

CHARITIES HOUSING

BLOSSOM HILL ROAD DEVELOPMENT FREQUENTLY ASKED QUESTIONS

THE BLOSSOM HILL ROAD DEVELOPMENT IS STILL IN THE CONCEPT STAGE. CHARITIES HOUSING RESERVES THE RIGHT TO MAKE CHANGES/MODIFICATIONS TO ANY PROJECT SPECIFIC INFORMATION

WILL CHARITIES HOUSING COMMISSION A TRAFFIC / ENVIRONMENTAL STUDY?

To obtain entitlements (planning approvals), the development must be found to be in compliance with the California Environmental Quality Control Act (CEQA). Part of the CEQA process/analysis is the completion of a Traffic Impact Analysis Report.

The Traffic Impact Analysis (TIA) report ensures developers comply with the City of San Jose's transportation policies and regulations by identifying the impact of the proposed development on the surrounding neighborhood and any required mitigation measures. The developer will engage a traffic consultant to study factors including: trip generation during weekday morning and evening peak hours, traffic volume in scenarios with and without the development, site access, and parking availability. Mitigation measures are then identified to reduce the development impact to a less than significant level. The transportation report becomes part of the environmental documentation needed for entitlement approval.

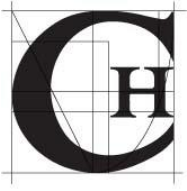
WHAT IS CHARITIES HOUSING'S EXPERIENCE IN OWNING AND MANAGING PERMANENT HOUSING FOR THE HOMELESS?

Charities Housing has, and will continue to serve households whose incomes are at the lower income of the affordability spectrum. Charities' portfolio already contains a substantial number of apartments set aside for households/individuals who were homeless or have special needs. Below is summary of a few of Charities' developments that will likely closely resemble what is being proposed at Blossom Hill.

San Antonio Place, Mountain View – 118 studio apartments completed in 2006

San Antonio serves a mixed population which includes:

- 12 apartments designated for homeless,
- 11 apartments designated for participants in the MHSA Program (MHSA stands for Mental Health Services Act which are folks who receive services from the County of Santa Clara's mental health department and are homeless or at risk of being homeless)



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In addition to the 23 apartments listed above, there are approximately an additional 15 residents that live at San Antonio who were previously homeless, which results in a total homeless population of roughly 30%.

Parkside Studios, Sunnyvale – 58 studio apartments completed in 2015.

Parkside Studios serves a mixed population which includes:

- 11 apartments designated for participants in the MHSA Program (see explanation above for MHSA)
- 8 apartments designated as Permanent Supportive Housing for the Chronic Homeless (PSH) who were referred through the County's centralized referral system.

The percentage of homeless and MHSA program participants at Parkside is 30%.

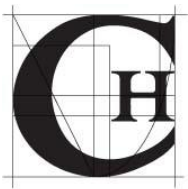
Pensione Esperanza, San Jose – 108 SRO apartments completed in 1999

Pensione Esperanza has been in operation for 17 years. No units were officially set aside for the homeless. However, because of the deep affordability in this development, staff estimates that 36 current residents were formerly homeless which equates to 32% of the population being previously homeless.

WHAT MEASURES WILL BE TAKEN TO ENSURE SECURITY?

Given the approximate size of the development (130-150 units) there will be two on site property management staff. The staff will be available during the day in the leasing office from Monday – Friday. The two site staff members will also reside on site to respond to any after-hours emergencies.

As is typical in the studio apartment developments owned and managed by Charities, during the swing and graveyard hours, front desk clerks are posted at the front entry to provide assistance to residents, verify and check in guests, conduct physical inspections of the property, and monitor the security cameras that will be located throughout the interior and exterior of the building.



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WHAT WILL THE VETTING PROCESS LOOK LIKE FOR APPLICANTS?

Prior to occupied tenancy every applicant will be screened and either approved or denied based on our tenant selection criteria for the property/population. This process includes but is not limited to the following verifications:

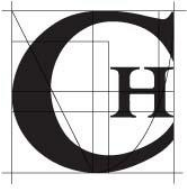
- Income Verification
- Criminal
- Sex Offender Registry
- Landlord
- Credit
- Eviction

WILL SERVICES BE PROVIDED TO RESIDENTS?

Charities Housing expects to finance the development using a combination of funding sources including the County of Santa Clara's Measure A funds, which require that a portion of the apartments be set aside as Permanent Supportive Housing for the Chronic Homeless. One of the important components of successfully serving the permanent supportive housing population is to have intensive case management services on site. Funding from the County of Santa Clara will pay for onsite case managers. There will also be a resident service coordinator on site. Resident service coordinator responsibilities include linking the residents with the support services that exist in the community. All services are voluntary.

IS THERE AN EVICTION PROCESS IN PLACE IF RESIDENTS ARE NOT FOLLOWING THE RULES?

Prior to occupancy every resident must review and sign the Lease and House Rules. The House Rules clearly explain the rules that residents must comply with and the consequences of not complying. Depending on the severity of a Lease or House Rule infraction, the resident could face a lease violation (warning) or eviction.



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HOW MUCH PARKING WILL BE PROVIDED FOR RESIDENTS AND COMMERCIAL SPACE OCCUPANTS?

Charities is still evaluating how much parking will be needed for the Blossom Hill development. From Charities' experience in owning and managing similar developments, less than one parking space per unit is more than adequate for a studio apartment development. A .68 parking ratio is being considered for the residential portion of the development.

Examples of other Charities studio developments and their parking ratios are below:

Archer Studios (San Jose) was developed with 1:1 ratio parking, currently there are 15 unused/unassigned parking spaces, meaning 35% of parking goes unused

Parkside Studios (Sunnyvale) – Also developed with 1:1 parking ratio currently there are 16 unused/unassigned parking spaces, meaning 27% of parking goes unused

San Antonio Place (Mountain View) – Developed with a .625 parking ratio currently there 12 unused / unassigned parking spaces, meaning 16% of the parking is unused.

For the commercial space being developed, sufficient parking spaces to address the commercial parking needs, and as is dictated by local or State parking requirements will be met.

NEXT STEPS:

Charities will be completing our design process, with community input, and will submit an application to the planning department at the City of San Jose in the first quarter of 2018.

12.4.2017