

**City Council Questions**  
**October 29, 2019 Council Meeting**

**ITEM 3.1      OPTIONS FOR RESPONDING TO DISPLACEMENT**

1. P. 4 of the staff report says that recent state housing legislation "...has made it more difficult for jurisdictions to deny residential projects or to establish moratoria or caps on development." Can a city deny projects if they will reduce the number of housing units? Is it easier or more difficult to deny office projects or to establish moratoria or caps on office development?

**SB 330 requires projects that will result in the demolition of housing units to replace those units on a one-for-one basis. Additionally, if the units to be demolished were subject to local rent stabilization, were affordable units subject to affordability restrictions, were previously occupied by lower or very low income households, or the units were subject to Ellis Act evictions, those units would need to be replaced.**

**Recent State legislation has not addressed non-residential projects, so the City retains some discretion with respect to projects that contain no residential development. Cities generally would need to approve conforming office projects, but cities could include provisions for example in its city code and/or GP to condition the approval of office projects. However, mixed-use office projects that include residential would make it more challenging to deny. It is staff's understanding that a city cannot deny the residential portion of a mixed-use project if that site allows residential uses.**

**As additional context, staff notes that a majority of the City's affordable housing fund is composed of housing impact fees paid by office/commercial development. Additionally, the draft East Whisman Precise Plan includes a jobs-housing linkage strategy as a way for office and residential developers to partner to facilitate residential development.**

2. The staff report says, "Additional analysis is needed to determine potential replacement requirement options given changes in State law. However, it appears that cities have relatively broad authority to mitigate the impact of demolishing rent-stabilized units by requiring the "recontrol" of new rental units (i.e., making the new units subject to rent-stabilization) and/or requiring that the demolished units be replaced with deed-restricted affordable housing, as well as the authority to determine the specific replacement requirements." Could staff develop a policy of no net loss of naturally affordable, rent-controlled housing units with tenant assistance and a right of return?

**Yes, this would be evaluated as part of a Displacement Mitigation Program (Program 2, page 15 of the staff report).**

3. What specifically does SB 330 say regarding the types of moratorium? No moratorium on new housing? No moratorium on demolition of existing units? Something else?

**SB 330 prohibits cities from changing general plan land use designations, specific plan land use designation or zoning of a parcel or parcels of property to a less intensive use or imposing a moratorium or similar restriction or limitation on housing development, including mixed-use development, "other than to specifically protect against an imminent threat to the health and safety of persons." SB 330 also prevents any city from enforcing a moratorium until it has submitted it to the Department of Housing and Community Development and the Department finds that the moratorium is necessary to protect against an imminent threat to health and safety.**

4. What does SB 330 require when rent stabilized units are replaced with ownership units?

**SB 330 requires cities approving a project that will result in the demolition of any housing units to require replacement for each unit. If the units to be demolished are existing rent-stabilized or deed-restricted housing units, the city may require that the replacement units either be “recontrolled” under the local rent-stabilization program or deed-restricted units at specified AMI levels. If the replacement units are to be deed-restricted unit, the new affordable rental units must be subject to affordability restrictions for 55 years. If the new units are ownership units, they must be affordable at specified low income affordability levels but SB 330 does not discuss the type or term of restrictions on affordable replacement units. SB 330 does reference the density bonus statute that requires that ownership units be subject to equity sharing restrictions for 45 years. If Council supports the recommendation to evaluate a displacement mitigation program, additional analysis will be conducted regarding SB 330 to determine program options/requirements for new ownership units that replace rent-stabilized units.**

5. The staff report says, “From 2012 to now, there have been 32 planning applications filed that include the demolition of existing residential units... All of the units that have been demolished or have applied to be demolished are rental units that are either currently covered by CSFRA or would have been covered if CSFRA had existed prior to 2017.” How many of the applications were filed before CSFRA was passed? Was there an increase in applications after CSFRA passed? LWV says no. Can our staff confirm?

