



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

June 16, 2019

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

Re: Council Meeting, June 18, Agenda Item 6.1 – Below-Market-Rate Housing Program Phase 2
Modifications

Dear Mayor Matchak and Members of the City Council:

The LWV commends the Staff once again for a comprehensive analysis of proposed changes to the below-market-rate (BMR) policies. We appreciate the additional information provided comparing market rents with rents at different income levels. We recommend continuing to track this so AMI ranges can reflect changing needs with the market.

Staff has proposed a reasonable formula for allowing tenants at different income levels to be “over-income”. The basic concept of allowing tenants to be over-income before being asked to leave is similar to the approach used in tax-credit projects, but the Staff’s “graduated” over-income scale is creative and novel, we believe. However, as originally proposed by Staff, a tenant who moves into a BMR at 50% AMI rent could have an increase in income up to 95% with no increase in rent. The EPC generally supported allowing tenant rent to increase as the tenant’s income goes up, but not by as much as the income increase. If it is possible for this “additional” rent to be disbursed to the City for its BMR fund, rather than benefit the property owner, this seems like a reasonable concept.

EPC members also recommended that language be included explicitly stating that the value of alternative mitigation needs to be significantly higher than the value of providing BMRs, pointing to the example of the off-site BMR requirement being 20% in comparison to an on-site 15% requirement.

We also urge the Council to require 25% inclusionary units for rowhouses/townhomes, as the economic analysis demonstrated that this was economically feasible for developers.

We recommend flexible wording/formula to allow shifting the AMI percentage targeted, based on the impact of market rents, and also the five-year review to catch these changes. We understand that Staff believes that many of the fine points can be handled in the Guidelines and Procedures. We would not like to see final approval of these modifications held up for any issues that could be taken care of that way.

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

Aarti Shrivastava