



June 9, 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  
Item 8.1: Citywide School Strategy  
June 9, 2020, City Council Meeting

Dear Hon. Council Members:

The Mountain View Los Altos High School District (MVLA) as well as The Mountain View Whisman School District (MVWSD) supports smart growth in Mountain View. That means that our families must not only be able to afford to live and work in Mountain View, but it also means our students must be assured of the same high-quality educational experience and state-of-the-art school facilities that we currently have in Mountain View.

We sincerely thank the City Council and its staff for its continued cooperation to achieve this community need. For over three years, both MVLA and MVWSD have been actively engaged at the staff level and at the Council and Board level in many discussions with the City and developers, specifically about the East Whisman and North Bayshore developments.

We fully understand the constraints that bind the City's actions. Much of this letter is therefore also an invitation to the developers, especially those in the East Whisman and North Bayshore areas, to meet with the school districts – for as many times and for however long it takes – to provide concrete commitments to assume responsibility to pay for the facilities the school districts will need to educate the students that come from those developments.

### **Statutory Fee**

Before addressing some of the items in the City Staff Recommendation document directly, we must emphasize that the statewide statutory school impact fee (currently \$4.08 per square foot for residential construction and \$0.66 per square foot for commercial/office construction) is exactly that – one fee for the entire state of California. For some communities with lower land costs and lower labor costs, it might be close to what would be needed to cover the costs of the services required for the new development. But for the vast majority of school districts, it is inadequate. Developers will tell you the same thing. That is why there are hundreds of



developer fee agreements (“in lieu” agreements, “fee mitigation” agreements, etc.) throughout the state in which developers agree to greater funding, donated land, etc., for the benefit of their developments.

For MVLA and MVWSD, it is not hyperbole to inform the public that the current funding models being considered will guarantee only enough funds for the District to install permanent modular or similar type classrooms on current blacktops, fields and parking lots. There is no way under the amount of funding contemplated in the Citywide School Strategy – even if developers pay 2.5 times the statutory fee – that MVLA and MVWSD will be able to place a school site on land near either of those developments or will be able to construct new, comparable facilities at the District’s current sites.

The question is: What kind of school do you want in these new communities? What kind of schools do the developers want to advertise to its further residents? What kind of schools do those future residents want their children to attend? If the answer is that each of these groups is OK with driving their students across town to attend classes in a modular classroom, then we can stop our discussions now. But we do not believe anyone would be satisfied with that conclusion, and you can be assured that the MVLA and MVWSD governing boards will never be satisfied with that conclusion.

There are two general categories in the Staff Recommendation document: (1) voluntary developer contributions and (2) City contributions. We address each of those below.

### **The Citywide School Strategy – Voluntary Developer Contributions**

Page 8 of the Staff Recommendation document states that the Citywide School Strategy is intended to identify a funding gap to developers and that “...Mountain View’s schools are in need of resources that are not anticipated by State law or traditional funding mechanisms, and provides a clear estimate of that need.” That is well said and we couldn’t agree more. We also understand the City’s position of balancing the developers’ resistance and the Districts’ needs. The City is constrained.

- **Diminishing Expectations for Voluntary Contributions.** While we understand the above constraint, we do not want to head in the wrong direction:
  1. **Sobrato.** After negotiations that started in 2017, MVLA and MVWSD entered into a joint developer mitigation agreement with the Sobrato Organization in January 2020, wherein Sobrato agreed to pay MVLA and MVWSD a total of \$1 million, or \$18,897 per dwelling unit, to mitigate the impact of its development. This was a compromised, reduced amount and was never intended to be precedent setting.

2. **Summerhill.** A month ago, the City approved a Summerhill development. Summerhill appears to have offered additional funding – but has not formally committed or entered into any agreement with MVLA and MVWSD – to pay approximately \$4.1 million, or \$8,885 per dwelling unit.

The City has since received one letter from the BIA and is now asking that future developers voluntarily give something. The school districts are concerned that expecting developers to voluntarily contribute more with the above track record is neither sustainable nor likely to be successful.

- **TDRs.** This appears to have worked well for the Los Altos School District (LASD), and we are encouraged and happy for our partner school district. Even so, we have seen no indication from any developer in the East Whisman or North Bayshore developments that it has development rights in one area and is willing to move (transfer) those rights to another area in order to free up land for either MVLA or MVWSD. Even so, we are of course willing to be flexible and accommodating if a viable TDR process is approved and there is a developer with available development rights and viable land options. From our perspective, this is currently too speculative. We must assume this will not occur and consider all other options. If this materializes at some point, then we will certainly consider it.
- **Increased Office Fees.** The current statutory fee for office space (commercial space) is \$0.66 per square foot. In the current reality where businesses are considering what office space they need and whether many employees will be working from home, this shifting of a higher fee to office and a lower fee to residential – both of which would be voluntary – is also speculative.

### **The Citywide School Strategy – City Contributions to Schools**

We are very encouraged by a focus in the Staff Recommendation document on opportunities for the City to contribute its funds – including the funds it receives from developers – to the school districts.

