

**City Council Questions**  
**October 25, 2022 Council Meeting**

**ITEM 4.3 Notice of Intention to Vacate Street Right-of-Way and Public Easements within the Middlefield Park Master Plan on a 40-Acre Site Located at the Northeast Corner of Ellis Street and East Middlefield Road and North of Maude Avenue Between Logue and Clyde Avenues**

1. How does the vacation of the sewer main fit in? Is a completely new sewer system going to be built for this area?

The existing sewer main in the easement will remain in place within new street right-of-way to be dedicated by the developer in the same location, extending Logue Avenue to the north. Street easements include utilities; therefore, this dedication will remove the need for the existing sanitary sewer and storm drain easement.

**ITEM 4.4 Intersection Traffic Signal System-Major Replacements and Upgrades (Rengstorff Avenue and Latham Street), Projects 18-27 and 22-15-Various Actions**

1. Does this project physically preclude future complete streets improvements or protected intersection improvements?

Staff expects that it is possible to construct future complete street or protected intersection improvements without affecting the planned signal work; however, this depends on the exact types of improvements that may be proposed in the future. As these potential future improvements have not been identified nor undergone engineering evaluation and design, staff cannot definitively state that changes to this project's work would not be required.

**ITEM 4.5 Miramonte Pump Station Improvements, Project 23-43-Authorize Professional Services Agreement**

1. Is there a way to speed up work so it is complete by the time Valley Water's work starts?

Staff will work with the consultant to streamline design milestones where feasible. The construction schedule will be developed during design taking into consideration various factors such as availability of equipment due to supply-chain issues, period of shutdown, and impacts to water operations. As part of developing the construction schedule, the consultant and staff will analyze separating the project into different phases to complete as much construction work as possible prior to Valley Water's pipeline work.

**ITEM 4.6 Application for State Funding-Permanent Local Housing Allocation**

1. How is the available funding allocated? Does Mountain View receive 100% of the fees generated in Mountain View?

The Building Homes and Jobs Act allocates 70 percent of the recording fees collected in the calendar year towards the Permanent Local Housing Allocation (PLHA) Program. As an Entitlement Jurisdiction, Mountain View's annual allocation is calculated based on the 2017 Community Development Block Grant formula, which is based on a formula that takes into account local demographics related to population growth, housing units and housing crowding, and poverty. The allocation is not based on local fees generated.

#### **ITEM 4.9 El Camino Real Pedestrian and Bicycle Improvements, Projects 20-61, 22-29-Heritage Tree Removal and Mitigation**

1. Could we put any of the wood to a beneficial use, such as using for park features, restoration or having made into lumber? Hate to see these trees just chipped.

Palm tree wood is not very strong and loses its structural integrity quickly. This characteristic makes palm trees unsuitable for park features or for long-term uses such as restoration projects. Palm trees are “monocots” – meaning they have a different cellular structure than other trees used for lumber. Because of this, they are not ideal for lumber purposes.

2. Is it a good idea to specify the location of the tree plantings now or would it be better to leave to staff discretion to allow dealing with un-expected issues?

Staff had conducted site visits and evaluated planting locations suitable for the recommended trees and in proximity of other existing trees similarly situated. In this case, staff is confident that the approximate locations identified provide enough flexibility to adjust planting locations for unforeseen site conditions.

#### **ITEM 4.10 Agreement Between the City of Mountain View and the Los Altos Mountain View Community Foundation for Solidarity Fund Program Administration**

1. Will recipients of funds from the first tranche of ARPA funds in FY 2021-22 be eligible for additional funds from the second tranche of ARPA funds? Or will all of the recipients be first time recipients?

Only first-time recipients would be eligible for the second tranche of ARPA funds administered through the Solidarity Fund direct cash assistance program.

#### **ITEM 6.1 Mixed-Use Development at 334 San Antonio Road**

1. What proof do we have, or can we ask for, to confirm that the waivers and concessions are needed to make the project economically viable?

The applicant’s State Density Bonus Request letter serves as the basis for reviewing and confirming developer-proposed development waivers and concessions. Under State Density Bonus Law (SDBL), for a developer-proposed concession, a developer need only demonstrate the proposed concession “results in identifiable and actual cost reductions to provide for affordable housing costs.” (Government Code Section 69515(k)(1).) The developer does not need to provide information or prove the concession is needed to make the project economically feasible. City staff has reviewed and found the developer’s State Density Bonus Request(s) to be consistent with SDBL provisions.

