

April 5, 2012

City of Sunnyvale
456 West Olive Avenue
Sunnyvale, CA 94088-3707
Attention: Ms. Suzanne Ise, Housing Officer

RE: Request for Proposals – Housing Mitigation Funds
1101 North Fair Oaks, Sunnyvale

Dear Ms. Ise:

St. Anton Partners is pleased to respond to the City's Request for Proposals for Housing Mitigation Funds in connection with Affordable Housing Projects. We are very motivated to develop a new mixed-income rental residential community in the highly desired Morse Park area of Sunnyvale.

Our company is privately owned by two partners, Steven Eggert and Peter Geremia, who are involved in every aspect of the company and our projects. With more than 250 employees, we develop, build and manage every property in our portfolio. In our sixteen years of business and through 6,000 units across 40 projects, St. Anton has never defaulted, left a project incomplete or sold its interest in any projects.

Our project site in Sunnyvale, located at 1101 North Fair Oaks Avenue, is one of the last remaining "Industrial to Residential" parcels in the area. It is approximately 850 feet from the Fair Oaks VTA Light Rail station and is centrally located in the City's major employment node.

The project design maximizes pedestrian orientation and is seamless with the adjacent residential uses. Our goal is to highlight the site's proximity to local transit, job centers, shopping and the central city.

You will find that the attached proposal is based on creating twenty five (25) very low income units. There are other scenarios and unit mixes that can be achieved as well, and we will be highly flexible based on the City's direction as we proceed. Our objective is to reach deep affordability levels while efficiently applying the City's Housing Mitigation Funds.

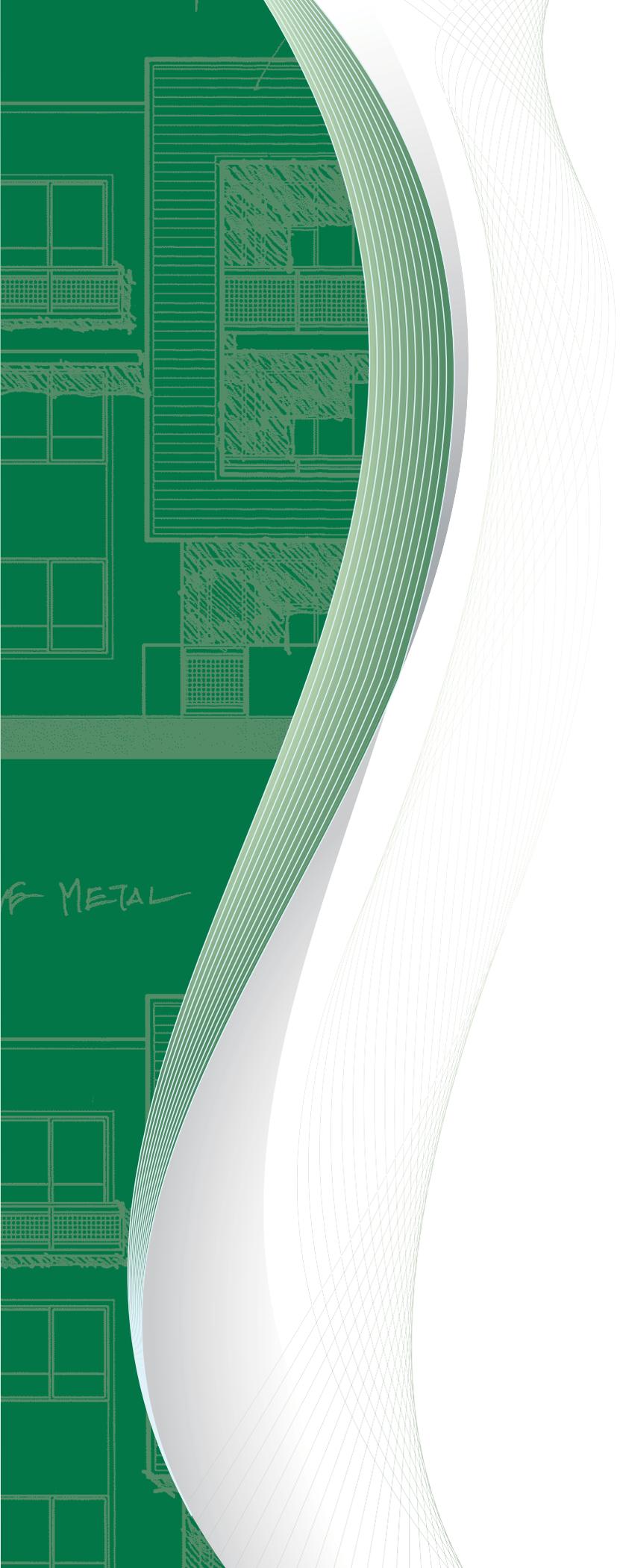
We hope that you are encouraged by our proposal and that you consider us for funding. If you have any questions or suggestions, please contact me at (916) 400-2077.