**Using the 2012-19 timeframe, 14 of the 32 planning applications that included demolition were submitted before CSFRA. This included the demolition of 241 units and creation of 401 new units, for a net increase of 160 units. Eighteen of the 32 applications were submitted after CSFRA passed. These include the demolition of 836 units and creation of 2037 new units, for a net increase of 1,201 units.**

6. The Characteristics of Demolished CSFRA Properties/Units section of the report seems to say that affordable units are being demolished and replaced mostly with higher cost units, but also with approximately 20% new affordable units. Is this accurate? What is the number?

**The three primary projects that include either deed-restricted or BMR housing are: Studio 819 (49 units of deed restricted affordable housing, 777 Middlefield (144 units of BMR housing), and 1720 Villa (34 units of BMR housing). There are two additional projects that are currently in the application review process and the number of new market rate and affordable units are still being determined.**

7. Regarding rental housing, the staff reports says that the “Rate of sales transactions in Mountain View appear to decrease after CSFRA implementation.” This sounds consistent with the League of Women Voters study that concluded that the rate of rental housing sale for demolition did not increase after the CSFRA was passed. Would you agree?

**In staff notes, there is a distinction between the rates of sales transactions versus demolition of rental housing. The data shows that the rate of sales transaction (i.e., CSFRA units sold as a percentage of total CSFRA units) declined after CSFRA passed. Separately, all residential applications submitted between 2012-19, that include demolition of CSFRA units, were first sold to a developer. Therefore, 100% of the demolition projects submitted both before and after CSFRA passed included a sales transaction.**

8. The staff reports says that, “...data suggests that, should the Council support a potential acquisition/preservation strategy, the acquisition of smaller CSFRA properties in R3 Zones could be prioritized. Those properties tend to be more susceptible to redevelopment into high-cost ownership

units.” Can we make the development of that strategy a major part of our work plan item regarding R3 zones?

**Staff recognizes that there is overlap between the two separate work items regarding displacement response strategy and the R3 modification process. This recommendation could be incorporated for further evaluation as part of both work items.**

9. What are the opportunities and limits to our ability to create and use a list of displaced households to be used to obtain affordable housing units the City has created? What are the limiting factors of funding sources like Measure A and Tax Credits?

**Additional evaluation is needed to more conclusively determine such a preference does not violate fair housing/HUD provisions. Also, although the City currently has a live/work preference for City funded projects, there is a caveat that it will be applied to the extent that it is allowed by external funding sources (such as tax credit laws).**

10. How is not having displacement a sustainability program?

**The City’s Sustainability program incorporates key components that include concern for the environment as well as for people. As such, the SAP-4 includes an initiative to track social equity issues, such as displacement of lower income residents and having affordable housing for a diverse range of households. In addition, there is an environmental/GHG impact if employees in jobs needed in Mountain View can’t afford to live here and need relocate to/commute from areas far away. Preventing tenant displacement would align with these sustainability program goals.**

11. What are capacity building organizations?

**“Capacity building organizations” refers broadly to organizations that provide funding for housing and community development programs, conduct research, and work on a variety of activities that could include policy development, stakeholder/expert convening, and technical assistance. Enterprise Community Partners and Local Initiatives Support Corporation (LISC) are two examples of such organizations in the Bay Area. Other types of organizations could also be considered capacity builders, such as foundations, depending on what resources they are providing and for what purposes.**

12. Has Mountain View had any development projects that leveraged the State Density Bonus Law where rent-stabilized or deed-restricted units were demolished? If so, which ones? Are there any in the pipeline? If so, which ones? What are the specific requirements for replacement?