2. Anecdotally, I’ve heard that larger BMR ownership units (2-bedroom, 3-bedroom) are more challenging to find qualified buyers for than smaller BMR ownership units (1-bedroom). Do we have any data on this?

The City does have any hard data on this, as we have not had an ownership unit become available in some time. In general, it can be hard to find qualified buyers for affordable units, but the City is planning to provide information to future applicants for BMR ownership units to help them prepare to buy a home. This includes providing resources about financial counseling services, down payment assistance programs, and potential first mortgage lenders. The City already has partnerships with several organizations that support BMR homeownership, and will pursue more as it develops its own funding program to support first-time homeownership through the PLHA program.

3. Is the demand for two-bedroom units the same for BMR ownership units, in comparison to affordable rental units? If not, how does demand vary?

The City does not have any direct data on demand for ownership units, as an ownership BMR unit has not been available for several years. Those who have indicated interest in ownership units on the HouseKeys portal have an average household size of three. Two-bedroom units are available to households with a minimum size of two.

4. What are the estimated/target sales price of the one-bedroom units? The two-bedroom units? What were the assumptions in the applicant’s pro forma financial statements?

The estimated sales price for BMR units is calculated based on making sure the price allows a household at the specified income level to only spend 30% of their income on total housing costs including mortgage, insurance, utilities and HOA fees. As such, the price varies based on a number of factors, including, significantly, current mortgage rates. The final sales prices for the BMR units will be calculated at the building permit stage (with allowances for inflation). The last estimate prepared by staff identified the following estimated sales prices:

<b>INCOME LEVEL</b>	<b>UNIT SIZE</b>	<b>ESTIMATED SALES PRICE</b>
Low Income	One Bedroom	\$198,272.00
Moderate Income	One Bedroom	\$402,301.00
Low Income	Two Bedrooms	\$232,597.00
Moderate Income	Two Bedrooms	\$462,152.00

These same price estimates are factored into the calculations provided in the applicant’s density bonus letter, attesting to cost savings resulting from developer-proposed concessions. The City is not privy to the applicant’s development pro forma/financial statements.

5. Do the funds for the HOA reserves come at the expense of anything else?

The HOA fund reserves are paid for by the developer and required to be provided for the units that are reserved for households at 80% AMI or below. The HOA reserves are meant to maintain total housing costs at close to 30% of total income over time. There is no additional cost to the City or the homebuyer associated with the HOA reserves, nor are they provided in lieu of any other requirement.

6. Will the concession on depth of the commercial space to allow an average depth of approximately 27’ in lieu of the required 40’ (minimum) depth, impact the ability to attract tenants?

The applicant has indicated the commercial space depth is viable for a range of uses. The proposed size is comparable to many commercial spaces in the area, and – in overall dimensions – is similar to many successfully occupied commercial spaces in the City’s Downtown. The length of the space and availability of outdoor areas add to its usability.

7. If the SAPP only allows the exemption of commercial space that preserves existing on-site businesses from the FAR calculation, and the existing on-site business is not being preserved, wouldn’t this be a new type of exemption that is not specified in the SAPP?

The existing SAPP exemption accommodates both preservation of existing onsite businesses and relocation of small businesses/community-serving organizations.

8. What are the ongoing costs of being a TMA member?

MTMA fees are based on cost recovery for services provided and only those members served by the MVgo shuttle system pay fees for the shuttle service.

9. If the complex is self-managed, meaning there is no property manager, is it the expectation that the HOA Board prepare the annual TDM report?

The HOA would be responsible for ensuring submittal of the annual TDM report to the City and may hire an outside company to prepare the report at their discretion.

10. Do any other developments in Mountain View have colored pavers near the sidewalk that are something other than the traditional shades of gray or traditional used brick colors?

In staff's experience, development paving tends to employ neutral/naturalistic colors. As an example, the 2580 California Street development (Greystar) located diagonally across this project, employs a range of pavers in the grey, tan/brown and white spectrum. Brightly colored, contrasting paver colors are atypical.

11. Is there a way to have more trees and therefore more tree canopy coverage?

The project size, underground parking garage and utility needs (e.g. underground utilities/easements, trash staging areas, etc.) significantly limit available planting areas. Staff has been unable to identify any additional locations for tree plantings. As noted in design conditions of approval, staff intends to work with the applicant on the design of proposed aboveground planters to see if any larger-scale trees can be incorporated into the plans.

12. The applicant sent us a letter requesting that we consider a larger development at this location. Wouldn't anything beyond what is being reviewed at the Council meeting be required to go through a gatekeeper process?

