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Transmitted via email

June 7, 2016

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

Re: June 7, 2016 City Council Meeting: Companion Unit Ordinance Update and Other Potential Text Amendments — Agenda Item 6.2

Dear Mayor Showalter, Vice-Mayor Rosenberg, and Councilmembers Clark, Inks, Kasperzak, McAlister, and Siegel:

On behalf of our members and the undersigned organizations, we request that the City Council approve the staff recommendations to eliminate minimum lot size requirements, reduce parking requirements, and ease the park land in-lieu fees associated with the construction of companion units, also known as accessory dwelling units (ADUs). In addition to the staff recommendations, we request that the City Council further support the development of ADUs through the following recommendations:

- **Revise the development standards to allow for more homeowners to build ADUs on their lots.** We recommend that the City reduce required setbacks to increase flexibility, in particular, a 15-foot rear setback may not provide enough flexibility in light of the 0.4 FAR. In addition, we recommend that the design standards for ADUs allow for new, cost-effective types of structures such as modular construction units.
- **Reduce permitting and other associated fees.** According to information provided by Staff, the total permitting fees range between \$26,573 to \$41,373 per companion unit. In addition to staff's recommendation to reduce the park land dedication in-lieu fee, we recommend considering additional reductions to make this development type more affordable. As a comparison, the City of Berkeley has taken steps to increase the number of ADUs available in the City and their permitting fees range from approximately \$5,000 - \$10,000 per unit.
- **Making the process simpler.** We recommend streamlining the process for ADU approval. For example, granting by-right status to companion units, allows for the creation of these unit without the need for additional review and administrative approvals, making it easier for homeowners to develop companion units.

The City of Mountain View is positioned squarely in the middle of the housing crisis, with median rent for all properties in Mountain View, including all unit sizes, was a staggering \$4,500 a month (source: Trulia). As housing costs continue to increase, even tech employees, with an average income of \$113,300, must pay more than 30% of income toward rent. And, it is much harder for other workers, both those working in the tech industry and those working in other fields, to afford these high rents. Recent data produced by Working Partnerships shows that white-collar contract industry workers' earnings averaged \$53,200, and blue-collar contract industry workers' earnings averaged \$19,000. At a 30% of income standard, these households could afford rents of \$1,330, and \$475 respectively.

Both the Bay Area Council (BAC) and UC Berkeley acknowledge that ADUs could provide an innovative approach to addressing our housing crisis and are frequently overlooked as a strategy for urban infill in high-cost areas. To ensure that they are a viable option for homeowners, the City of Mountain View must ensure that its Companion Unit Ordinance does not create unreasonably high costs or cumbersome permitting processes.

We thank the City of Mountain View for its continued leadership in the region. In particular, we thank the City Council and staff for their thoughtful engagement and efforts to increase the feasibility of building ADUs in Mountain View. As demonstrated by the fact that only 11 ADUs have been constructed in Mountain View since 2003, the current Companion Unit Ordinance poses too many barriers to construction. The proposed recommendations will ensure that ADUs will be produced in greater numbers in the future, resulting in a demonstrable increase in the city's stock of naturally affordable housing units.

We appreciate the opportunity to provide feedback and thank you, in advance, for your consideration.

Sincerely,

Pilar Lorenzana-Campo, Policy Director, SV@Home
Alejandra Herrera, Destination: Home
Julie Quinn, Senior Loan Officer, Housing Trust Silicon Valley
Kristy Wang, Community Planning Policy Director, SPUR
Denise Pinkston, Bay Area Council Housing Committee Co-Chair and Partner, TMG Partners
Evan Reeves, Policy & Research Director, Center for Creative Land Recycling
Matt Vander Sluis, Program Director, Greenbelt Alliance

Cc:

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