Sincerely,



Ardie Zahedani
St. Anton Partners

Parsons Central RFP Application Form



F METAL

City of Sunnyvale Request for Proposals
Housing Mitigation Funds

APPLICATION FORM

City of Sunnyvale Request for Proposals

Housing Mitigation Funds for
Affordable Housing Projects



RFP Issued:

February 24, 2012

Proposals Due:

April 6, 2012

PART I: APPLICATION FORM

PROJECT APPLICANT

1. Project Applicant:

Applicant Name (Organization/Agency): St. Anton Partners, LLC

Principal (with Power of Attorney): Steven Eggert

Primary Contact Person: Ardie Zahedani

Address: 1801 I Street, Suite 200 Sacramento, CA 95811

Phone No.: 916-400-2077 Fax No.: 916-444-9843

E-Mail: az@antonllc.com Federal Tax ID No.: 68-0347134

What is the role of the Applicant in the project? (check all that apply):

- Ownership Entity
- Managing Partner or Managing Member
- Sponsoring Organization
- Developer
- Other (describe):

2. Legal Status of Applicant:

- General Partnership
- Limited Partnership
- Corporation
- Joint Venture¹
- Nonprofit Organization
- Other (specify):

3. Status of Organization:

- In good standing
- Other (describe):

4. Name(s) of individual(s)/entities who will be General Partner(s) or Principal Owner(s):

(you have only 6 lines worth of text in this box)

Steven Eggert, Co-Owner
Peter Geremia, Co-Owner

¹ If the Applicant is a Joint Venture, a Joint Venture Agreement is required, clearly describing: the roles and responsibilities of each partner. Explain who is the lead partner, or if the responsibilities are approximately equally split between the partners.

PROJECT DESCRIPTION

5. **Project Name:** Pastoria Central

Project Address: 1101 Fair Oaks Boulevard, Sunnyvale, CA 94089

Assessor's Parcel No.: 110-14-176

Census Tract: 5048.03

6. **Project Type (check all that apply):**

- Rental Ownership SRO/Studio Apartments
- Family Special Needs
- Senior Other (describe):

7. **Project Activity (check all that apply):**

- Acquisition
- Rehabilitation
- Redevelopment
- New Construction
- Expiring Tax Credit/Section 8 Property
- Mixed Income
- Mixed Use
- Other (please specify):

8. **Project Description:**

No. Units: 124

Commercial/Office Uses (specify):

No. Res. Bldgs.: 1

Leasing Center
Residential Business Center

No. Stories: 4

Land Area: 2.56 acres

Commercial Floor Area: N/A

Residential Floor Area: 108,450

Office Floor Area: _____

Community Room(s) 4,000

Elevators: 2

Floor Areas: _____

Other Uses (specify):

9. **Parking:**

Total Parking Spaces: 260
 Parking Type: Parking Structure
 Residential Spaces and Ratio: 220
 Guest Spaces: 40
 Commercial Spaces and Ratio: _____
 Office Spaces and Ratio: _____

10. **Number of Housing Units by Income Category:**

Category	Number of Units	Percentage of Units
0% to 30% AMI (Extremely Low-Income)	_____	_____
31% to 50% AMI (Very Low-Income)	<u>25</u>	<u>20</u>
51% to 80% AMI (Low-Income)	_____	_____
Unrestricted	<u>99</u>	<u>80</u>

11. **Unit Amenities (air conditioning, laundry in unit, balconies, etc.):**

Hardwood/Tile flooring in kitchen, bathrooms - Stainless Steel or Black Appliances
 Granite countertops - Washer and Dryer in unit - Additional storage space built into garage or balcony areas - Walk-in closets - Central air conditioning/heating - Spacious patio/balconies

12. **Number of Unit Types:**

Studio 8
 1 Bedroom 57
 2 Bedroom 59
 3 Bedroom 0

PROJECT NARRATIVE

13. **Project Description:**

Provide a brief narrative summary of the proposed project. Please include location, project type (new versus rehab), target population and any unique project characteristics.

