



**LEAGUE OF WOMEN VOTERS
of the Los Altos-Mountain View Area
97 Hillview Avenue, Los Altos, CA 94022**

September 16, 2014

Chair Ronit Bodner and
Members of the Planning and Transportation Commission
City of Los Altos
One North San Antonio Road
Los Altos, CA 94022

Dear Chair Bodner and Members of the Planning and Transportation Commission

Re: Housing Element-Agenda Item #2, September 18th

The League of Women Voters of the Los Altos/Mtn. View Area would like to comment on the Draft 2015-2023 Housing Element. First, we support the changes to the Housing Element proposed by staff. However, we encourage more changes, as explained below.

First, we are pleased that most of the comments we offered at the stakeholder workshop have been incorporated into the staff report by David Kornfield as issues that need to be addressed. That said, one of our most important concerns for many years has been what we consider to be weak administration of the below-market-rate (BMR) program by Neighborhood Housing Services Silicon Valley (NHSSV). We have been recommending that the City issue a Request for Proposals (RFP) in order to determine whether there might be another housing consultant that would offer better services for the BMR program.

Many of the specific concerns referenced in David's memo are concerns that could be raised during the RFP process, so that the staff would benefit from the expertise of several potential administrators. Some of these specific concerns are perhaps most appropriate to be reserved for discussion with the administrator selected. One concern that is not included in the memo is the issue of whether more ownership units should be targeted to those at lower-income levels. We suggested in 2011 during the last Housing Element update process, that because of the historically low interest rates, ownership housing became more feasible for households with lower incomes. We would like this issue to be addressed with the potential BMR administrators. We would also like this issue to be reviewed every few years, rather than waiting for the next Housing Element update in 2023, because of cyclical changes in interest rates.

With regard to the Quantified Objectives shown on page 28, Table 1 appears to show that 565 Multifamily Units are estimated to be built by January 2023 in the extremely low, very low and low categories. This number is hard to believe; it would seem likely that should 565 new multifamily units be built, at the most a small percentage of these units would be affordable to those at the lower-income levels. And because of the Palmer decision, if a developer is not seeking a density bonus, the percentage of BMR's built as part of the 565 might be far less than 10%. The Quantified Objectives should be specific with regard to units at each income level to be clear, more realistic, and comply with Housing Element law. The Quantified Objectives also show 103 single-family units at moderate-income levels; this is probably an error, also, as nearly all the single-family units are at above-moderate levels.

One issue raised in David's memo, item f. iv., is an issue that the Council could probably resolve very quickly. It has been Council policy that the BMR units should reflect the unit mix in any particular project; it was probably an oversight that this was not included in the last amendment of the BMR ordinance.

Another issue raised, item d., we believe is an issue more appropriately discussed with the City Attorney, as she is very familiar with the Palmer case, which impacts the rental BMR program severely, as well as the pending San Jose court case which may seriously impact the BMR ownership program. This issue is critical in Los Altos, since the BMR program is the main way that Los Altos produces housing affordable to those at the lower-income levels.

Item e. in David's memo is an item that should be taken up by the Council, rather than rely upon NHSSV. We have recommended commercial and rental housing impact fees, as we think that most neighboring jurisdictions have many of these fees. It not only seems fair that we have similar fees, but these fees are useful for financing affordable housing at the lower-income levels.

Likewise, we believe City staff should survey nonprofits and other developers on the potential for housing for those with lower incomes, rather than just rely on NHSSV, which no longer acts as a developer of such housing..

With regard to Policy 4.3, we agree with the programs listed. However, we believe the City should add a program regarding potential use of City-owned sites for affordable housing. It is possible that with the City making some contribution of land, a partnership with a nonprofit to build such housing might be possible. We make this suggestion because the high cost of land is a major constraint to the building of housing affordable to those at the lower-income levels, as noted on page 76 of the Draft. We hope the City will add a program to consider the lease of City-owned parcels and to initiate discussions with nonprofit housing developers and others to see if this is feasible. Such a program could be added to Program 4.3.1 or it could be a separate program. If the City decides to adopt rental housing and/or commercial linkage fees, these fees would help to fund such an affordable housing development.

With regard to Policy 4.2 re affordable second units, we encourage the City to review the present restrictions with regard to lot size for second units. As Table B-47 shows, most of the parcels in the City are not large enough to allow for a second unit. Many Bay Area cities are now allowing second units on smaller lots; we hope Los Altos will review the standards of other jurisdictions and consider modifying this ordinance. In addition, Program 4.2.1 states that the City will continue to require a verification and quantification procedure regarding rent and occupancy of these units. We would like to know what this procedure is, as, in the past, we have been advised that the program is not monitored unless there is a complaint, and therefore, there is no assurance that these units are actually affordable.

Thank you for considering our input.

Susan Russell
Co-Chair, Housing Committee
League of Women Voters of Los Altos/Mountain View Area
Cc: James Walgren
David Kornfield
Marcia Somers