

Submitter DB ID 7286  
IP Address [REDACTED]  
Submission Recorded On 05/29/2024 8:06 AM  
Time to Take the Survey 11 minutes, 19 secs.

**Page 1**

**1. First and Last Name**

Bill Unger

**2. Email address ( will not be publicly displayed)**

[REDACTED]

**3. Organization ( Enter name of organization, business, or non profit if you are submitting comments on their behalf.)**

Not answered

**4. Street address ( will not be publicly displayed)**

[REDACTED]

**5. City**

Portola Valley

**6. State**

CA

**7. Zip Code**

94028

**8. Date of Meeting you are submitting comment for.**

05/29/2024

**9. Agenda Item number or name**

Sub Committee Affordable Housing

**10. Comment**

I endorse the following well stated point of view: I think it is definitely time to have the sub-committee report out on their sites (even if in generic terms) along perhaps with major sites they didn't contact (since there appear to be several of those). And then take a step back and get the ASCC, PC, and as if needed the Finance Committee involved, way before we start subsidizing landowners for how they can profit from their holdings.

As further articulated in thoughts contributed by Patty and Jim White, Rebecca Flynn, and Dave Cardinal, at this time I do not support the allocation of \$25K being recommended by the sub-committee

**11. Optional: You can upload a copy of your comments.**

Submitter DB ID 7290  
IP Address [REDACTED]  
Submission Recorded On 05/29/2024 10:27 AM  
Time to Take the Survey 10 minutes, 56 secs.

**Page 1**

**1. First and Last Name**

Dan Cornew

**2. Email address ( will not be publicly displayed)**

[REDACTED]

**3. Organization ( Enter name of organization, business, or non profit if you are submitting comments on their behalf.)**

Not answered

**4. Street address ( will not be publicly displayed)**

[REDACTED]

**5. City**

Portola Valley

**6. State**

CA

**7. Zip Code**

94028

**8. Date of Meeting you are submitting comment for.**

05/29/2024

**9. Agenda Item number or name**

Housing study, \$25,000

**10. Comment**

Dear Town Council:

Please use our normal, and already paid for, resources to execute this study. In addition, please let us know what parcels are being studied.

It does not seem correct that we use town resources to benefit individual landowners.

Furthermore, we need to act quickly and taking time for this kind of study just leaves us exposed to builder's remedy projects.

Regartds,

Dan

**11. Optional: You can upload a copy of your comments.**

Submitter DB ID 7288  
IP Address [REDACTED]  
Submission Recorded On 05/29/2024 9:39 AM  
Time to Take the Survey 13 minutes, 51 secs.

**Page 1**

**1. First and Last Name**

David Cardinal

**2. Email address ( will not be publicly displayed)**

[REDACTED]

**3. Organization ( Enter name of organization, business, or non profit if you are submitting comments on their behalf.)**

Not answered

**4. Street address ( will not be publicly displayed)**

[REDACTED]

**5. City**

Portola Valley

**6. State**

CA

**7. Zip Code**

94028

**8. Date of Meeting you are submitting comment for.**

05/29/2024

**9. Agenda Item number or name**

6a

**10. Comment**

It's great that the Site sub-committee has identified some additional potential sites for affordable housing. I believe that important next steps should be:

\* Publish a table of the sites (use neighborhoods or ranges instead of addresses if some owners are reluctant to have their names used) that includes acreage, potential density, and which category/ies the units would fall into.

\* Involve the Finance Committee and ASCC (and maybe Planning Commission) to take advantage of our deep pool of expert volunteers in assessing the sites (not just financial, but all the other dimensions that were used when selecting the current sites).

\* At that point, if paid consultants are deemed to be needed, that could make sense.

Thanks for listening -- Dave Cardinal

**11. Optional: You can upload a copy of your comments.**

Submitter DB ID 7280  
IP Address [REDACTED]  
Submission Recorded On 05/28/2024 2:00 PM  
Time to Take the Survey 2 minutes, 57 secs.

