



February 12, 2020

Ms. Diana Pancholi, Senior Planner
 City of Mountain View
 Community Development Department | Planning Division
 500 Castro Street
 Mountain View, CA 94039-7540

RE: 1001 N Shoreline Blvd – Below-Market-Rate (BMR) Housing Proposal

Dear Ms. Pancholi:

On behalf of LH Shoreline LP, we respectfully submit this revised BMR Proposal for the 1001 N. Shoreline “Residences at Shoreline Gateway” Project (“the Project”) in response to the City of Mountain View’s Incomplete Letter #5 dated January 14, 2020 (Planning Division Comment #1). The unit mix of BMRs proposed in our letter dated November 1, 2019 has been adjusted to incorporate an additional two-bedroom unit in exchange for a JR unit. Below is the updated unit mix:

PROPOSED MIX – APARTMENTS

Subtotal	# Units	# BMRs		Very-Low (50% AMI)	Low (65% AMI)	Moderate (80% AMI)
JR	35	5		5	0	0
1BR	85	13		3	5	5
2BR	69	10		2	5	3
3BR	14	2		0	0	2
	203	30	15%	10	10	10

PROPOSED MIX - CONDOS

Subtotal	# Units	# BMRs		Moderate (90% AMI)
1BR	39	4		4
2BR	53	5		5
3BR	5	1		1
TH	3	0		0
	100	10	10%	10

The project proposes to provide 30 BMR rental units in the Apartment building (15% of 203 units), at a weighted average of 65% AMI, and 10 BMR ownership units in the Condominium building (10% of 100 units), at a weighted average of 90% AMI. The proposed 40 BMR homes will be distributed throughout the respective buildings and allocated across all unit types, excluding the limited number of premium penthouse units. The proposed distribution of BMR units by unit/bedroom type is shown in Table 2 above. All finishes, fixtures, equipment, amenity area access, common areas, parking facilities and interior treatments will be equal to those of the market rate units.

As you know, our project has been in process since December of 2015 when the City Council unanimously voted to allocate staff resources to the proposal via the Gatekeeper process. In April 2017, the City Council held the first Study Session at which time the project committed to provide 10% of the total units (30 of 303 units) at below market rates. Since then, while the project's CEQA study and design review process have progressed, the City Council amended the BMR Housing Ordinance to increase the inclusionary requirement for rental projects to 15% of units (known as the "Phase I" update). We acknowledge that the project is subject to this requirement and have increased the total number of BMR rental units to 30 units; in addition, we have committed to set aside 10 BMR ownership units (10% of the condominiums) on-site, for a total of 40 on-site BMR units. The City Council recently voted to approve an additional "Phase II" modification to the Affordable Housing Ordinance and created an exemption for Gatekeeper projects that meet certain criteria. The Residences at Shoreline Gateway is exempt from these additional Phase II requirements and was deemed complete by City Staff on December 20, 2019.

As noted on the proposed Vesting Tentative Map, we have reserved the option to convert the apartment units to for-sale condominiums in the future. Should the Project elect to convert, we will submit a condominium conversion application and follow all applicable ordinances and requirements in effect at that time (including any BMR requirements for the newly formed condominiums).

We submit this letter to satisfy all outstanding requirements to be deemed ready for a public hearing, and we respectfully request that the City provide written confirmation.

Thank you very much.

Respectfully,
SRGNC CRES, LLC



Chris DeHaan
Assistant Vice President
Residential Division



Janice Yuen
Senior Vice President
Commercial Division

Cc: Mr. Ryan McCarthy, Stockbridge
Mr. Barry Green, LH Shoreline LP