

QUITO VILLAGE FACT SHEET AND Q&A

Address: 18764-18850 Cox Ave
Property owner: SHP Quito Village LLC
Website: www.quitovillage.com

PROJECT AT A GLANCE

- Housing: 90 townhomes (two story, 2-4 bedrooms) including 9 Very Low-Income homes
- Retail: 5,000 square feet
- Parking: 180 garaged spaces and 53 surface spaces, for a total of 233
- Open Space: 76,529 square feet of open space
- Density: 15 du/acre
- Site size: 6 acres (5.88 resi – 0.39 comm)
- Height: highest point is 29' 2", which falls under Saratoga's 30ft height limit
- Zoning: Project is compliant with all zoning, including height and, except:
 - 50-50 retail/commercial split
 - Commercial required to front all public streets
- Traffic: According to a traffic study conducted by Hexagon Transportation Consultants Inc., the project represents an 88% reduction (from 5,976 to 666) in daily trips generated, compared to a fully tenanted existing retail center

SB 35 BACKGROUND

While California and the Bay Area economies are booming, the failure of many municipalities to produce adequate housing has left our State with the biggest housing and affordability crisis ever.

On January 1, 2018, Senate Bill 35 (SB 35) went into effect. SB 35 establishes a streamlined, ministerial approval process for development projects that meet specific criteria. The law is a direct response to the failure of many jurisdictions to approve housing development resulting in record low inventory being added to the market at a time of record growth. With SB 35, the State aims to increase the supply of market rate and below-market rate housing in California, and alleviate the current crisis.

The law is tailored to cities and counties in California that failed to meet their [Regional Housing Needs Allocation \(RHNA\)](#), which is the number of housing units each city or county must provide in its state-mandated Housing Element.

Experts see Saratoga's housing supply and affordability is crisis levels. Saratoga's **recent report (2018) shows that it is far below its RHNA for all categories of housing.**

Income Group	RHNA for Saratoga	Currently Permitted Units	Remaining
Total	439	67	372
Very low	147	0	147
Low	95	35	60
Moderate	104	8	96
Above Moderate	93	24	69

SB 35 COMPLIANCE

This project has to meet “object standard” requirements in order to be deemed eligible for SB 35’s streamlined approval process. Some of these requirements are:

Is the project a multifamily housing development with 2 or more units?

Yes. Quito Village is a multi-family housing development, with 90 homes.

Is the project located in an area designated by the U.S. Census Bureau as an urbanized area?

Yes. The project is located in the City of Saratoga, which is within the U.S. Census urbanized area boundary for San Jose.

Is more than 75% of the project site's perimeter developed with urban uses?

Yes. SB 35 defines "urban uses" as "any current or former residential, commercial, public institutional, transit or transportation passenger facility, or retail use, or any combination of those uses." SB 35 also clarifies that parcels that are only separated by a street or highway are considered to be adjoined. Based on these standards, the entirety of the project site's perimeter is developed with urban uses.

Does the site have either zoning or a general plan designation that allows for residential use or residential mixed-use development, with at least two-thirds of the square footage designated for residential use?

Yes. SB 35 defines "urban uses" as "any current or former residential, commercial, public institutional, transit or transportation passenger facility, or retail use, or any combination of those uses." SB 35 also clarifies that parcels that are only separated by a street or highway are considered to be adjoined. Based on these standards, the entirety of the project site's perimeter is developed with urban uses.

Will the applicant record a land use restriction for the project's affordable housing units?

Yes. The Saratoga Municipal Code requires that projects applying for a density bonus enter an affordable housing agreement with the City that includes "the household type, number, location, size, affordability, and construction scheduling of all affordable units." SHP Quito Village, LLC will enter and record such an agreement for the applicable minimum term prior to final or parcel map approval or prior to issuance of any building permits, whichever occurs first, as required by the Cupertino Municipal Code.

Has the California Department of Housing and Community Development (HCD) determined that the local jurisdiction is subject to SB 35?

Yes. HCD has determined that the City of Saratoga is subject to SB 35, because it did not issue sufficient building permits to meet its share of the regional housing needs ("RHNA") for the most recent reporting period.

Will the project include the required percentage of below market rate housing units?

Yes. The project will include at least 10% of housing units dedicated to households with incomes below 50% of the area median income.

Is the project consistent with "objective zoning standards" and "objective design review standards"?

Yes. The project will comply with all applicable objective standards.

Is the project located outside of all types of areas exempted from SB 35?

Yes. The project is not located within any of the exempt areas.

Will all construction workers employed in the project be paid at least the general prevailing wage?

Yes. SHP Quito Village, LLC certifies that all construction workers employed in the execution of the development will be paid at least the general prevailing rate per diem wages.

Will all construction workers employed in the project be certified as a "skilled and trained workforce"?

Yes. SHP Quito Village, LLC certifies that a skilled and trained workforce shall be used to complete the project.

May the project include a subdivision of a parcel because the project developer will pay prevailing wages and use a "skilled and trained" workforce?

Yes. The project may include a subdivision because SHP Quito Village, LLC will pay prevailing wages and use a "skilled and trained" workforce.

PROJECT BACKGROUND

How many housing units are you planning on creating?

We are planning to construct 91 2-story townhomes, 82 of which will be priced at market rate and 10% of which will be reserved for Very Low-Income residents.

How many of the units will be affordable?

Nine of the homes will be priced for Very Low-Income residents, or households with incomes below 50% of the Area Median Income.

What kind of retail will there be?

We continue to be in contact with the local community to determine the retail needs. We plan to have a mixed use with food, café, and local retail.

Will this project help support Saratoga's RHNA numbers?

The proposed project will help Saratoga surpass their market rate housing goals for this RHNA cycle, bringing 91 new units. This project also meets the City's affordability requirement, with 9 units priced below market rate - this helps contribute to Saratoga's RHNA goal of 296.

What are the next steps?

The City of Saratoga has 90 days from the time of the application submittal to determine whether Quito Village meets the criteria established by State Law. The State has designated Saratoga as qualifying for SB 35 — meaning the City has not met its RHNA requirements — and the application meets the form and requirements necessary for the City's review and approval under SB 35's ministerial process.

Where can I sign up for a housing unit at Quito Village?

We are not yet accepting sign-ups for housing units. If you'd like to be included on a list for future outreach and have your name placed on the interest list please email info@quitovillage.com.