---

**Page 1**

**1. First and Last Name**

Jeff Klugman

**2. Email address ( will not be publicly displayed)**

[REDACTED]

**3. Organization ( Enter name of organization, business, or non profit if you are submitting comments on their behalf.)**

Self

**4. Street address ( will not be publicly displayed)**

[REDACTED]

**5. City**

Portola Valley

**6. State**

CA

**7. Zip Code**

94028

**8. Date of Meeting you are submitting comment for.**

05/29/2024

**9. Agenda Item number or name**

Serra Capital

**10. Comment**

The subcommittee and the private landowners should first avail themselves of the expertise of the Town staff, Town committees and commissions, and local residents to determine the feasibility of the various sites for development before spending \$25,000 of taxpayer money on studies for private landowners.

**11. Optional: You can upload a copy of your comments.**

Submitter DB ID 7284  
IP Address [REDACTED]  
Submission Recorded On 05/28/2024 7:53 PM  
Time to Take the Survey 14 minutes, 0 secs.

**Page 1**

**1. First and Last Name**

Jerry Shefren

**2. Email address ( will not be publicly displayed)**

[REDACTED]

**3. Organization ( Enter name of organization, business, or non profit if you are submitting comments on their behalf.)**

Not answered

**4. Street address ( will not be publicly displayed)**

[REDACTED]

**5. City**

Portola Valley

**6. State**

CA

**7. Zip Code**

94028

**8. Date of Meeting you are submitting comment for.**

05/29/2024

**9. Agenda Item number or name**

6

**10. Comment**

read the detailed comments made on the forum especially by Rebecca Flynn that present a very strong argument against approval of this consulting agreement and presenting very strong recommendations on a better way to handle this situation. I believe that the council owes the community a discussion of why these recommendations are not better than the one on the agenda tonight. I understand that a lot of work was done by the subcommittee but I still ask the Council to take a fresh look tonight and provide reasons why the other recommendations are not better and less expensive. Has the ASCC been asked to provide and opinion on this approach? If not, why not.

Please step back and take a fresh look.

Thanks,

Jerry and Joyce Shefren

**11. Optional: You can upload a copy of your comments.**

Submitter DB ID 7283  
IP Address [REDACTED]  
Submission Recorded On 05/28/2024 7:49 PM  
Time to Take the Survey 7 minutes, 9 secs.

**Page 1**

**1. First and Last Name**

Joyce Shefren

**2. Email address ( will not be publicly displayed)**

[REDACTED]

**3. Organization ( Enter name of organization, business, or non profit if you are submitting comments on their behalf.)**

Not answered

**4. Street address ( will not be publicly displayed)**

[REDACTED]

**5. City**

Portola Valley

**6. State**

CA

**7. Zip Code**

94028

**8. Date of Meeting you are submitting comment for.**

05/29/2024

**9. Agenda Item number or name**

6

**10. Comment**

the subcommittee and the private landowners should first avail themselves of the expertise of the Town staff, Town committees and commissions, and local residents to determine the feasibility of the various sites for development before spending \$25,000 of taxpayer money on studies for private landowners. Our town is in difficult financial times and this seems to be an unnecessary expense at this time.

**11. Optional: You can upload a copy of your comments.**

Submitter DB ID 7281  
IP Address [REDACTED]  
Submission Recorded On 05/28/2024 3:17 PM  
Time to Take the Survey 26 minutes, 47 secs.

---

**Page 1**

**1. First and Last Name**

Mark Wilson

**2. Email address ( will not be publicly displayed)**

[REDACTED]

**3. Organization ( Enter name of organization, business, or non profit if you are submitting comments on their behalf.)**

Not answered

**4. Street address ( will not be publicly displayed)**

[REDACTED]

**5. City**

Portola Valley

**6. State**

CA

**7. Zip Code**

94028

**8. Date of Meeting you are submitting comment for.**

05/29/2024

**9. Agenda Item number or name**

paying \$25k to private consultants

**10. Comment**

I fully subscribe to Rebecca Flynn's well thought out comments.

