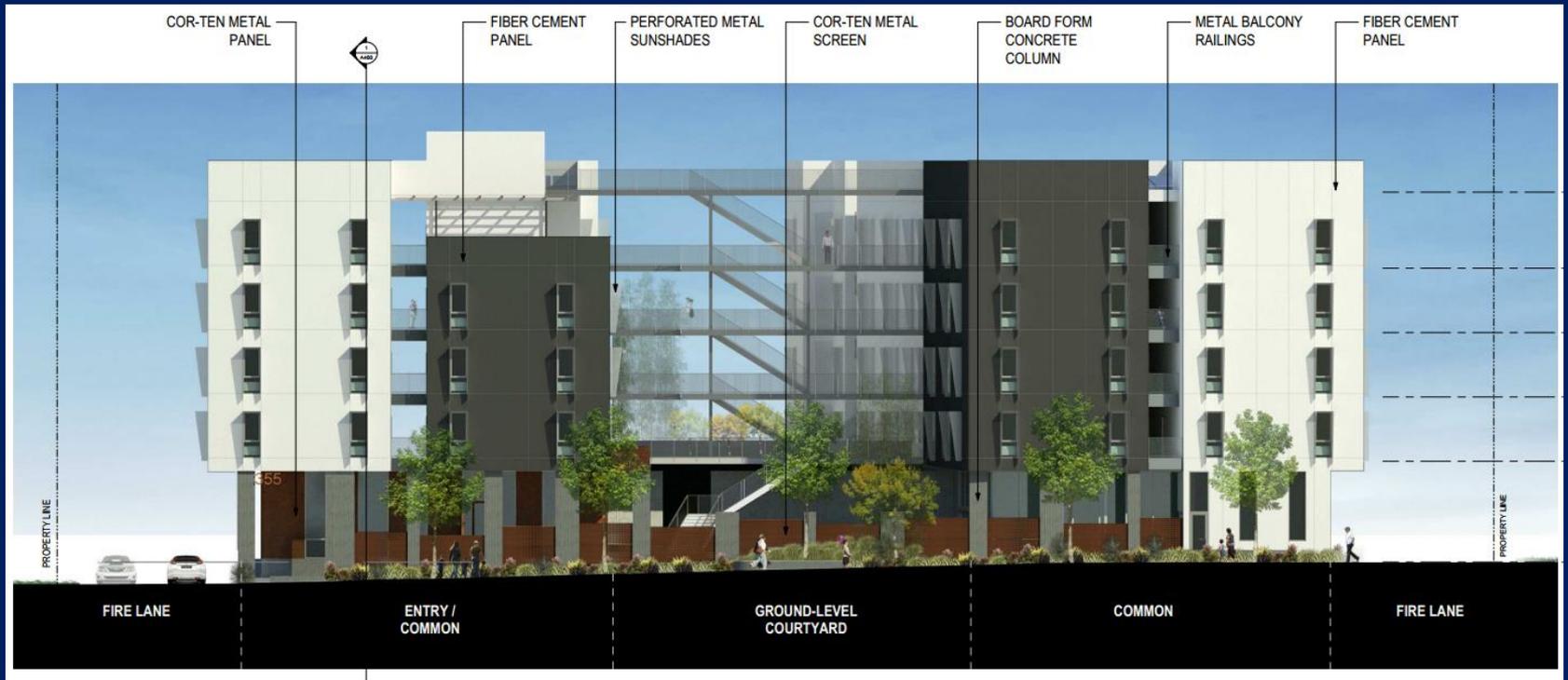
- Site Development Permit to evaluate the proposed site layout, architecture, massing, and proposed design of the development of a multi-family apartment building consisting of 100-102 units on a 1.26 acre site.
- Density Bonus to increase the allowable density from 75 units (60 du/acre) to 102 units (81 du/acre)
  - Concession #1: Reconstruction of Sango Court street frontage at a later date
  - Concession #2: ~~Upsizing the storm water line~~ Exemption from TASP fees
  - Concession #3: Private open space for each unit
  - Waiver #1: Reduced on-site open space
  - Waiver #2: Modified TASP front setback
- Environmental Assessment to assess the consistency of all requested entitlements with the 2008 Transit Area Specific Plan EIR

