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September 10, 2019

Honorable Mayor Matichak and Members of the City Council  
City of Mountain View  
500 Castro Street  
Mountain View, CA 94041

Dear Mayor Matichak, Vice-Mayor Abe-Koga, and Councilmembers Clark, Hicks, Kamei McAlister, and Ramirez,

**Re: Item 7.1—Lot 12 RFQ and Final RFP Components**

On behalf of SV@Home and our members, we write you today with several recommendations that further support a standalone affordable development on the publicly-owned Lot 12 parcel in downtown Mountain View.

Located right off the bustling downtown with ready access to retail, it is also only a short walk from the downtown Mountain View transit center, accessible to Caltrain, VTA, and the City's highly-regarded shuttle system. These factors can translate to lower parking requirements and retail demands, making an 100% affordable project both economically feasible and a low impact, easily integrated addition to the community.

For ease of reading, our recommendations are broken down according to the questions in the staff report:

**Question 1: Parking replacement and subsidy:**

- The council should **eliminate the requirement for building replacement parking**. Replacing 160 spots could require up to half of the lot for a multi-level garage, which would be an inefficient use of public land and money.
- Building parking is highly expensive. According to the latest estimates from [Rider Levett Bucknell](#), building aboveground parking structures costs **\$41,000 to \$53,000 per parking space** (including access aisles), or about **\$73,000 to \$91,000 per underground parking space**.
- Additionally, when weighing parking options, we hope the council keeps in mind that any **reductions in parking spaces on the site would free up more space for affordable housing units**.
- If the council should choose to replace the 160 public parking spaces on site, the city should fully fund any replacement parking. To maximize the benefit of an affordable housing development, **parking costs should be borne by office development, not affordable housing units**.

Question 2: Maximum parking ratio for affordable units

- **We agree with staff's recommendation for a 0.75 space per unit maximum.** Lot 12 is located in a highly walkable ([Walk Score: 93](#)) and transit-accessible area, and is likely to see low residential parking demand.
- For comparison, the nearby market-rate project **Park Place provides 1.34 spaces per unit but only 0.94 spaces per unit were used**, leaving 30% of the spaces unused, at an estimated cost of **\$91,179 per unoccupied parking space** (source: [GreenTrip Parking Database](#)).
- Low income households drive and own 50% less vehicles than high income households, so a **parking ratio of 0.4 to 0.5 spaces per unit is well-supported** (source: [TransForm](#), p. 3).

Question 3: Does the Council continue to support 6 stories?