**11. Optional: You can upload a copy of your comments.**

---

## Public Comment for 5/29/2024 Special Town Council Meeting

Nshostak [REDACTED]

Wed 5/29/2024 12:59 PM

To: Diego Ramirez <dramirez@portolavalley.net>

Hi Diego,

Following is a public comment for tonight's Town Council meeting. Please attach it to the agenda for this meeting.

1. (Agenda p. 15, #2) On-site parking requirement for residential development.

Please revisit the parking provision for multifamily housing. If the on-site parking requirement does not apply to MF-23 zoning, where will all the vehicles required by residents of dense housing be parked? Most people living in Portola Valley will have at least one vehicle to park at home, and the demand for parking spaces will greatly exceed supply. This provision in the zoning ordinance implies there will be sufficient on-street parking for overflow parking, which is not the case, particularly along Alpine Road and Portola Road. Developments of at least 20 units per acre and 20% affordable units will take advantage of the density bonus law and by-right waivers to minimize the number of parking spaces provided to residents. The result will be far, far more vehicles than spaces provided.

2. (Agenda p. 16, #4) Change in definition of density.

Please do not change the definition of density to count only developable area. This change will increase the number of parcels available for dense development by excluding portions of parcels that are not suitable for building (e.g., earthquake fault zones and areas of unstable soil). The result will be to place more dense development in areas very close to geologically unsuitable land.

Respectfully submitted,

Nan Shostak



Submitter DB ID 7285  
IP Address [REDACTED]  
Submission Recorded On 05/28/2024 9:07 PM  
Time to Take the Survey 9 minutes, 17 secs.

---

**Page 1**

**1. First and Last Name**

Patty White

**2. Email address ( will not be publicly displayed)**

[REDACTED]

**3. Organization ( Enter name of organization, business, or non profit if you are submitting comments on their behalf.)**

Not answered

**4. Street address ( will not be publicly displayed)**

[REDACTED]

**5. City**

Portola Valley

**6. State**

CA

**7. Zip Code**

94028

**8. Date of Meeting you are submitting comment for.**

05/29/2024

**9. Agenda Item number or name**

Agenda Item 6

**10. Comment**



I recognize that identifying potential sites as affordable housing locations within Portola Valley that may serve as alternative sites to Dorothy Ford Park and Open Space, pursuant to the Sunrise Provisions of the Town's Housing Element, is a difficult task and appreciate that a subcommittee is attempting to do this, even after many hours of work was put in by an earlier Housing Committee to identify locations for affordable housing within our town. Given the goal of the current subcommittee and the progress to-date, I believe that engaging with a consultant, at best, is premature and, when and if it is appropriate, I'd like to see more specificity in the proposal and a more transparent process in choosing an appropriate firm.

Need for a greater degree of transparency about alternative sites visited or discussed -- while maintaining confidentiality

Before considering engaging a consultant there should be more transparency about the parcels that may serve as alternatives. I appreciate the desire for anonymity, and also believe that more specific information should be shared. Before spending taxpayer money on a consultant to determine financial and physical viability of 'theoretical' sites, a chart should be publicly available listing the 20 sites that have been visited and any additional parcels as part of the 15 that were 'discussed'. In order to maintain confidentiality they can be described by their characteristics, for example: Parcel 1: Westridge; 2 acres; mostly flat; not constrained by fault considerations; Owner wishes to remain anonymous. And for each, the owner's interest should be rated as high, medium or low. This will give us a real sense of likely opportunities.

I do agree with the subcommittee's description of their task (We view our task as creating a shortlist of more likely sites for potential housing that will be evaluated further by an ad hoc committee, and then staff, the Planning Commission and Town Council, as applicable, pursuant to the Town Council's approved Post-Adoption Plan.) and believe that the chart I've described above is an appropriate first step.