**Staff is researching when the replacement requirement became part of State Density Bonus Law, and if any of the demolition projects included State Density Bonus after the replacement requirement went into effect.**

**The replacement requirement for State Density Bonus Law is in Government Code Section 65915(c)(3)(A-E). The following is the general provision, supplemented by additional requirements stipulated in other subsections.**

**“(3) (A) An applicant shall be ineligible for a density bonus or any other incentives or concessions under this section if the housing development is proposed on any property that includes a parcel or parcels on which rental dwelling units are or, if the dwelling units have been vacated or demolished in the five-year period preceding the application, have been subject to a recorded covenant, ordinance, or law that restricts rents to levels affordable to persons and families of lower or very low income; subject to any other form of rent or price control through a public entity’s valid exercise of**

its police power; or occupied by lower or very low income households, unless the proposed housing development replaces those units, and either of the following applies:

(i) The proposed housing development, inclusive of the units replaced pursuant to this paragraph, contains affordable units at the percentages set forth in subdivision (b).

(ii) Each unit in the development, exclusive of a manager's unit or units, is affordable to, and occupied by, either a lower or very low income household."

13. Does deed-restricted affordable unit mean affordable rental units?

**Yes. Specifically, deed-restricted affordable units have regulatory requirements that maintain units at levels affordable to specified AMI levels.**

14. Staff report page 11 under Collaborative/Multi-Sectoral approach, it mentions "different entities." Who are you referring to?

**This could include funders, community development organizations, non-profits, community land trusts, etc. The specific entities the City could partner with would depend on further evaluation of how each recommended program could be structured.**

15. Are we not working with "external Partners" now?

**The City works with external partners on a variety of existing programs. The City does not currently have programs under an integrated and comprehensive Displacement Response Strategy. Developing such a program would take working with existing and/or new partners to develop new programs specifically for the Displacement Response Strategy.**

16. No net loss policy, is that for like kind projects i.e., apartments to apartments, not apartments to ownership?

**A no net loss policy generally refers to the number of residential units. Therefore, it could apply to apartments demolished for new rental units, or apartments demolished for new ownership units.**

17. Doesn't the City already have a "first right to return provision?"

**The first right of return provision in the City current Tenant Relocation Assistance Ordinance has been interpreted to apply specifically to existing CSFRA units that were withdrawn from the rental market but where the same units are later returned to the market (e.g., the units were removed from the market but not demolished and later returned). The concept of the first right of return provision in the Displacement Mitigation Program (Program 2) would be that the provision would apply in situations where CSFRA units were removed from the rental market, demolished, and new units were built onsite.**

18. On the first right to return, would the rent be market at the time of moving back in?

**Additional evaluation would need to be conducted on what the allowable rents could be.**

19. Landlord - rental set-aside, what rent would the displaced tenant pay?

**Additional evaluation would need to be conducted, as well as discussions held with major property owners about how to develop such a program and what the requirements would be.**

20. Aren't there enough vacancies in the City at any given time to house those who want to still live in Mountain View?

**The City has had a vacancy rate of less than 5% over the past ten years. Below 5% is the generally accepted threshold for a tight rental market where it is difficult to find rental units and/or the cost to rent is high.**

21. How do you handle the problem of, in some cases of rents that were below market any to relocate would require paying current market rents?

**TRAO benefits for qualifying households can be used to pay for the differential in rent for a period of time. If the TRAO is modified to include enhanced benefits, that could allow a rent differential to be paid for a longer period of time; however, this would require further analysis.**

**ITEM 4.2 WATER MAIN CROSSING U.S. 101 FROM SAN RAFAEL AVENUE TO MACON AVENUE, PROJECT 16-61-APPROVE PLANS AND SPECIFICATIONS/ AUTHORIZE BIDDING**

1. Would recycle water lines be built into crossing 101?

**A recycled water main is not included as part of Project 16-61, Water Main Crossing from San Rafael Avenue to Macon Avenue. The planned recycled water system crossings of Highway 101 were identified in the City's 2014 Recycled Water System Feasibility Study. In priority order, the three crossings are at Ellis Street, Shoreline Boulevard and Rengstorff Avenue. The proposed Shoreline Boulevard Bicycle/Pedestrian Bridge over Highway 101, which is currently in preliminary design, will include supports to allow for the future installation of a recycled water pipeline. The Ellis Street crossing will be constructed when the system is extended to serve the Middlefield/Ellis/Whisman Area. The Rengstorff crossing is the lowest priority and provisions are not currently being made for this crossing.**