As discussed below, the City's current regulations would not permit Council to authorize a larger development on this project site. If Council is interested in a larger project, Council may direct staff to return with options for discussion and potential action.

13. Does the State Density Bonus Law allow a discretionary award of bonus density beyond the 50% the applicant is entitled to?

The State Density Bonus Law (Government Code Section 65915) allows for up to a 50% increase in density for most housing development projects, depending on the type and number (percentage) of affordable units included in the project, and up to an 80% increase in density for 100% affordable development projects. The State Density Bonus Law also provides that local agencies may by local ordinance allow for a greater density bonus than prescribed by State law (Government Code Section 65915(n)). Under that authority, in the 2021 update to the City's Density Bonus Ordinance, the City Council allowed for density increases greater than those required by State Density Bonus Law for 100% affordable developments that receive authorization and reservation of funding allocation through the City's notice of funding availability (NOFA) process (City Code Section 36.48.80(d)). No other project types were made eligible for the greater density bonus in the City's Density Bonus Ordinance.

14. Can staff provide information about the “builder’s remedy”?

January 31, 2023 is the statutory deadline to adopt a compliant Housing Element for the 6th Regional Housing Need Assessment (RHNA) Cycle. Jurisdictions without an adopted Housing Element, certified by HCD as substantially compliant, by that deadline may be subject to certain penalties or consequences, one of which is colloquially known as the "Builder's Remedy." The Builders Remedy is essentially a streamlining tool, which would allow a developer the option of filing a housing development application with at least 20 percent affordable (low-income) housing units or 100 percent moderate-income housing units that is not in conformance with a jurisdiction's zoning or General Plan. So long as the local government agency does not have an adopted, substantially compliant Housing Element, the local governmental agency would have very limited ability to deny such a qualifying housing development project and would be unable to deny the project due to inconsistency with zoning of the General Plan, if a complete application is submitted during that period.

Bay Area cities had assumed that they had 120-day grace period to adopt Housing Elements, which would put the due date as May 31, 2023. However, in early October, HCD confirmed in response to a question – that if an adopted housing element is not found substantially compliant by HCD by the statutory deadline of January 31, 2023, it would be considered out of compliance and the “builder’s remedy” – along with all other consequences like ineligibility for certain funding – would be in effect. They further confirmed that the only place where the 120-day grace period is relevant is on triggering the shorter rezone deadline of one year, instead of three years.

15. Why is the time restriction on the roof garden limited to 9PM? How will it be enforced?

Typically, the use of common amenity areas is addressed in an ownership development’s CC&Rs. The development’s Homeowners Association (HOA) is typically responsible for enforcing its CC&Rs, but complaints about onsite operations (typically noise-related) can also be reported to the City. Pursuant to COA #22, the Zoning Administrator may hold a public hearing to review common area operations and impose new/modified conditions of approval in response to public comment and concerns.

16. Is the MVTMA set up to take residential properties? Have reasonable membership fees and governance issues been set up?

Yes, the Mountain View Transportation Management Association (MTMA) is set up to serve residential developments. In fact, the MTMA already has four residential developers as part of its membership. The MTMA fee is tiered based on mobility impacts so that residential and commercial members are assessed differently. The MTMA will be considering a membership fee discount to incentivize developers to provide more affordable housing at its October 2022 meeting.

17. Are irrigation systems designed with hook-ups for easy conversion to recycled water when it becomes available in that part of the City?

The project is conditioned to install a separate water service, meter and backflow preventor for the irrigation service, allowing a dedicated point of connection for future conversion to recycled water with potentially minimal impacts to the existing irrigation system. Conversion to recycled water services will be considered in the City’s recycled water main installation project in the future.

18. A reduction in included open space per unit is one of the exemptions. Please explain reasoning for recommending approval.

The applicant has requested a waiver (or reduction) of the open space requirement because full compliance with the standard would physically preclude constructing the density bonus project. The applicant has crafted a development plan that maximizes the amount of open space provided in the public plaza, ground-level courtyard (and adjacent community room) and rooftop deck, while facilitating a project that is larger – pursuant to the State density bonus – than would typically be allowed by SAPP development standards. Additional open space could not be provided without reducing the building area and/or reducing compliance with City solar installation requirements. The City may not require compliance with any standard that would preclude construction of the density bonus project.

19. What is the reason for requiring raised entries along street frontages of major auto-oriented roads?

The raised entry standard in the SAPP is aimed at facilitating active ground floor design by required residential entries for any units provided on those frontages, while preserving privacy and comfort of the units by providing separation from the street.