

Mountain View Coalition for Sustainable Planning 817 Montgomery Street Mountain View, CA 94041

November 5, 2019

Mountain View City Council City Hall, 500 Castro Street PO Box 7540 Mountain View, CA 94039-7540

Re: 6.3 East Whisman Precise Plan

Dear Mayor Matichak and City Council members:

The Mountain View Coalition for Sustainable Planning (MVCSP) appreciates the opportunity to provide comments on the East Whisman Precise Plan (EWPP) you will be considering at your meeting this week. We found the EWPP, along with the Staff report and attachments, to be very thorough and impressive. Certainly, the details required for this plan are very complex, and there has been a long history of public engagement, as you know, going into its development. We know you will have much to discuss to approve adoption, and we are providing a few brief comments here that we hope will help you in your process and to achieve the goals many of us would like to see in its successful implementation.

- The most important goal of this precise plan should be to develop 5,000 new residential units, 1,000 of which will be affordable as envisioned in the EWPP. We are very supportive of the Jobs-Housing Linkage Program to ensure that housing is built at generally the same time as the 2 million square feet of office development. However, we want to ensure that residential development is financially feasible.
- The Seifel economic feasibility conclusion in Attachment 6 is sobering: "The financial analysis indicates that many residential developments may not be financially feasible without significant reductions in project costs and/or financial assistance." Due to the high cost residential developers will be looking at for their East Whisman area projects, some cost sharing and cost reductions can help to provide the incentives they are likely to need to achieve financial feasibility. This can be done in two ways: By shifting some cost responsibility from the residential developers to the commercial developers and/or, as a secondary alternative, by reducing fees and other costs imposed by the City. We recommend consideration of the following:
 - Eliminating the \$5 per square foot residential fee for community benefits. We believe that the 15% affordable unit requirement that adheres to the Citywide Below-Market-Rate program is a

significant community benefit and there is no need to burden residential developers with additional community benefit fees. An alternative would be to increase the commercial community benefit fee from \$25 to an amount that would make up the lost community benefit revenue from residential development.

- The Seifel Consulting, Inc. analysis shows that there is a \$60,000 parkland dedication in-lieu fee per apartment unit based on current land values. While the City is considering broadening the eligibility of parkland fee credits, this fee is very burdensome and could be a significant disincentive to residential housing production. The City should consider conducting a more detailed analysis on needed in-lieu fees with consideration of either lowering the fees and/or equitable sharing of fees between the commercial and residential developer. The Administrative Guidelines the East Whisman Precise Plan Job-Housing Linkage Program could either encourage or require such parkland dedication in-lieu fee sharing between the commercial and residential developer.
- We do appreciate the responsiveness of City Staff to providing improved incentives for TDR residential developers to sell their demolished office floor area and the ability to partner with office development for the Development Reserve. This not only improves the potential success of the TDR program, but also provides increased financial feasibility for residential developers.
- Eliminate the requirement for residential developers to join the TMA until there is a robust TMA for the East Whisman area.
- Because the City is asking for commercial developers to partner with residential developers to ensure the necessary jobs/housing balance results, they might welcome the availability of City resources for facilitating communications between them and the residential developers. For example, the City might be in the best position to know when there is a good fit between a given commercial development and residential development in the planning phase and can help bring the parties together. And they can help walk both parties through the partnering process. If nothing else, providing the message that "we're all in this together."
- Although we recognize the need for the level of complexity we see in the plan and its associated documents, we are concerned that this could effectively be a barrier to smaller developers. Ideally, as many qualified developers as possible should be able to consider the East Whisman area for their projects in order to provide the best range of concepts and approaches.

Thank you again for the opportunity to comment.

Sincerely,

Buce England

Bruce England for the Mountain View Coalition for Sustainable Planning

cc: Eric Anderson, Principal Planner Aarti Shrivastava, Community Development Director Dan Rich, City Manager Lisa Natusch, City Clerk

About Mountain View Coalition for Sustainable Planning

The Mountain View Coalition for Sustainable Planning is a group of local volunteers dedicated to making Mountain View as beautiful, economically healthy, transit, bicycle, and pedestrian accessible, and affordable as possible. MVCSP member interest and expertise covers areas such as housing, transportation, the environment, the economy, and beyond!

For more information, see <u>http://www.mvcsp.org</u>. To contact us, send email to <u>mvcsp.info@gmail.com</u>.