



January 22, 2024

**RE: City Council Meeting January 23, 2024  
Item 7.3 – 2024 Gatekeeper Review Process**

Dear Mayor Showalter and esteemed members of the City Council:

The Mountain View Chamber of Commerce appreciates the opportunity to comment on the proposed process to accept Gatekeeper applications in 2024. The Chamber supports moving forward under current Gatekeeper rules to meet the June 2024 Housing Element deadline. Unfortunately, Option 1 introduces new evaluation criteria above and beyond the current Gatekeeper rules. We do not support Option 2 (delay the Gatekeeper process until new criteria are adopted) for the reasons outlined below.

Over the years, the Chamber has consistently sourced input from our members on this issue. On January 12, 2024, we convened a meeting of over 15 developers, both large and small, to gain their perspectives on the items raised at the Dec. 5, 2023 Study Session. Their comments are incorporated in this letter.

**1. The 2024 process should move forward under current Gatekeeper rules**

We respectfully request that the Council move forward this year under the current Gatekeeper rules. In the Staff Report, this would be **Option 1, with one major exception: we ask the Council to remove the “new Qualifying Criteria” from the 2024 evaluation process entirely.**

As shown in the excerpt below, under the “Current Gatekeeper Process” option, Staff is proposing to evaluate applications based on both the “current authorization criteria” AND “the new qualifying criteria”. (Pg. 3 of the Staff Report). We ask that Staff only evaluate projects based on the current criteria.

Current Gatekeeper Process

Staff report for authorization hearing will evaluate applications based on:
<ul style="list-style-type: none"><li>• The current authorization criteria; and</li><li>• <b>The project’s alignment with the new qualifying criteria</b>, and community design principles as additional consideration for Council.</li></ul>
Council authorization hearing: <b>Q3 2024.</b>

Based on commitments made in the 2023 – 2031 Housing Element, prospective Gatekeeper applicants have been expecting the process to start this Spring and for applications to be due at the end of June 2024.

Although the Council has been discussing potential reforms to the process, the City only just introduced the idea of establishing “Qualifying Criteria” requiring certain “Community Benefits” in the Dec. 5, 2023 Council Study Session Staff Report.



- As Council directed, more input on the Qualifying Criteria and the imposition of specific Community Benefits is needed from stakeholders. This is not a process that should be rushed.
- Project applicants may not have the ability to build the proposed Community Benefits into their project design and economics at this late date.
- This is a very challenging economic period post pandemic for all types of projects. It is especially tough to make multi-family residential projects pencil with current construction costs, interest rates, and other development costs. Introducing significant new project costs at this stage may render quality projects infeasible.
- The Chamber supports the establishment of Community Design Principles to ensure projects incorporate these elements at the outset of the process. These should remain part of Option 1.

## **2. The Qualifying Criteria should be deferred to the 2025 Gatekeeper process**

The overwhelming comment expressed by Chamber members is concern over the feasibility of the proposed Qualifying Criteria. This is the first significant change to the process in 8 years. We recommend the Council defer any changes to 2025 to allow sufficient time to fully vet the new requirements and to get buy in from stakeholders to ensure a successful launch to the next era of Gatekeepers.

- Our development members are fully committed to aligning their projects with community and Council priorities and intend to deliver compelling projects with significant community benefits. The concern is that each project is unique in its opportunities and constraints, and it is difficult to come up with a “one size fits all” set of objective criteria.
- One suggestion is to establish “Guiding” Criteria (instead of “Qualifying”) that highlights Council priorities for a given year but leaves applicants with a little more leeway in determining how they meet the City’s needs. Guiding Criteria would send clear direction to the development community and should yield high quality projects for Council consideration.
- Another suggestion is to allow applicants flexibility to “mix and match” among the different criteria, or to propose “alternative community benefits” for Council consideration.
- Members also expressed concern over how the City is defining Spot Zoning. We would appreciate further clarification, preferably with specific examples.

## **3. Compliance with Mountain View’s 2023 - 2031 Housing Element**

The Chamber is concerned that the proposed changes to the process would create additional constraints on housing production in conflict with the goals, policies, and programs in the Housing Element.

- We encourage the Council to comply with its commitment under Housing Element Program 1.3 (g) to hold Gatekeeper authorization hearings annually, without further delay, and to begin accepting applications by June 2024.



- We encourage the Council not to implement new Qualifying Criteria that increases the cost burden on housing production in conflict with the Housing Element goals, policies and programs intended to alleviate such burden.
- We further encourage the City to reconsider the imposition of costly Community Benefits in light of the Housing Element’s goal to reduce the “**Cumulative Impacts of Governmental Constraints**” on housing such as “affordable housing, parks, transportation impact fees, transportation demand management, community benefits, parking, design, building, and infrastructure, as well as the impact of City processing times and school district fees and taxes.”<sup>1</sup> (See also Programs 1.8 and 1.9.)
- We encourage the City to comply with Program 1.3 (f) to identify additional Gatekeeper exemptions for residential projects based on location, size, affordability, and other policy goals. The City should consider exempting residential and residential mixed-use projects from the Gatekeeper process altogether, or create a streamlined process for projects that include housing.
- We encourage the Council to create increased opportunities for project-specific rezonings through the Gatekeeper process, in compliance with Program 1.3.

#### **4. All Project Applicants should have the right to be heard by Council**

Another universal comment from members is the need to allow all projects the right of appeal to Council.

- We support the Council’s goal of reducing the burden on Staff and Council review of projects, and we understand the desire to discourage projects that have little to no probability of receiving Council approval.
- Nevertheless, our members feel strongly that all project applicants should be entitled to be heard and make their case to Council and the community. This right of appeal to Council is prevalent throughout the City code and will ensure that applicants feel they are treated fairly and equitably.
- Perhaps Staff could establish a mandatory preliminary meeting with prospective applicants to discuss the viability of success at the Council.

It has been quite some time since the last revision of the General Plan and Precise Plans, and there have been significant changes to Mountain View during that time, including the accelerated need for affordable housing and the economic challenges of the pandemic. Therefore, without further delay, the Chamber urges the Council to begin accepting applications - to be due by June 28, 2024 - under the current Gatekeeper rules, and not the amended version presented in the Staff Report.

Further, we urge the Council to take the time needed to create a process for reviewing General Plan, Precise Plan and zoning amendments, which balances the concern for Staff resources with pressing housing needs and the importance of providing an avenue for quality projects of all types.

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<sup>1</sup> Mountain View Housing Element | Appendix D: Constraints Analysis, Pg. 244



Our members welcome the opportunity to partner with the City to find solutions that strengthen the Gatekeeper process. Thank you for considering these comments.

Respectfully,

A handwritten signature in black ink, appearing to read "Peter Katz", is written over a faint, light-colored circular watermark or background.

Peter Katz  
President & CEO  
Mountain View Chamber of Commerce