**ITEM 4.4 INCREASE APPROPRIATION FOR SMART STATION FISCAL YEAR 2018-19 RECONCILIATION**

1. Are the fees imposed on construction activity to offset the cost to the City of disposal of construction and demolition debris sufficient, or would higher fees be justified? How much revenue is generated annually from construction and demolition debris box services?

**Fees are currently sufficient to offset service costs, according to analysis performed annually by Finance staff and as noted on page 43 of the FY 2019-20 Narrative Budget report ("Trash and recycling service charges are trending \$1.5 million (10.7 percent) higher than budget, mainly due to higher debris box revenue associated with the high level of development activity.") Revenue generated from debris box services was nearly \$4 million for FY 2018-19.**

**ITEM 4.5 ADOPT ZERO WASTE PLAN**

1. I thought that every other week garbage collection had been decided against?

**When Council approved the residential food scraps program, following the every-other-week pilot, staff recommended revisiting the possibility of every-other-week garbage collection in the future, after more progress had been made on reducing the amount of food, diapers and pet waste in the garbage. For this reason, the Zero Waste Plan includes an initiative to evaluate ways to reduce the garbage**

volume collected, with every-other-week collection among the possible options, but not a “for sure” strategy. Council would weigh in on alternatives in the future.

**ITEM 4.6 CONTRACT FOR ADMINISTRATION OF BELOW-MARKET-RATE (BMR) PROGRAM**

1. Could we replace Housing and Neighborhood services, and contract with PAHC to do the same thing?

The Housing and Neighborhood Services Division implements several programs, including financing affordable housing developments, the City’s housing impact fee programs, BMR implementation, management of the Federal Community Development Block Grant (CDBG) and HOME programs, the CNC Neighborhood program, and CSFRA oversight. Housing and Neighborhood Services staff also prepares reports and attends Council meetings, Council Committee meetings (such as CNC), and Commission meetings, and implements Council’s major goals and workplan items related to housing. BMR implementation is just one of the responsibilities of the Division, which also includes meeting with developers and coordinating with other City staff to determine an applicant’s BMR requirements, etc. PAH’s contract is focused on other aspects of the BMR program administration, such as asset management, compliance, annual recertification of existing BMR tenants, reviewing applications and managing the waiting list. Staff is not aware that PAH has expertise or interest in implementing all of the Housing Divisions programs.

**ITEM 7.1 SOUTH WHISMAN PARK, DESIGN, PROJECT 17-34-APPROVE CONCEPTUAL PLAN AND SELECT NAME FOR PARK**

1. What is a “post and platform” style play structure? What other styles are there? Do we put one of these into most or all of our 2-12-year old play structures or do we use other styles as well?

Post and platform play equipment refers to the post required to support the platform or surface such as for climbers, slides and swings. Non-post and platform play areas could be a merry-go-round, a maze, or water/sand feature where children can have imaginative play. Most of the City parks have post and platform play structures. Wyandotte Park will have both logs for climbing/imaginative play (non-post and platform) and post and platform equipment.

2. How do we solicit park names from the community? Do we make it clear that, because of our naming policy, we are very unlikely to select a name unless it relates to the street location or a historic figure or event?

For South Whisman Park, the process was initiated at the June 20 community meeting when park naming postcards were distributed. For the Parks and Recreation Commission (PRC) Meeting on September 11, the park naming opportunity was also included in the mailer and an e-mail notice of the PRC meeting to previous meeting attendees. The reference to Council Policy K-17 for naming parks is included in all communications and was reviewed at the June 20 meeting as well as the PRC presentation. Street location and historic figure names are both standard options according to the Council Policy, and therefore, staff does not emphasize a specific criterion.

