



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

October 31, 2011

Mayor Jac Siegel and Members of the City Council
City of Mountain View
500 Castro Street
Mountain View 94041

Re: November 1, 2011 Study Session – Consideration of Affordable Rental Housing Impact Fee

Dear Mayor Siegel and Members of the City Council:

The League of Women Voters of the Los Altos-Mountain View Area would like to comment on the importance of adopting a rental housing impact fee promptly.

As the excellent staff report points out, there are five new apartment developments in the pipeline. More may be proposed in the next year, and, in addition, the San Antonio Center project would be affected if an impact fee is adopted by Council. The nexus study demonstrates clearly the need for more affordable housing created by the building of these luxury apartments.

If the Council wants to consider a different, permanent, and perhaps more consistent source of funding for affordable housing, this is reasonable, but this will take additional time and study. If the Council fails to adopt a rental housing impact fee soon, these new apartments will be built during what is likely to be a short period of time before the Palmer decision is overridden either by the courts or by State law, thus avoiding any obligation for inclusionary affordable housing. It is especially important to adopt such an ordinance in the next few months because the five apartment developments in the pipeline are probably not asking for City concessions and therefore Development Agreements are an unlikely way to negotiate inclusionary housing.

As the staff report points out, 11 out of 15 cities in Santa Clara County have inclusionary zoning. Some, such as Palo Alto, have had such a program for more than forty years; it has not appeared to be a disincentive to building rental housing in Palo Alto. Most cities have a higher percentage of below-market rate units (“BMR’s”) required and/or higher in-lieu fees than the 1999 Mountain View ordinance requires.

In an attempt to be consistent with the 1999 ordinance, staff is recommending a 3% impact fee. For years, we have argued that this fee should be higher, but we understand the desire to craft a new ordinance that is similar to what was expected under the 1999 ordinance, which will become enforceable once again if SB 184 passes next year. Nonetheless, in reviewing the numbers on page 23, we suggest adoption of an impact fee that would be equivalent to providing 10% of the units targeted to those at 65% of AMI, rather than 6.3% of the units at 65%. We understand this impact fee would be 4.8%. We choose this because under the 1999 ordinance, the BMR units provided would be targeted to those at an average of 65% AMI. The ordinance also required 10% of the units to be BMR’s. Thus, a fee of 4.8% more accurately reflects the 1999 ordinance for rental housing, as the 3% fee was for ownership units.

We hope the Council will proceed to adopt an impact fee following staff and EPC recommendations, with the slight modification that the fee be 4.8% instead of 3% in order to mirror the 1999 ordinance requiring 10% of the units to be BMR's. Following adoption of an impact fee, we hope the Council will focus on a longer-term solution to our low-income housing needs. Thank you for considering our comments.

Sincerely yours,

Donna Yobs
1157 Karen Way
Mountain View, CA 94040
Co-Chair, Housing Committee
LWV of the Los Altos-Mountain View Area

cc: Randy Tsuda
Jannie Quinn
Linda Lauzze
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