



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

May 2, 2013

Mayor John Inks and Members of the City Council
City of Mountain View
500 Castro Street
Mountain View 94041

Re: Discussion of Below-Market-Rate units (BMR's) in lieu of fees and Community Benefits

Dear Mayor Inks and Members of the City Council:

The League of Women Voters of the Los Altos-Mountain View Area has been disheartened at Council's actions recently resulting in a very low number of BMR units provided by rental housing developers in lieu of fees, as well as the process that Council has followed in approving these low expectations for BMR units. We would like to suggest a path toward a better outcome in the future.

At the March 26th Council meeting when the Summerhill project at 865-881 El Camino East and the Prometheus project at 1720-1730 El Camino West were approved, we felt that the Council appeared so pleased to get **any** BMR units, instead of the rental housing impact fees recently adopted, that they did not properly scrutinize the number of BMR units that would be equivalent to paying the fees. The ordinance is clear that equivalent units should be provided if the fees aren't paid.

In the case of the Summerhill project, we think the equivalent number should have been 6.75 and the Council approved 4 units, following the written staff report, which accepted the developer's proposed number of units as equivalent to payment of fees. In the case of the Prometheus project, the developer not only proposed a low number (5 instead of the 7 that would be equivalent) but the developer made a proposal for this and other community benefits at the last minute at the Council meeting, rather than giving it to staff beforehand. This did not allow for informed public input, or for the careful consideration by staff and Council that we believe is appropriate. We think it is especially important for the staff most involved with the rental housing impact fee to be involved in calculating the number of units that would be equivalent to the fee.

In the future, we hope that the Council will continue to a future meeting any final approval on a project when the developer raises important issues at the last minute at the Council meeting; prior review by staff and the public are important in order for all issues to be carefully evaluated, and for transparency in the public process.

Once again at the Study Session for 100 Moffett Blvd., Prometheus made a quite complicated offer of various community benefits, including BMR's, based upon whether additional FAR beyond what is anticipated in the General Plan was to be allowed. Since this was a Study Session, changes can, of course, be made later. But we are concerned that Council gave direction to Prometheus on community benefits and BMR's that should have had more careful consideration, with an opportunity for the staff and the public to provide input, also. We think it would have been appropriate to ask the

developer to negotiate with staff on the BMR issue especially; staff could then come back to Council with an informed staff recommendation.

Previously in this Study Session, Prometheus had offered a number of BMR units significantly less than the equivalent of paying the rental housing impact fee. The developer offered 4 units; the equivalent number, we believe, would be 8.5. The 5 that were offered should the FAR have been increased would have still been far fewer than the number required to be equivalent to paying the rental housing impact fee.

In cases where the units are not a whole number (6.75) or 8.5), these numbers could easily be rounded up, especially when the developments are requesting to proceed ahead of Precise Plans or rezonings. Alternatively, the partial unit number could be paid in fees.

Our position, informing the details given above, has been based on Council discussions and rulings that we thought had determined an equivalency for units vs. fees. Therefore we would like to suggest that staff decide what calculation they should be using to evaluate developers' proposals, based on previous Council direction, and transmit this information to Council, so that all Councilmembers have the same understanding of the situation. As advocates for BMR housing, we too would like to know what staff comes up with.

As we think you know, we encourage units rather than fees, but the units should be equivalent to the fees. This is especially true since the fee adopted is so much less than what the developer would have to build under the 1999 BMR ordinance. This has been particularly painful when these market-rate (“luxury”) developments are being built on land that was listed in the City’s Housing Element as available for affordable housing development.

Finally, we encourage the Council to give careful consideration to what are truly community benefits when a project is proceeding ahead of a Precise Plan, or requires rezoning or a General Plan Amendment. Many of the “community benefits” being offered by developers appear to benefit the actual project more than the community. We urge the Council to take a stronger approach when negotiating for these community benefits. And we hope that additional BMR’s, over and above the equivalent number that would correspond to the rental housing impact fees, are given some priority as a possible community benefit.

Sincerely yours,

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