



**LEAGUE OF WOMEN VOTERS  
of the Los Altos-Mountain View Area**

February 11, 2018

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

Re: City Council Meeting February 13, Agenda Item 6.1 – Modifications to the City's Below-Market-Rate Affordable Housing Program

Dear Mayor Siegel and Members of the City Council:

The LWV supports affordable housing for all Californians. We also support below-market rate units (BMRs), known as inclusionary zoning, as we believe that dispersal of affordable housing is healthy for the community. Therefore, we are pleased to see the proposed modifications to the BMR program. First, we support the direction of Council to increase the percentage of BMRs in both rental and ownership developments to 15% from 10%.

We also support the concept of establishing a rental in-lieu fee that is based on a psf fee rather than a percent of the appraised value, as the psf fee allows the developer to calculate this fee up front. We are comfortable with doubling the Rental Housing Impact Fee of \$17.86 in this proposed modification, since it will only be used for fractional units. However, we do not want this calculation to be seen as a precedent for determining the equivalency of fees to the cost of building units. We have heard many developers state that the \$17.86 psf fee is significantly less costly to them than the cost of building 7.75% BMRs. We understand that the calculation and equivalency will be considered in the next phase of modifications.

We agree with the EPC recommendation that the alternative mitigation should be more onerous than building the BMR units onsite in order to encourage developers to build the units onsite. San Jose, for example, requires 15% of the units onsite to be BMRs, but if the developer chooses to pay a fee instead, the fee must be equivalent to the cost of building 20% BMRs onsite. We also agree with the EPC's recommendation that Council review the legality of existing BMR priorities for public employees and teachers.

In terms of the effective date, we would favor the precedent of the RHIF, cited in the staff report, with no exemptions for projects in the pipeline and a 60-day effective date. Perhaps there could be phasing of the new policy, allowing projects that have completed a formal application to provide only 10% BMRs rather than 15%, but not be allowed to pay fees instead of building the BMR units. There has been much discussion in the last year about the possibility of the Palmer fix being passed, so developers have been very aware that stricter requirements might be put in place.

Thank you for considering our input.

Donna Yobs  
Co-Chair, Housing Committee  
LWV of the Los Altos/Mountain View Area

cc: Wayne Chen  
Dan Rich

Jannie Quinn  
Randy Tsuda