# Project Location

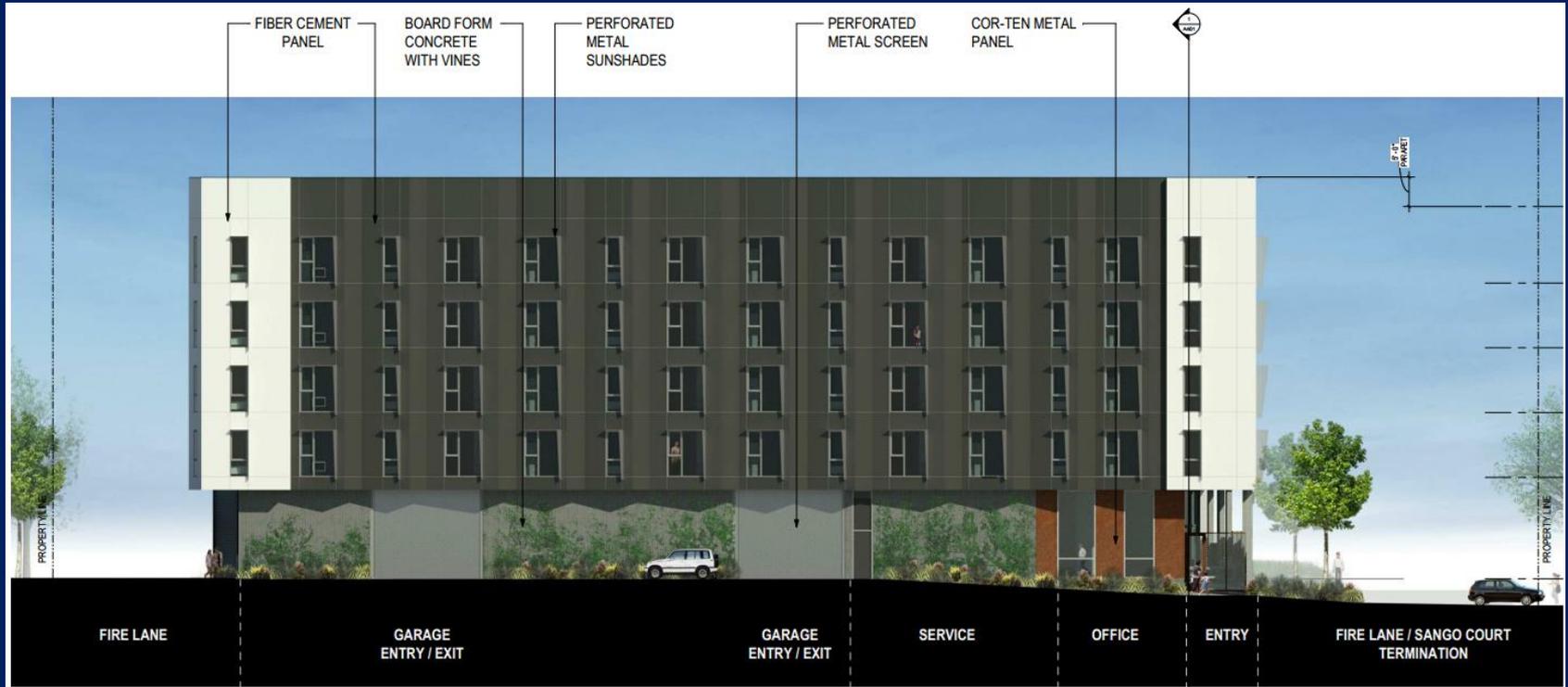




# Front (South) Elevation



# West Elevation



# Overall Site



# Rendering: Southwest Corner



# Rendering: View West



# Density Bonus

- The State Density Bonus Law (California Government Code, Title 7, Chapter 4.3, Section 65915-65918) and Milpitas Density Bonus Ordinance (Milpitas Municipal Code Section XI-10-54.15) incentivizes the development of affordable housing through providing three development benefits to the developer:
  - A mandatory authorization of higher density increase if a certain percentage of affordable units are provided.
  - In addition to the density bonus, the developer can request (a) incentives/concessions on a sliding scale, and (b) development waivers for the project to accommodate the affordable units.

# Density Bonus Cont'd

- Concessions are reductions in site development standards that results in “identifiable, financially sufficient, and actual cost reductions,” that help the developer reduce the cost of development to produce low-income units.
- Waivers are intended to provide regulatory relief to accommodate the increase in density of the project related to local development standards.