3. Where will the exercise equipment be located? I don’t see it on the Figure 2.

Exercise equipment is located in the top quadrant of the circular area. The area consists of play areas, picnic areas and exercise equipment.

- On what streets is parking available in the surrounding area near the park? What is the estimated number of parking spaces on the surrounding streets near the park?

Both Pyramid Way and Infinity Way are public streets. Pyramid Way has a red curb on the park side, and parking is allowed on the other side. Parking is allowed on both sides of Infinity Way. Approximately 35 parking spaces are available directly adjacent to the park which would be shared with residents that choose to park on the street.

**ITEM 7.2 PROCUREMENT OPTIONS FOR NEW SOLID WASTE AGREEMENTS**

- What are the terms of the agreement that led to above-market prices for landfill disposal?

This agreement was made in 1991. Staff does not know how the original price compared to the market at that time. We understand that in the early 90s there was great concern about limited landfill capacity and decision makers were motivated to lock in a long-term agreement that was seen as benefitting the City. Limited landfill capacity is no longer as great a concern as it once was, due to widespread reductions in landfill deposits across the State since AB 939 was adopted in 1989 calling for 50% diversion from landfills, and the landfill disposal market has changed accordingly.

- Table 2 - What collection companies do these agencies use? (El Cerrito, Marin Group, Menlo Park, Redwood City, SBWMA (what does this stand for?), San Francisco, Santa Cruz County). I found Milpitas' and Palo Alto's collection companies in the staff report.

<u>City</u>	<u>Collection Company</u>
El Cerrito	East Bay Sanitary
Marin Group	Marin Sanitary
Menlo Park	Recology
Redwood City	Recology
SBWMA (South Bayside Waste Management Authority serving 12 jurisdictions in San Mateo County)	Recology
San Francisco	Recology
Santa Cruz County	GreenWaste Recovery
Milpitas	Milpitas Sanitation (Mission Trails family of companies)
Palo Alto	GreenWaste Recovery

- Does the City have any contractual financial obligations to the SMaRT station that extend beyond the current partnership agreement?

No.

- How much is the transfer station used by residents, businesses and City personnel?

Mountain View customers average 260 self-haul disposal transactions per month. While a breakdown by resident, business and staff is not available, we know about 112 visits of this monthly total are residents using clean-up program vouchers (choosing to self-haul to SMaRT rather than have curbside pickup). An average of 150 residents attends each of the three annual shredding events. We estimate an average of 60 residents per month pick up compost. About 35 Mountain View customers per month drop off e-waste. In addition, residents from all three partner cities drop off nearly 100,000 pounds of paint, batteries, bulbs and tubes, motor oil, antifreeze and auto batteries annually.

5. Has the same rationale been used as far back as staff can determine to continue to just negotiate with Recology?

When the 1993 agreement was extended in 2003 for another 10 years (to 2013), and again when the 2013 agreement was renegotiated (the agreement was substantially updated at that time), Council indicated good service and good value warranted retention of Recology, with the understanding that a bid process can result in either a decline or increase in costs and rates. Staff does not have easy access to detailed information before that time.

6. Wouldn't the City have more bargain power by working with Sunnyvale on the Smart Station to reduce landfill costs?

Possibly, however, Sunnyvale has already extended their agreement with Waste Management to 2030 at nearly the same terms as we currently have. Staff will evaluate both approaches, negotiating with Waste Management alone and in collaboration with Sunnyvale and other potential SMaRT partners.

### ITEM 7.3 SHENANDOAH SQUARE STRATEGY

1. The staff report say, "It is often problematic for local agencies to compete in a public sale of surplus Federal property because any bid would be contingent on the approval and appropriation of public funds by the legislative body. Contingent bids are generally not accepted by the Federal General Services Administration." Are there any strategies for addressing this?