Clear understanding of the consequences of using 'mixed-income affordable housing sites' as an alternative to Ford Field's 50 Very Low Income units  
"Step 1 of the consultant proposal states: "High-level assessment and evaluation of approximately six potential mixed-income affordable housing sites."  
Ford Field is in the HE as providing 50 VLI (Very Low Income) units. Mixed-income sites typically use tenant rents from market- or moderate-rate unit to subsidize the development and operations of the lower income units. So if this is what the subcommittee is proposing to investigate, the result will be to have even more density in Portola Valley since a considerable number of higher rate units will be needed to subsidize 50 VLI ones. Do we think those in the town who are already concerned about the density being introduced by this RHNA cycle will be willing to increase density further in order to save Ford Field?

Here's some information about the economics of Very Low Income affordable housing units:

The Enterprise/Bay Area Housing Finance Authority states that the per unit cost of affordable housing is \$825,000 in San Mateo county -- the most expensive in the Bay Area. (It is likely to be higher in Portola Valley due to higher land and building costs and because it is likely to be a lower density project.)

The housing organizations that run local affordable housing developments cite that the monthly operational costs per unit are between \$1000 and \$125 (or \$12,000 - \$15,000/year) as a best case and would likely be higher in Portola Valley due to being farther away from their other sites and again due to lower density. (Even Serra's projects are in the 100-1000+ unit range which spreads the fixed operational costs over many more units than we are needing to replace at Ford Field.) (For Willow Commons we are estimating \$15,000 to \$20,000 in operational costs per unit based on advice we sought out and received with the caveat that no one really knows since there have not been any projects here.)

(Graphic can be seen in PDF of comment)

Source: San Jose Mercury News 5/22/24

Allowable monthly rents for the VLI category in 2023 are:

Studio \$1626, 1 BR \$1742, 2 BR \$2091, 3 BR \$2415 4 BR \$2695.

So, after operating expenses and holding some reserves for larger projects (like when a new roof is needed) there will be very little if any free cash flow each month to service the debt of building the project.

Projects that are 100% affordable (like Ford Field at 100% VLI in our HE) are typically developed by non-profits or are state owned because of the lack of free cash flow to fund its development. Financing these projects usually takes 'stack' financing which means that no single program finances the entire development. Examples of programs that might contribute to the financing are:

Section 8 -- these are hard to get and typically only cover some percentage of the project. There is a competitive process to get the funds, the developer loses some control of admission and union labor must be used on the project which can drive costs up.

Forgivable county loans or grants -- securing these can be challenging and typically come with restrictions

Tax credits - see below the note that states that securing these is subject to a competitive program and often delays the start of construction

Each of these funding sources has their own timeframe and competitive process. For some, a project or town can't compete unless they have prior experience. (graphic can be seen in pdf of comment)

Source: Making It Pencil: The Math Behind Housing Development (2023 Update)

Is Serra proposing that we consider multiple mixed-income developments as alternatives to Ford Field or is the subcommittee suggesting this, and are those making and considering the proposal aware of the increased density that is associated with mixed-income developments?

Concerns about the chosen consultant: Serra Real Estate Capital

On the homepage of the Serra Real Estate Capital website this is how they introduce themselves: Serra is focused on providing effective and efficient real estate and project finance solutions for corporate, governmental and not-for-profit users. My understanding is that the subcommittee was tasked to identify alternative sites, not be considering financing at this time. I think the consultant in question is a mismatch and will be most familiar with frameworks that align with the solutions that their firm offers.

"Serra Capital has familiarity with Portola Valley as its representatives have attended Stanford and have operated in the Bay Area." These days I don't believe those two data points are enough to claim familiarity with Portola Valley.

believe those two data points are enough to claim familiarity with Portola Valley.

