



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

April 6, 2014

Mayor Megan Satterlee and Members of the City Council
City of Los Altos
City Hall, 1 North San Antonio Road
Los Altos, CA 94022

Re: Agenda Item #12, April 8, 2014 – Development Impact Fees

The LWV of the Los Altos/Mtn.View Area would like to comment briefly on the issue of reviewing Development Impact Fees. We are planning to encourage the Council to consider adopting various impact fees related to affordable housing as part of the Housing Element update process. However, since the subject of other Development Impact Fees is being discussed on April 8th, we thought it best to initiate the discussion of these fees related to affordable housing.

A number of surrounding cities have adopted office, industrial, commercial and/or rental housing impact fees. These fees require developers to pay a mitigation fee, which is then used to support affordable housing. The rationale, or nexus, between these fees and the square footage developed is the demand for affordable housing which is created by these other developments. The fees collected in Los Altos might not be substantial, but it seems fair that all neighboring communities should have similar fees. This levels the playing field.

In addition, as you are aware, because of the Palmer court decision the City can no longer require rental housing developers to provide below-market-rate units, unless the developer uses the State Density Bonus law, or falls within other narrow exceptions to the court decision. Presently, there is a case pending before the California Supreme Court which may make the City's ordinance with regard to inclusionary zoning in condo developments unenforceable, also. Thus, multifamily housing impact fees would be an alternative the City could fall back on in cases where the inclusionary zoning ordinance cannot be enforced. The fees collected could be passed through to the Housing Trust of Silicon Valley to be used for affordable housing.

We are happy to provide more detailed information on the fees in various jurisdictions, but this seemed to be the appropriate time to start the discussion.

Susan Russell
Co-Chair, Affordable Housing Committee
League of Women Voters of Los Altos/Mountain View Area
Cc: Marcia Somers, City Manager
James Walgren, Asst. City Manager
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