One strategy could be for the Council to adopt a Resolution in advance of a public bid approving a bid in a specified amount, appropriate funds as part of the Council action, and authorize the City Manager to execute the bid submittal and all related real estate agreements. Considering a bid to purchase Shenandoah is likely to include funding from the school district, they would need to do a similar resolution. The School district would likely use State funds for a purchase, which may not be securable for a bid (the State may only grant funds for a specific purchase). It should be noted the "fair market value" for the site is likely to be substantial and securing that amount from strictly public sources may be difficult.

2. How much of former council plans are/should be relevant to this new planning situation?

In 2016, the City Council provided preliminary direction for a Shenandoah precise plan based on development scenarios at that time. The U.S. Army requested that the City not move forward with that precise plan. While there may be similar considerations related to Shenandoah today as there were in 2016 (City park needs, affordable housing needs, etc.), the current Council may provide completely different direction than that provided in 2016, as it was just gatekeeper authorization and not a binding action. Today's discussion of the Shenandoah Square Strategy is intended to solicit general Council direction regarding shared use of the Shenandoah site with the Mountain View Los Altos Union High School District.

### ITEM 8.1 BIKE SHARE AND SCOOTER SHARE PILOT PROGRAMS

1. P. 9 - what are easy, reliable connections? What are e-assist bicycles?

In the survey responses, easy, reliable connections related specifically to connections to transit services. For example, users would be more likely to use bike share to get from the Amphitheater to Mountain View Transit Center, if they were confident that they could make an easy connection to transit services that operated at the time they needed it and to the places they needed to go.



**E-assist bicycles are electric-assist bicycles, and are also known as pedal-assist bikes or Class 1 e-bikes. These bicycles provide riders a boost as they pedal.**

2. What constitutes an abandoned device? One not brought to a hub?

**Abandoned devices are those left outside a designated parking area and not attended to within the time period specified in the permit terms. In addition, abandoned devices can occur if a company discontinues business without removing their fleet.**

3. It sounds like pilot programs would only allow bikes and scooters to be used in MV's borders. Is that true? Can subsequent programs allow bike and scooter use in adjacent cities or on the train or light rail?

**The City of Mountain View may only regulate operations that fall within the City; however, the proposed regulations do not preclude interoperability, or traveling between jurisdictions. Furthermore, the proposed requirements have been discussed and developed in conversation with staff from transit agencies and neighboring jurisdictions to allow for a more regional program in the future.**

4. As scooters are not a bike or a pedestrian, why did the scooter share pilot program go to the Bicycle/Pedestrian Advisory Committee?

**Scooters will be operating in bike lanes and other areas that interact with bicyclists and pedestrians.**

5. If the bike share pilot continues, is it reactive (i.e., a company applies and staff responds) or proactive (i.e., staff actively recruits or issues an RFP or something along those lines to get a pilot in the City)?

**The program would continue to be one where a company would apply for a permit. Staff will continue to inform bike share providers about the City's pilot bike share program and encourage them to apply for a permit but staff does not recommend issuing an RFP.**

## **ITEM 8.2 INTERGOVERNMENTAL/LEGISLATIVE ADVOCACY PROGRAM OPTIONS**

1. What was the original purpose of exploring Intergovernmental/Legislative Advocacy Program Options? Was it mostly to provide more staff support for intergovernmental committees? Was it to address the many housing bills coming out of Sacramento?

**The purpose of the study session is to receive Council input on the expansion of the Intergovernmental/Legislative Advocacy program to support Council's desire to take a more proactive role in addressing issues at the regional, State and Federal government levels (e.g. CASA, SB 50, airplane noise, etc.). Staff developed options for expanding the program that range from increased staffing to hiring a lobbyist/consultant in order to provide Council with a range of legislative program structure options for consideration and to provide staff with direction on which option Council would like to explore.**

2. What are we trying to achieve and what are the costs and tradeoffs?

**Once Council provides staff with direction on which legislative outcomes they would like to achieve, staff can return with a more detailed analysis of the costs, tradeoffs and program scope for Council consideration.**