The Serra projects listed in the subcommittee report (with units ranging from 70 to 1600) are all much larger than the 50 units needed to replace Ford Field. With the smallest being a full 40% larger.

It is unclear to me whether the Serra proposal would require them to engage with one of the town's approved architects for the section of work (Step 2) that requires an architect. This is important for an accurate assessment of costs (which are much higher here than in neighboring or East Bay cities.)

The calling out of Serra's expertise with the credit tenant lease program raises the alert to me that they will be counting on the higher level tenant rents of additional units to cover the subsidization of the 50 VLI units for which we are trying to identify alternative sites.

An alternative

I am in full agreement with a statement from Rebecca Flynn that I read today on the PV Forum:

"The Town Planning Staff has committed to provide affordable housing developers with monthly meetings to discuss their properties. They can provide information about earthquake fault zones, Williamson act cancellation fees, development restrictions, current allowable units as well as give a perspective on potential upzoning changes. Individual members as well as the entire ASCC stand available to discuss ideas at conceptual stages prior to expensive engineering and architectural plans. The ASCC and PC would be the ideal group in Town working with the Planning Department to come up with the Site Feasibility Framework instead of using outsiders with no knowledge of Portola Valley"

I'm also aware of local sources that are knowledgeable about affordable housing, local building costs, allowable monthly rents, and operational budgets, and may be willing, if approached, to share their expertise.

I began this note stating that I believe engaging with a consultant at this time is premature. An additional reason for this is that recent outreach, spurred by curiosity, to three of the large property owners in town to see if they had been contacted by the subcommittee resulted in my learning that none of them had been.

**11. Optional: You can upload a copy of your comments.**

[Subcommittee Recommendation to Hire a Consultant.pdf](#)

I recognize that identifying potential sites as affordable housing locations within Portola Valley that may serve as alternative sites to Dorothy Ford Park and Open Space, pursuant to the Sunrise Provisions of the Town's Housing Element, is a difficult task and appreciate that a subcommittee is attempting to do this, even after many hours of work was put in by an earlier Housing Committee to identify locations for affordable housing within our town. Given the goal of the current subcommittee and the progress to-date, I believe that engaging with a consultant, at best, is premature and, when and if it is appropriate, I'd like to see more specificity in the proposal and a more transparent process in choosing an appropriate firm.

### **Need for a greater degree of transparency about alternative sites visited or discussed -- while maintaining confidentiality**

Before considering engaging a consultant there should be more transparency about the parcels that may serve as alternatives. I appreciate the desire for anonymity, and also believe that more specific information should be shared. Before spending taxpayer money on a consultant to determine financial and physical viability of 'theoretical' sites, a chart should be publicly available listing the 20 sites that have been visited and any additional parcels as part of the 15 that were 'discussed'. In order to maintain confidentiality they can be described by their characteristics, for example: *Parcel 1: Westridge; 2 acres; mostly flat; not constrained by fault considerations; Owner wishes to remain anonymous.* And for each, the owner's interest should be rated as high, medium or low. This will give us a real sense of likely opportunities.

I do agree with the subcommittee's description of their task (We view our task as creating a shortlist of more likely sites for potential housing that will be evaluated further by an ad hoc committee, and then staff, the Planning Commission and Town Council, as applicable, pursuant to the Town Council's approved Post-Adoption Plan.) and believe that the chart I've described above is an appropriate first step.

### **Clear understanding of the consequences of using 'mixed-income affordable housing sites' as an alternative to Ford Field's 50 Very Low Income units**

"Step 1 of the consultant proposal states: "High-level assessment and evaluation of approximately six potential **mixed-income affordable housing sites.**" Ford Field is in the HE as providing 50 VLI (Very Low Income) units. Mixed-income sites typically use tenant rents from market- or moderate-rate units to subsidize the development and operations of the lower income units. So if this is what the subcommittee is proposing to investigate, the result will be to have even more density in Portola Valley since a considerable number of higher rate units will be needed to subsidize 50 VLI ones. Do we

think those in the town who are already concerned about the density being introduced by this RHNA cycle will be willing to increase density further in order to save Ford Field?

