



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

June 16, 2015

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

Re: Proposal by EFL to Provide 12 BMRs

The League of Women Voters of the Los Altos-Mountain View Area is very disappointed by EFL's offer to provide only 12 BMRs rather than 18 in its 394-unit rental project. Eighteen would be what the staff memo of December 9th, 2014, clearly specifies is equivalent to paying \$10.26 in rental housing impact fees. This equivalency was adopted by Council based upon economic consultants' analyses, when Council opted in December 2012 to base the RHIF on a square footage basis, rather than on appraised value, as the BMR residential ownership housing fees are assessed. The December 11, 2012 staff report, along with the November 13, 2012 Council report, provide the background analysis, including reports by two outside consultants, Keyser Marston and Economic and Planning Systems. Per these reports, EFL's offer does not "properly reflect the economic offset that is consistent with the housing impact fee."

We strongly support the concept of providing BMRs in a mixed income development, for many of the reasons stated by the California Supreme Court in its decision yesterday upholding inclusionary zoning in ownership developments. Nonetheless, when the number of BMRs offered is so few, it seems better to take the fees which can be used for affordable housing in the future.

EFL's statement that their proposal is "consistent with previously approved projects" is not based on the facts nor on Council policy. We have attached a table showing the number of units other developers have provided. The fee went into effect in February 2013. We believe that all developments **after** the adoption of the RHIF provided approximately 4.6% BMRs. Developers paid a small amount of fees if the last unit would have been a fractional unit; that is why the percentage is not always 4.6%.

Greystar was the first project not to do so. When Greystar was approved, Council appeared to be very pleased with the efforts the developer was making, at considerable cost, to work with the businesses that would be displaced and wanted to return. We hoped at the time that Council's agreeing to only 3% of the units being BMRs would not set a precedent. However good their community benefits package was, this was not a substitute for mitigating the affordable housing requirements; retaining businesses is not an appropriate mitigation for not paying the RHIF.

In addition to the paltry number of units being offered by EFL, the units offered do not reflect the unit mix of the project; most are one-bedroom units, and no three-bedrooms are proposed at all. The 4.6% equivalency was premised on the concept that the units would reflect the unit mix of the development.

Finally, we are disturbed by the lack of transparency in the decision process on this development. Because the offer to provide units wasn't made by EFL until yesterday, neither the staff nor the general public has had adequate time to respond. This was exactly how the Greystar development handled its offer of an insufficient number of BMRs, in effect, putting pressure on the Council by making the offer at the time of the Council discussion for approval. We suggest that approval of the EFL development be postponed so that staff and the public have time to comment and the Council has adequate time to make a thoughtful decision.

Thank you for considering our input.

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

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