

September 10, 2018

Mayor Jean Mordo and Members of the City Council City of Los Altos 1 N.San Antonio Road Los Altos, CA 94022

Re: Agenda Item #6, City Council Meeting September 11th - Affordable Housing Ordinance Amendment

The LWV supports affordable housing, including inclusionary zoning, which means requiring below-market-rate units (BMRs) to be built as part of both rental and for-sale complexes. The League believes that dispersing BMRs within a larger complex has been shown to be a socioeconomic and political success in California. We have also urged amending the Los Altos inclusionary zoning requirements in order to provide more BMRs in Los Altos. Inclusionary zoning has always been a key strategy for Los Altos to produce affordable housing in an effort to achieve its Regional Housing Need Allocation (RHNA).

We support most of the staff recommendations. Requiring a minimum of 15% BMRs for both ownership and rental housing will put Los Altos in line with most of the cities in Santa Clara County. However, we are concerned that in the proposed ordinance the 15% requirement is not actually being applied to projects with fewer than 10 units, as higher numbers are called for.

We also prefer requiring the actual BMR units to be built, rather than allowing other alternatives. We are concerned with the alternative allowed by 14.28.030.D, which allows "impact" fees to be paid, rather than "in-lieu" fees (although "in-lieu" fees are referenced in the Discussion section below). We regret not commenting on this language earlier. We believe the term "impact" was based upon language in the Keyser-Marston report, which addressed affordable housing linkage fees during the time after the Palmer decision. That decision, now overruled by State law, prohibited BMR rental units, and, as a corollary, "in-lieu" fees. Therefore "rental housing impact fees" (RHIFs) were proposed as an alternative. Since BMR rentals and "in-lieu" fees are now allowed, other cities are dropping RHIFs and requiring BMRs with the option of "in-lieu" fees at the Council's discretion.

The amendments also improve coordination with the State Density Bonus Law (SDBL), which many Los Altos developers are already using. The concern of some members of the Planning Commission that 20% BMRs may not be economically feasible is a reasonable concern; however, due to the SDBL, developers will undoubtedly choose the 15% very low-income option.

Finally, the proposed amendments are timely with respect to the June 21st report by the Civil Grand Jury of Santa Clara County on the affordable housing crisis. This report recommends that Los Altos raise its percentage to at least 15%. SV@Home, a local affordable housing advocacy group, also recommends that all jurisdictions raise their inclusionary percentage to 15%. We urge the Council to adopt these amendments with the slight modifications referenced above.

Sue Russell
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LWV of the Los Altos-Mountain View Area
Co: Chris Iordan
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