



COMMUNITY DEVELOPMENT DEPARTMENT

CITY HALL
10300 TORRE AVENUE • CUPERTINO, CA
95014-3255 TELEPHONE: (408) 777-3308 • FAX: (408) 777-3333
CUPERTINO.ORG

CITY COUNCIL STAFF REPORT

Meeting: July 15, 2025

Subject

Study Session to review an application to develop new ELI (Extremely Low Income) and BMR housing units for Developmentally Disabled individuals (IDD) on City-owned property along Mary Avenue (APN: 326-27-053)

Recommended Action

Conduct study Session on the Mary Avenue project and provide comments to staff and applicant.

Reasons for Recommendation

Background:

Since Fiscal Year (FY) 2020-21, the City Work Program prioritized engaging with philanthropic organizations to develop extremely low-income housing (ELI) for the intellectually and developmentally disabled (IDD) community. The FY 2021-22 City Work Program narrowed down this item to excess City-owned property within the Mary Avenue right-of-way (the "Project Site"). A Site Map of the .79-acre Project Site, as well as a Vicinity Map, is provided as Figure 1. The Adopted FY 2025-27 City Work Program continues to include this ongoing project.

Their proposal envisions a 100% affordable, forty (40) unit, two-story, apartment development. The individual apartments will be a mix of studio, one-, and two-bedroom units with one three-bedroom staff unit. The proposal is structured as a Special Needs project which requires a minimum of 45% (18 units) to be reserved for a special needs population, in this case, IDD. The remaining twenty-one (21) apartments will serve extremely low and very low-income residents of the community. The affordability levels of the proposed units will range from 30% to 50% of the Area Median Income (AMI). The exact affordability mix by unit type is still to be determined, but the average affordability level for the entire development will not exceed 40% AMI.

Analysis:

The 40 units at Mary Avenue Villas will be equally split with 20 units in each building, which are both two stories in height. Each building will include an elevator and a laundry room with one of the buildings containing a community room and office while the other building houses the property manager. The site will include a central parking area providing approximately 22 spaces and will include EV charging options and 2 handicap van accessible spaces. A trash enclosure for each building is included at either end of the parking lot.

Approximately eighty (80) angled street parking spaces along Mary Avenue in front of the project site will be replaced by thirty-three (33) perpendicular spaces. A bike lane and sidewalk will front the project site, as well as landscaping which includes street trees, shrubs, and a variety of water efficient grasses. The Plan Set can be viewed as Attachment A.



Figure 1 Perspective of Building 2 looking south along Mary Avenue.

Next Steps:

On April 3, 2025, Charities Housing applied for the development (ASA-2025-006). As an approved Priority Housing Element Site (HE Site 10) that is under 50 units, this will be approved as an Administrative Review at an Administrative Hearing, exempt from CEQA and subject only to design review based on objective standards. However, City Council will ultimately be the decision-making body approving the lease and disposition agreement with Charities Housing for the development on site.

Sustainability Impact

No sustainability impact.

Fiscal Impact

Costs associated with this work program item are budgeted in the BMR Housing Fund 265-72-71 750-052. No additional fiscal impact would incur should the City Council direct the remaining appropriated funds to be utilized for the entitlement review. Should the City Council deny the use of the appropriated funds, the remaining amount would remain to the City's BMR Affordable Housing fund for future uses.

On April 15, 2025, the City Council authorized an allocation of \$4,083,250 of cash assistance to the Project. The allocation is comprised of \$3 million of funds from the City's BMR Affordable Housing Fund, \$908,683 of Permanent Local Housing Allocation (PLHA) funds, and \$174,567.37 of CDBG funds to be used for public infrastructure improvements. These three allocations will provide a total of \$4,083,250 of cash assistance to the Project.

City Work Program Item/Description

Preserve existing and develop new BMR/ELI Housing: Explore opportunities to preserve existing expiring BMR housing. Develop ELI (Extremely Low Income) and BMR housing units for Developmentally Disabled individuals (IDD) on City-owned property as well as the County-owned sites.

City Council Goal:
Housing

California Environmental Quality Act

The study session is not considered a project under CEQA.

Prepared by: Gian Paolo Martire, Senior Planner

Reviewed by: Benjamin Fu, Director of Community Development
Floy Andrews, Interim City Attorney

Approved for Submission by: Tina Kapoor, Interim City Manager

Attachments:

A – Plan Set