# Density Bonus Application

- Project is providing
  - 68 extremely low-income units (67%),
  - 17 very low-income units (17%), and
  - 16 low-income units (16%), and
  - 1 manager's unit
- Entitled to 35% increase in density
  - 102 units (81 units/acre)

U.S. Dept. of Housing & Urban Development (HUD) defines the following:

- Extremely low income is 0-30% of Area Median Income (AMI)
- Very low-income is 31-50% of AMI
- Low-income is 51-80% AMI

# Density Bonus Concessions & Waivers

| Type of Request      | Standard  | Modification  | Approximate Cost         |
|----------------------|---|---|--------------------------|
| <b>Concession #1</b> | Build permanent street frontage applying TASP standards             | Provide 26 foot wide fire access lane   | \$300,000                |
| <b>Concession #2</b> | <del>Upsize stormwater line</del><br>Pay TASP Fees at \$32,781/unit | <del>Use existing 15 inch stormwater drain</del> —Exemption from TASP fees  | \$3,343,662              |
| <b>Concession #3</b> | Provide private open space for each unit                            | Eliminate requirement   | \$1,439,505              |
| <b>Waiver #1</b>     | 25% of the total site as useable open space                         | Provide 19% of the site as useable open space   | Loss of affordable units |
| <b>Waiver #2</b>     | TASP setback from future street between 8 feet to 15 feet           | Incorporate Fire Department south setback of minimum 15' from fire access lane, which will exceed the TASP 15' max. setback | Loss of affordable units |

# Parking Requirements

- If a development consists of solely rental units with an affordable housing cost to lower income families, and if the development is located within half-mile of a major transit stop, then the parking ratio shall not exceed 0.5 spaces per unit, inclusive of guest and handicapped parking. (Gov. Code § 65915(p)(3).)
- Project proposes 0.56 spaces/unit
- GreenTRIP certified

| STANDARD           | TASP REQUIREMENT   | Proposed  | COMPLIANCE WITH DB (Y/N) |
|--------------------|--|---|--------------------------|
| Parking (Resident) | Between 128 and 161  | 52 spaces   | Y                        |
| Parking (Guest)    | 15% of required = 19 spaces  | 5 spaces  | Y                        |
| Parking (Bicycle)  | 1 space per 4 housing units, exempting units with private garages = 25 spaces; on-street guest racks equivalent to 5% of the parking requirement = 11 spaces | 102 long term, secure spaces<br>20 short term spaces for guests | Y                        |

# Parkland Requirements

|   |   |
|---|---|
| Unit Count  | 102   |
| 355 Sango Court Population Estimate                         | 253 persons                                   |
| TASP Parkland Requirement                                   | 3.5 acres/1,000 people or equiv. fees-in-lieu |
| <b>PARKLAND ACREAGE DUE/FEE EQUIVALENT</b>                  | <b>0.89 acres/\$2,429,605.56</b>              |
| <i>Amount Satisfied Through TASP Fees (Acreage/Dollars)</i> | <i>0.55 acres/\$1,501,370</i>                 |
| <b>REMAINING DELTA TO BE SATISFIED (Acreage/Dollars)</b>    | <b>0.34 acres/\$928,232.56</b>                |
| Public Parkland Acreage to be Dedicated on Final Map        | 0.08 acres/\$223,027.20                       |
| Private Recreation Acreage Approved by City                 | 0.24 acres                                    |
| <b>TOTAL ACREAGE/FEES PROVIDED</b>                          | <b>0.32 acres</b>                             |
| <b>REMAINING ACREAGE/FEE REQUIREMENT TO BE MET</b>          | <b>0.02 acres/\$55,756.80</b>                 |
| <b>BALANCE OF PARKLAND ACREAGE/FEES DUE</b>                 | <b>0.02 acres/\$55,756.80</b>                 |

