



October 7, 2020

City Council
 City of Mountain View
 c/o Kimbra McCarthy, City Manager (Via Email)
 500 Castro Street
 Mountain View, CA 94039-7540

Re: Public Comment for the October 13, 2020, City Council Meeting
Allocation of Community Benefit Funds (SummerHill/355-415 Middlefield Road)

Dear Hon. Council Members:

The Mountain View Los Altos High School District (MVLA) and the Mountain View Whisman School District (MVWSD) (together, the Districts) write this letter related to the above item that we understand will be on the City Council's October 13, 2020, Council meeting agenda.

Restrictions on Allocated Funds

We received City staff's draft recommendation to Council related to the allocation of \$2.34 million in Community Benefit funds provided by SummerHill associated with its development project at 355-415 Middlefield Road. That draft recommendation is for the City to provide school funding to both Districts. City staff summarized its recommendation with the following three points, and we have provided the Districts' response to each.

City Staff Recommendation	District Response
The funds shall be used for purposes consistent with the limitations of State developer fees, except shall not be used for the study, administration or adoption of such fees.	The Districts agree with this limitation.
A purpose for which the funding shall be used shall be reported within five years of receipt, consistent with the requirements for State developer fees.	While the Districts agree in principle with this idea, the five years should begin running upon the issuance of building permits for the SummerHill project, not when the funds are provided to the Districts. Many development projects can be paused or suspended, especially during these unpredictable times. The Districts do not intend to delay a determination of the



	<p>use of funds the City allocates, but until the development actually begins, deciding where and how to increase classroom capacity may need to adapt to changes in that development.</p>
<p>The funds shall be used to create or expand schools that East Whisman students would reasonably attend.</p>	<p>The Districts instead suggest that the use of funds follow the statutory provisions regarding the use of developer fees, which is to show a “nexus” between the development and the expenditure. It may be that the best method to accommodate the students generated by a development will be to adjust intra-district boundaries to have the students from SummerHill’s project go to existing classrooms at the closest site to the development. If that were to be the case, then the use of the allocated funds would be to increase the size of a receiving school that takes the students that will no longer go to the school where the SummerHill students will go. That “nexus” is permissible under the developer fee statutory structure and should be followed here.</p>

Amount of Allocated Funds

We note that in City staff’s draft recommendation, the amount of the allocation was not indicated. We therefore assume that the City is considering an allocation of all of SummerHill’s \$2.34 million in Community Benefit funds to the Districts. If the City is considering an allocation of less than that amount, we ask the City to please consider the following:

1. In the Spirit of Cooperation between the City and the Districts regarding voluntary contributions, an important and encouraging message to developers can be sent if the City allocates \$2.34 million of Community Benefit funds to the Districts. City Staff has indicated a shortfall of \$1.06 to \$2.34 million if the Districts receive and split only the \$1.5 million voluntary contribution from the Developer.
2. While \$2.34 million will result in a lower payment per dwelling unit than was paid by Sobrato, it helps close the shortfall gap. Please see the comparison table in item 4 below.
3. The cumulative impact of development in Mountain View (a projected 20,000 dwelling units) will generate 1,512 K-5 students, 936 6-8 students, and 1,152 9-12 students. The total cost to house those students is \$23,494/dwelling unit. While the Districts will pursue



all available school construction funding options, closing the funding gap without drastic action is improbable. Even so, the Districts are thankful for and reliant on the City’s per-project, incremental and voluntary approach.

4. Funding Source Comparisons:

Total K-12 Construction Costs	Sobrato (including State statutory fee)	Summerhill (including State statutory fee)	
		<u>With</u> Community Benefit	<u>Without</u> Community Benefit
\$23,494/DU	\$18,897/DU	\$13,598/DU	\$8,544/DU

We reiterate our continued thanks to the City Council and its staff’s continued cooperation to help find funds to construct school facilities for the students that will come from new developments in Mountain View.

Sincerely,

Nellie Meyer, Ed.D., Superintendent

Respectfully,

Ayindé Rudolph Ed.D., Superintendent

Cc: The Board of Trustees, MVLA (via email) The Board of Trustees, MVWSD (via email) Krishan Chopra, City Attorney (via email) Eric Anderson, Principal Planner (via email), Aarti Shrivastava, Community Development Director (via email), Phil Henderson, OHSB (via email), Jack Schreder (via email), Mike Mathiesen, MVLA (via email); Rebecca Westover, MVWSD (via email)

Attachments: MVLA MVWSD Joint Letter to City Council-16 September 2020
 MVW-EPC-16 Sept 2020-Item 5.2-Ex.1-Reso-MVLA-MVWSD Comments accessible
 MVW-EPC-16 Sept 2020-Item 5.2-Ex.1-Reso-MVLA-MVWSD-Comments shown