



**COMMUNITY DEVELOPMENT DEPARTMENT**

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**CITY COUNCIL INFORMATIONAL MEMORANDUM**

Date: April 25, 2024

To: Cupertino City Council  
From: Benjamin Fu, Director of Community Development

Re: Expiring Below Market Rate (BMR) Rental Units and Update on CWP on Developing New BMR/ELI Housing

Background

1. Expiring Below Market Rate (BMR) Rental Units:

The City’s Below Market Rate (BMR) Rental Housing Program is an affordable housing program designed to assist low and very low-income households. The City’s BMR portfolio contains 141 rental units located at 9 different properties. The period of affordability for these units is set by the Declaration of Resale Controls or Regulatory Agreement between the City and the property. The table below shows the expiration date of the affordability restrictions for each property.

Property	# of Expiring BMR Units	Total # of BMR Units	Date of Expiring Restrictions
Aviare	20	22	7/8/26
Forge Homestead	15	15	7/15/26
Park (City Center)	4	4	7/8/26
Hamptons	34	34	10/20/27
Arioso	20	20	1/29/28
Biltmore	2	2	8/30/29
Aviare	2	22	7/8/38
Markham	17	17	11/4/39
Vista Village	23	23	*10/1/2056
Greenwood Court	4	4	*7/1/2116

*\*These properties are owned and operated by West Valley Community Services who have expressed interest in keeping these units affordable in perpetuity.*

2. Update on CWP on Developing New BMR/ELI Housing:

On August 18, 2022, the City issued an Request For Proposal (RFP) to allow ELI housing on surplus public right of way (ROW) along Mary Ave, adjacent to the Westport development project. On October 18, 2022, a combination of nonprofit public benefit corporations Cupertino Rotary Housing Corporation, Housing Choices Coalition for Persons with Developmental Disabilities, Inc., and Charities Housing Development corporation of Santa Clara County submitted a response to the RFP. The proposal was for a 100% affordable housing development consisting of 40 units in a two-story multifamily structure. 18 of the units would support the intellectual or developmental disability (IDD) population with the remaining 21 units supporting extremely low-income individuals.

On February 6, 2024, City Council approved with Staff's recommendation to enter into an Exclusive Negotiation Agreement (ENA). On April 9, 2024, the ENA was signed by all parties. In the upcoming weeks City staff will be meeting with the developer to discuss project specifics and sequencing. Additional updates will be provided at that time.

Sustainability Impact

No sustainability impact.

Fiscal Impact

No fiscal impact.

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Prepared by: Alec Vybiral, Senior Housing Coordinator

Reviewed by: Benjamin Fu, Director of Community Development

Approved for Submission by: Pamela Wu, City Manager