

**From:** Salim Damerджи  
**Sent:** Tuesday, May 17, 2022 6:07 PM  
**To:** epc@mountainview.gov  
**Subject:** Housing Element Item

Hi Members of EPC,

I want to speak on a single issue, which is the city's projections for North Bayshore in the housing element draft's pipeline analysis. I believe we are at substantial risk of not getting a compliant housing element on time because of faulty assumptions surrounding North Bayshore.

Google and Lendlease expect Shorebird North (1118 homes) to be permitted by 2031 and, if things go smoothly, Shorebird South (1794 homes). That's a total of 2,912 homes. Only 5% (that is, 145 units) of these 2,912 units would be inclusionary, and the remaining 95% (that is, 2,767 units) constructed would be market rate. However, Google would *also* donate land suitable for 437 BMRs. That's a total of  $145 + 437 = 582$  below market rate units from North Bayshore.

Here are the city's assumptions around North Bayshore:

"Within the 2023-2031 planning period, the North Bayshore Master Plan is assumed to provide approximately half of land dedications for affordable units and start construction of approximately 3,365 market rate and inclusionary units, of which approximately 695 units are affordable to lower- and moderate-income levels."

Why does the city claim half of this three decade project will be built in the next decade? There's no explanation for this assumption. North Bayshore is front-loaded with housing, but it's not *that* front-loaded. This error in the draft has been persistent, and MV YIMBY pointed out this faulty assumption in its February letter.

In short, **the city is overclaiming North Bayshore's market rate units by  $3365 - 2767 = 598$  units and the city is overclaiming the below market rate units by  $695 - 145 = 550$  units.** The city could claim an additional 437 below market rate units if it actually had a plan & commitment to develop affordable housing on the dedicated land by 2031, but even then, the city would still have a shortfall of 113 units.

State law requires cities do a ton more analysis & be subject to higher scrutiny if they accommodate more than 50% of needed low & lower income housing on nonvacant opportunity sites. **Virtually every city I've seen has gone above that 50% threshold; it's aberrant not to.** Because the city is inflating its estimates of BMR production from North Bayshore, the city claims they do not exceed that 50% threshold on page 222:

**50 percent Threshold of Lower Income Units on Non-vacant Sites**

State law requires additional analysis of existing uses in the Sites Inventory if more than 50% of the City's low-income RHNA is accommodated on non-vacant sites. HCD has published guidance for how to determine this, which includes adjustments for proposed lower income projects and ADU capacity, in addition to vacant sites in the inventory. Table 45 shows this analysis based on HCD's guidance. A substantial amount of the City's lower-income units (more than 50 percent of the lower income RHNA) are within proposed projects. In addition, the inventory includes affordable ADU units and a singular vacant opportunity site with low income unit capacity. In summary, 44 percent of Mountain View's lower income RHNA is accommodated on nonvacant sites, which is below the 50 percent threshold. Therefore, no additional analysis is needed to support the Site Inventory's non-vacant sites.

The long story short is that **if our current pipeline estimates are off by 262 below market rate units (that is 6% of our 4370 unit target for LI + VLI), then we have to do a *mountain* of work on our housing element's site inventory. I believe the draft's error w/r/t North Bayshore alone implies we're off by 550 below market rate units.** A similar story can be told about Middlefield's land donation, which the city also does not have a plan to convert into affordable housing by 2031.

I hope we can correct this, either by actually having a plan to turn this land into affordable housing by 2031, or by providing the level of site inventory analysis that nearly every other comparable city is conducting, or by streamlining the master plan further, or some combination of the above options. But these are all large undertakings, and I am sincerely concerned for our city. The worst case scenario - that we will lose affordable housing funds for Evelyn and Terra Bella if we do not get a compliant housing element approved on time - is becoming more likely every month that passes by. If we don't correct the ship now, it'll only be harder to make these changes in the future, when we have even less time between us and the January 2023 deadline.

Take care,  
Salim