- **Park Fees.** One example is the sharing of park fees that the City assesses on developers. MVLA is open to and MVWSD currently participates in shared use with the City and the City's Park Division and Recreation Division. We respectfully request more certainty. For example, for each acre of land shared with the City under a joint use/maintenance agreement, how much of the City's Park Fees would the City provide?
- **Shoreline Regional Park Community.** The Staff Recommendation document mentions the Shoreline JPA document as a source of funding to both MVLA and MVWSD. We suggest



initiating a fresh review by all parties regarding the allocation and disbursement of those tax increment funds.

- **“Community Development” Funds.** The Staff Recommendation document recommends that the City not agree to provide to MVLA or MVWSD any of the “community benefit” funds that Summerhill provided to the City. We ask that the City provide those funds to MVLA and MVWSD. In addition to the shortfall in school facility funding generated by these developments, these funds would be a partial bridge at least between the Sobrato contribution versus the Summerhill contribution as described above.

### **“Sources” are Uncertain and Impact the Developers**

We also address Attachment 4 to the Staff Recommendation document (“School District Funding and Cost Reduction Sources”).

- **“Bonding”:** MVLA and MVWSD both have active bond programs voted on by its residents. Both MVLA and MVWSD have utilized much if not most of their current bonding capacity. Even if we could structure a bond for the East Whisman and North Bayshore developments, there is no voting base in East Whisman or North Bayshore to approve a bond program for those areas. We are uncertain that Mountain View residents, in the currently-populated areas, would agree to fund a \$500 million to \$1 billion in a future area of the community where those current residents do not live.
- **“State Reimbursement”:** The State failed to pass the most recent statewide bond program in March 2020. All the existing funds in the current State bond program are accounted for by school districts with existing “eligibility” for those funds. Neither MVLA nor MVWSD have sufficient eligibility to make even a small dent in the \$1.2 billion need for schools for the City’s new developments.
- **“Smaller School Sizes”:** Both MVLA and MVWSD have already reduced the acreage for its future sites in previous discussions with some developers, but there are California Department of Education requirements for school sizes that both MVLA and MVWSD must comply with. We can consider smaller designs and seeking a waiver from CDE, but no one should assume that trimming an acre here or there will be financially impactful or that it will be acceptable to residents and Board members who expect equitable and comparable facilities throughout the community.
- **“Shared Facilities”:** MVLA has two comprehensive high schools. The number of students that the East Whisman and North Bayshore developments will generate will fill an entire high school on their own. When both development areas / communities come to maturity, MVWSD will have more middle school students than are currently enrolled in our largest



Middle School: Graham. Additionally, the numbers suggest that MVWSD will actually need 3 elementary schools (2 in North Bayshore and 1 in East Whisman). MVWSD has already developed an urban elementary school design, on a smaller acreage footprint, to address a larger number of students. It is not a viable solution to assume that any existing MVLA or MVWSD sites could accommodate more students. They deserve and will demand schools at every level in their community

- *“Existing Land”*: This is closely related to the *“Shared Facilities”* item above. MVLA does not want to have to buy more land. But MVLA does not own existing land that it can use to house and educate the students that the East Whisman and North Bayshore developments will generate. MVWSD is willing to investigate utilizing a leased property to reduce our need for additional space, but the district will need assistance with absorbing the penalties for breaking a lease. Utilizing an existing site does not diminish MVWSD’s need for elementary schools within the two planned communities.
- *“Mello Roos and Other Programs”*: This is a viable option to both MVLA and MVWSD, but it is not a school funding source. This is a funding source that will rest with the residents of the East Whisman and North Bayshore developments. The developers will pay for this and then pass it on to the ultimate buyers and renters. This is a reasonable, equitable and a traditionally-successful funding mechanism. Both MVLA and MVWSD are ready, willing and able to discuss this option with all developers in the East Whisman and North Bayshore area and with the City. The City, too, should consider being part of a Mello Roos structure. Instead of assessing its array of fees and costs to developers in East Whisman and North Bayshore, the City could waive those and be part of an overall community funding mechanism in that area that would ensure all City needs and school district needs. While MVLA and MVWSD can seek a Mello Roos district in the East Whisman and North Bayshore area, we can also partner with the City in that process.

## **Conclusion**

We want to again sincerely thank the City Council and its staff for its continued cooperation and tireless efforts to help find funds to construct school facilities to educate the students that will come from the developments the City approves. And we understand the constraints upon the City. Please understand that we very much want that cooperation to continue and that for our shared goal to be achieved. We will take all necessary steps with you to that end.

Sincerely,

A handwritten signature in black ink that reads "Nellie Meyer". The signature is written in a cursive, flowing style.

**Nellie Meyer, Ed.D., Superintendent**



Respectfully,

A handwritten signature in black ink, appearing to read "AR", with a long, sweeping horizontal stroke extending to the right.

**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, OHS (via email)  
Mike Mathiesen, MVLA (via email)  
Rebecca Westover, MVWSD (via email)