From: <u>David Meyer</u>

To: Ramirez, Lucas; Hicks, Alison; Abe-Koga, Margaret; Kamei, Ellen; Lieber, Sally; Matichak, Lisa; Showalter, Pat

Cc: Shrivastava, Aarti; City Clerk; Anderson, Eric B.

Subject: SV@Home Letter RE: Item 6.1 - EWPP Nexus Study Fees

Date: Tuesday, May 24, 2022 3:23:41 PM

Attachments: SVH Letter RE - EWPP Nexus Study Fees 052422 (final).pdf

CAUTION: EXTERNAL EMAIL - Ensure you trust this email before clicking on any links or attachments.

Dear Mayor Ramirez, Vice Mayor Hicks, and Councilmembers Abe-Koga, Kamei, Lieber, Matichak, and Showalter:

On behalf of Silicon Valley at Home, we write today to provide comments on the East Whisman Precise Plan Development Impact Fee Nexus Study. SV@Home has been a strong supporter of the City of Mountain View's efforts to transform this primarily commercial and office park area into a vibrant, walkable mixed-use neighborhood. We recognize that this transformation requires investments in infrastructure (alongside parks and schools) and believe the Council should adopt a fee structure that meets those needs without undermining one of the Plan's key goals: new residential development at a range of income levels.

We are concerned that the maximum infrastructure fees that could be applied under the Nexus Study would have an adverse impact on the feasibility of residential construction. The staff report specifically calls attention to this issue, noting that the City of Mountain already imposes high fees on residential development at a base level. It is particularly striking that the maximum potential fees place additional burdens on two and three-bedroom apartments. The City Council has frequently stated an interest in ensuring that developers produce a diversity of housing sizes as part of their proposals. Disproportionate fees on larger units could undermine these goals.

On the other hand, we strongly support the staff recommendation to exempt 100% affordable housing developments from additional fees. However, we also know that landowners who are seeking to meet their affordability requirements through land dedications or on-site inclusionary could be forced to shrink their market-rate proposals if the fees are too high, which would directly impact their affordability obligations and the total number of new affordable homes produced. In this way, if market-rate residential development fees are too high, the City will have a harder time meeting its affordability goals for the plan area.

SV@Home believes that cities can find a balance between the fees necessary to achieve redevelopment goals without jeopardizing housing development. We urge the Council to carefully consider how these fees would impact the financial feasibility of residential development in East Whisman when setting this policy.

Sincerely,

David

David Meyer Director of Strategic Initiatives 408-462-1572

david@siliconvalleyathome.org



#ReimaginingHome Learn more about Affordable Housing Month 2022



May 24th, 2022

Board of Directors

Kevin Zwick, Chair United Way Bar Area

Gina Dalma, Vice Chair Silicon Valley Community Foundation

Candice Gonzalez, Secretary Sand Hill Property Company

Andrea Osgood, Treasurer Eden Housing

Shiloh Ballard Silicon Valley Bicycle Coalition

> Bob Brownstein Working Partnerships USA

Amie Fishman Non-Profit Housing Association of Northern CA

> Ron Gonzales Hispanic Foundation of Silicon Valley

> > Javier Gonzalez Google

Poncho Guevara Sacred Heart Community Service

Janice Jensen Habitat for Humanity East Bay/Silicon Valley

Janikke Klem

Jan Lindenthal MidPen Housing

Jennifer Loving Destination: Home

Mary Murtagh *EAH Housing*

Chris Neale The Core Companies

Kelly Snider Kelly Snider Consulting

Staff Regina Celestin Williams Executive Director Mayor Ramirez and Mountain View City Council 500 Castro St.

Mountain View, CA 94041

Dear Mayor Ramirez, Vice Mayor Hicks, and Councilmembers Abe-Koga, Kamei, Lieber, Matichak, and Showalter:

RE: Item 6.1 - East Whisman Precise Plan Development Impact Fee Nexus Study and East Whisman Development Impact Fee

On behalf of Silicon Valley at Home, we write today to provide comments on the East Whisman Precise Plan Development Impact Fee Nexus Study. SV@Home has been a strong supporter of the City of Mountain View's efforts to transform this primarily commercial and office park area into a vibrant, walkable mixed-use neighborhood. We recognize that this transformation requires investments in infrastructure (alongside parks and schools) and believe the Council should adopt a fee structure that meets those needs without undermining one of the Plan's key goals: new residential development at a range of income levels.

We are concerned that the maximum infrastructure fees that could be applied under the Nexus Study would have an adverse impact on the feasibility of residential construction. The staff report specifically calls attention to this issue, noting that the City of Mountain already imposes high fees on residential development at a base level. It is particularly striking that the maximum potential fees place additional burdens on two and three-bedroom apartments. The City Council has frequently stated an interest in ensuring that developers produce a diversity of housing sizes as part of their proposals. Disproportionate fees on larger units could undermine these goals.

On the other hand, we strongly support the staff recommendation to exempt 100% affordable housing developments from additional fees. However, we also know that landowners who are seeking to meet their affordability requirements through land dedications or on-site inclusionary could be forced to shrink their market-rate proposals if the fees are too high, which would directly impact their affordability obligations and the total number of new affordable homes produced. In this way, if market-rate residential development fees are too high, the City will have a harder time meeting its affordability goals for the plan area.

SV@Home believes that cities can find a balance between the fees necessary to achieve redevelopment goals without jeopardizing housing development. We urge the Council to carefully consider how these fees would impact the financial feasibility of residential development in East Whisman when setting this policy.

Sincerely,

David K Meyer

Director of Strategic Initiatives