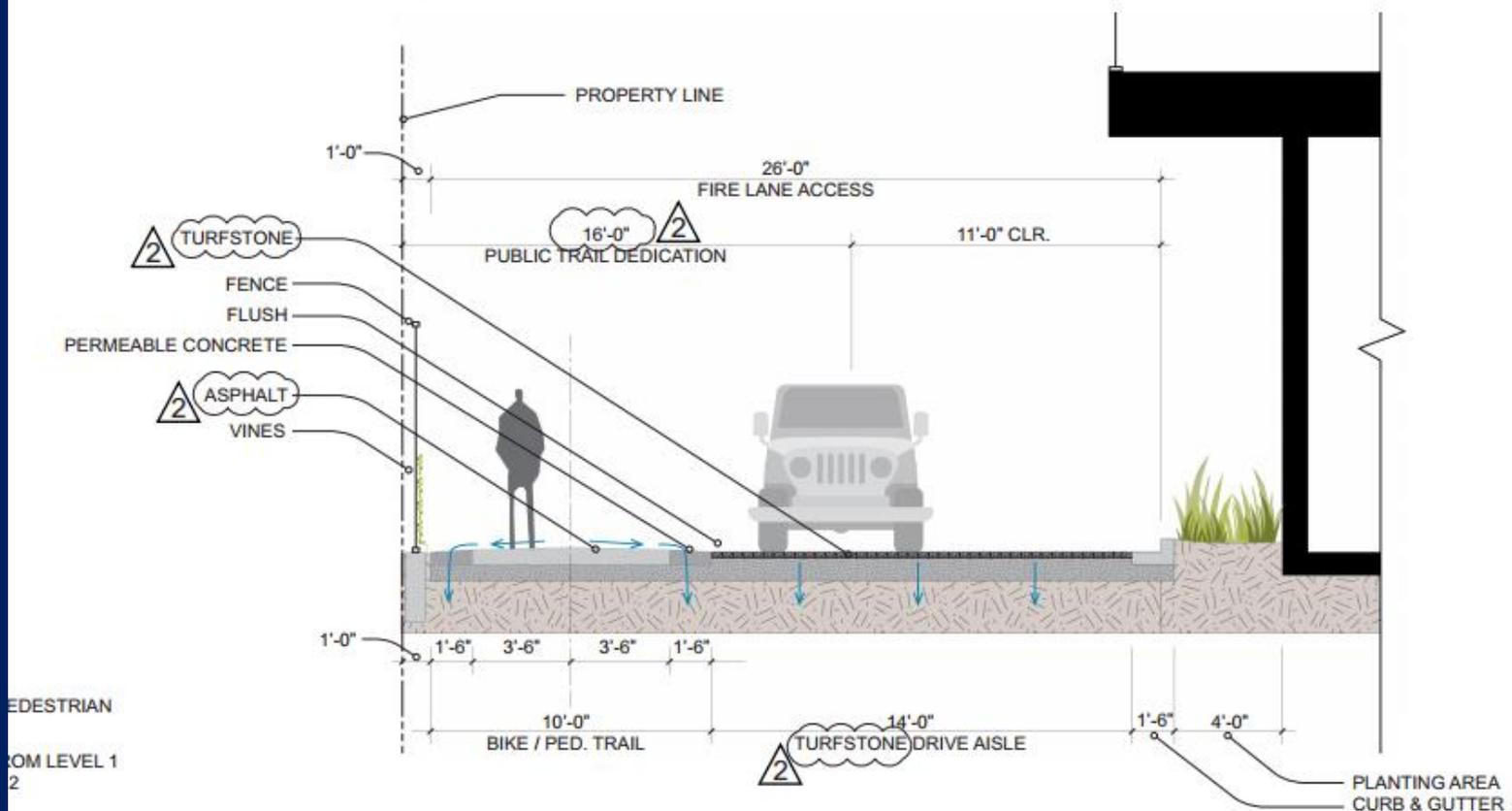
# Proposed Open Space Areas



# Trail Section View

## SECTION A: BIKE / PEDESTRIAN PATH @ FIRE LANE

Scale: 1/4" = 1'-0"



# Development Fees

- TASP Fee
  - Based on approval for development of 102 units, the estimated TASP Impact Fee is \$3,343,662. (Concession #2 Request)
- Affordable Housing
  - The project is providing between 100-102 affordable rental units on site.
- Public Art Fee
  - The project is requesting a Public Art Fee Exclusion. Fee is one-half of one percent of construction costs.

# Funding Sources

- \$16 million from Measure A funds
- Will be seeking additional funding from the City
  - Could be off-set by TASP fees

# CEQA

- A CEQA analysis was performed by LSA for the development project.
- Land use changes were found to warrant an addendum to the TASP EIR; no other significant impacts related to the change were identified.
- Development project falls under the EIR cap of 7,109 total units.
- Pursuant to Sections 15162, 15163, 15164, 15168, 15182, and 15183 of CEQA, the project is exempt from further environmental analysis.

# Findings

- Consistent with the General Plan, Transit Area Specific Plan, Zoning Ordinance and Density Bonus.
- City does not have substantial evidence to demonstrate that the requested concessions and waivers would fail to result in actual and identifiable cost savings, and/or that these savings are unnecessary to provide the level of affordability proposed.

# Recommendation

- Open the public hearing to receive comments.
- Move to close the public hearing.
- Adopt a City Council resolution approving Site Development Permit SD17-0017, Density Bonus DB17-0001, and Environmental Assessment EA18-0001 for 355 Sango Court.