See attached please.

14. **Project Design:**

Provide a description of the project's architectural and site plan concepts and how these concepts address the opportunities and limitations of the site and location.

See attached please.

15. **Green Building Features:**

Describe the green building features that will be incorporated into the project.

See attached please.

16. **On-Site Amenities:**

Describe any on-site amenities, including any project characteristics that address the special needs of the population you intend to serve.

See attached please.

17. **Neighborhood/Off-Site Amenities:**

Describe the property location, neighborhood, transportation options, local services and amenities within 1/4-mile and 1/2-mile of the site.

See attached please.

18. **Potential Development Obstacles:**

Are there any known issues or circumstances that may delay or create challenges for the project? If yes, list issues below, including an outline of steps that will be taken and the time frame needed to resolve these issues.

See attached please.

SITE INFORMATION

19. **Site Control:**

a. Site control at the time of application is required. What is the level of site control currently held by the applicant?

A Purchase and Sale Agreement was executed on March 6, 2012, by and between the property owner, Fair Oaks, LLC. and St. Anton Partners, LLC and contains an escrow period through June 15, 2012.

b. Will site acquisition be a purchase or long-term lease?

Purchase.

c. What is the purchase price of the land?
(For proposed leaseholds, indicate the amount of the annual lease payment, the term of the lease, and the basis for determining the annual payment amount).

\$11,500,000.

e. What is the appraised value of the site? Briefly describe the type of valuation cited.

\$11,500,000. The cited valuation is "As-Is" market value and reflects the subject as a vacant residential site.

PROJECT NARRATIVE

13. Project Description:

The project is located at 1101 North Fair Oaks Avenue. The 2.56 acre parcel is one of the last remaining “Industrial to Residential” parcels in the Morse Park Community. The proposed 124-unit new construction rental community will replace an aged and underutilized commercial/office center. The project is approximately 850 feet from the Fair Oaks VTA light rail station with direct pedestrian connectivity.

We anticipate a target population primarily centered on professionals and young working families attracted to North Sunnyvale due to employment opportunities.

14. Project Design:

To maximize the project’s pedestrian orientation, the four story “wrap” structure is configured toward pedestrian linkages. The ground floor units have direct pedestrian connections to the public sidewalk with the upstairs’ terraces overlooking the surrounding area. A residential parking structure will serve the existing residents and guest parking will be available on site.

The site plan maximizes the site’s potential density allowed within the General Plan’s designation for ITR. In addition, we propose to apply a density bump based on the inclusion of income-restricted units.

15. Green Building Features:

The project will be built at 15% above Title 24 Energy Efficient Standards. Numerous green building features will be incorporated throughout the site, including: ENERGY STAR appliances in each unit, Low VOC paint, water-efficient landscaping, hydronic heating, low water usage fixtures, recycled building materials and CALGreen approved floor coverings.

16. On-Site Amenities:

Clubhouse/community amenities include a business center with Wi-Fi, a club room with media and game/social components and a fitness center with free weights and cardio machines.

A resort-style swimming pool, cabanas, resort seating and a full recreation area will feature fire pits and outdoor kitchen areas for resident gatherings.

The project also focuses on accessible open space with seamless transition to pedestrian nodes.

17. Neighborhood/Off-Site Amenities:

The project is a prime example of Transit Oriented Development. The 2.56 acre subject site is located at 1101/1105 North Fair Oaks Avenue and is bound by Tasman Drive to the North, East Weddell Drive to the South, North Fair Oaks to the East and Morse Avenue to the West. The

property is located within an urbanized area providing easy access to numerous walkable amenities. Within 850 feet, residents can access the VTA commuter rail or shop for groceries at the Fresh and Easy market. Lakewood Elementary School is also located within a half mile of the site, as is Lakewood Park. The close proximity of the 101 and 237 freeways also provides residents quick and easy access to their destination.

The Morse Park neighborhood area has only had two new apartment complexes in the last decade – Tamarind Square (123 in 2004) and Via (284 in 2011). The area's apartment communities have 98% occupancy.

18. Potential Development Obstacles:

We are requesting an amendment to the current zoning district (R-3 to R-4). This rezone complies with the general plan and will be concurrently processed with our planning application. The traffic study scoping and initiation is already in process. In addition, the development team and consultants have all been selected and a preliminary project review meeting has been conducted with City officials.