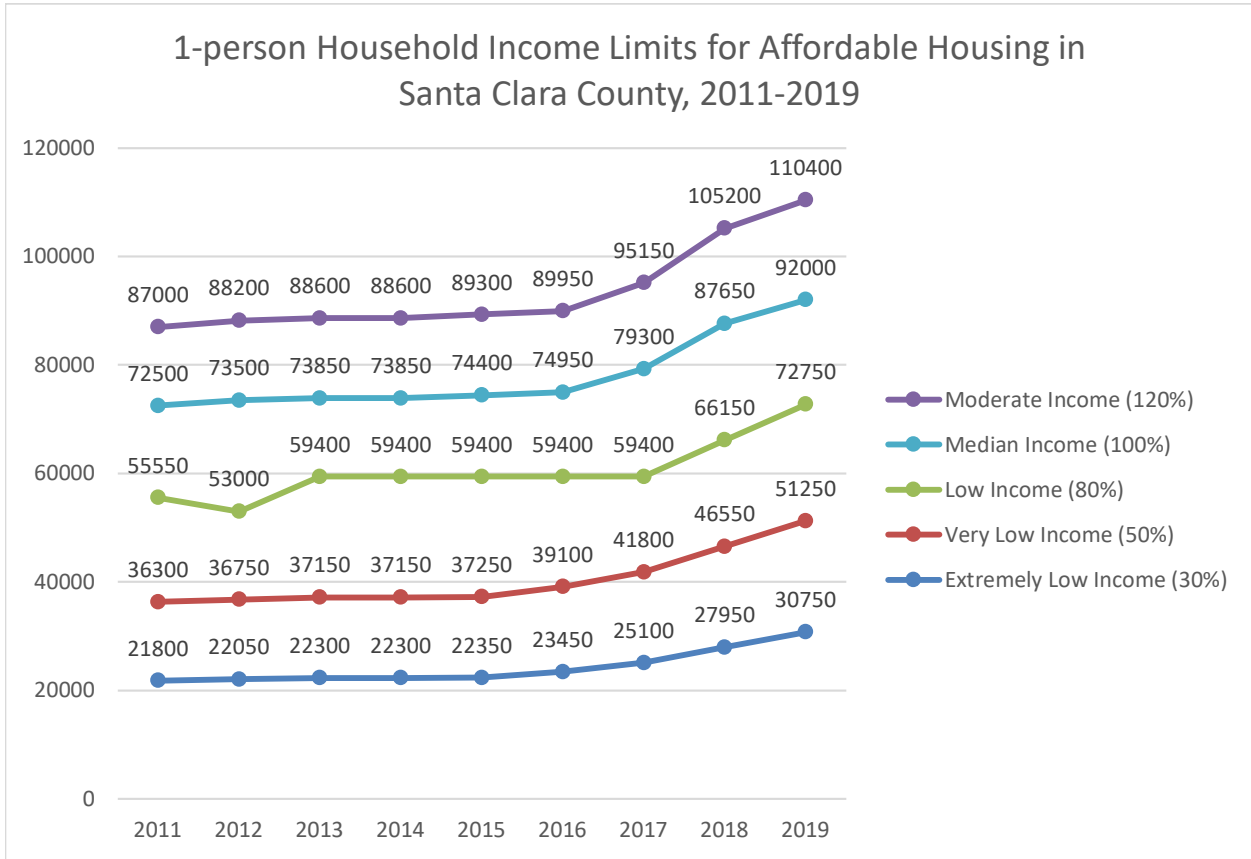
- In order to maximize the use of this public land for affordable housing, **we strongly support allowing 6 stories on this site.**
- The site is directly adjacent to 12-story and 6-story office buildings to the east, the Performing Arts Center to the south, 1-story buildings on the west, and a parking lot and 2-3 story residential buildings to the north, so a 6-story building is consistent with the neighborhood character.

Question 4: Retail component subsidy and parking

- Since the development is located downtown, low or no parking for retail uses is appropriate. Many visitors to ground floor retail may be coming from a nearby workplace such as City Hall or the Bank of America building, or from the housing portion of the development.

Question 5: Affordable Housing AMI levels

- Creating inclusive communities with people from multiple income levels is a desirable public policy goal. However, lower income households typically spend a larger share of their income on rent and are at a higher risk for displacement than moderate income households, so the council should **take care to insure that low-income or below units are a majority of the eventual Lot 12 development.**
- As mentioned in the staff report, moderate rents at 100% AMI are similar to average citywide rents, and moderate rents at 120% AMI are higher than the citywide average.
- Large proportions of moderate income housing also present a funding challenge and require more city subsidy, as they do not qualify for affordable housing tax credits.
- It is also worth noting that AMI levels are rising as displacement of low-income households continues and new high-wage workers move into the area. Since 2016, thresholds have changed so rapidly that many households that would have been considered moderate income then would be considered low-income now. See the chart below for a detailed breakdown of rising AMI levels:



This Council knows well that developing affordable housing is expensive, challenging, but extremely necessary. We commend Mountain View for making Lot 12 available for affordable development. We also want to thank staff for their detailed comparison of different options for the site.

We hope that our recommendations are helpful in the council’s consideration of options for the Lot 12 RFP, and sincerely appreciate your consideration of our comments.

Sincerely,

David K Meyer  
 Director of Strategic Initiatives