Here's some information about the economics of Very Low Income affordable housing units:

- The Enterprise/Bay Area Housing Finance Authority states that the per unit cost of affordable housing is \$825,000 in San Mateo county -- the most expensive in the Bay Area. (It is likely to be higher in Portola Valley due to higher land and building costs and because it is likely to be a lower density project.)

### 5. Building low-income housing costs an average of \$817,000 per unit in the Bay Area.

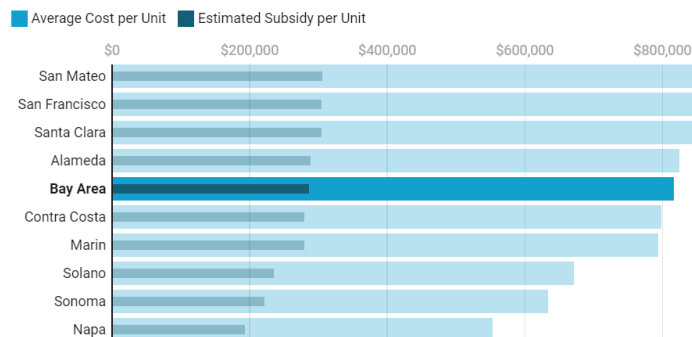
Of the 440,000 units the state expects to see the nine-county Bay Area build by 2031, 180,000 are expected to be "affordable" — targeted at low-income and very-low-income households.

Already, the region has over 40,000 affordable units in the construction pipeline that could be built as soon as they get financing, according to [a recent report](#) from the affordable housing financing group Enterprise Community Partners and the Bay Area Housing Financing Authority, known as BAHFA.

But building affordable housing is expensive — often even more than market-rate housing. Affordable housing units in the Bay Area require an average subsidy of \$286,000 per unit. Construction is most expensive in San Mateo county, where they can cost an average of \$825,000 per unit.

#### Development Cost per Unit

Total development cost per unit of affordable housing varies significantly across counties.



- 
- The housing organizations that run local affordable housing developments cite that the monthly operational costs per unit are between \$1000 and \$1250 (or \$12,000 - \$15,000/year) as a best case and would likely be higher in Portola Valley due to being farther away from their other sites and again due to lower density. (Even Serra's projects are in the 100-1000+ unit range which spreads the fixed operational costs over many more units than we are needing to replace at Ford Field.) (For Willow Commons we are estimating \$15,000 to \$20,000 in operational costs per unit based on advice we sought out and received with the caveat that no one really knows since there have not been any projects here.)

- 
- [Source: San Jose Mercury News 5/22/24](#)

- Allowable monthly rents for the VLI category in 2023 are:  
Studio \$1626, 1 BR \$1742, 2 BR \$2091, 3 BR \$2415 4 BR \$2695.
- So, after operating expenses and holding some reserves for larger projects (like when a new roof is needed) there will be very little if any free cash flow each month to service the debt of building the project.
- Projects that are 100% affordable (like Ford Field at 100% VLI in our HE) are typically developed by non-profits or are state owned because of the lack of free cash flow to fund its development. Financing these projects usually takes ‘stack’ financing which means that no single program finances the entire development. Examples of programs that might contribute to the financing are:
  - *Section 8* -- these are hard to get and typically only cover some percentage of the project. There is a competitive process to get the funds, the developer loses some control of admission and union labor must be used on the project which can drive costs up.
  - *Forgivable county loans or grants* -- securing these can be challenging and typically come with restrictions
  - *Tax credits* - see below the note that states that securing these is subject to a competitive program and often delays the start of construction
    - Each of these funding sources has their own timeframe and competitive process. For some, a project or town can't compete unless they have prior experience.

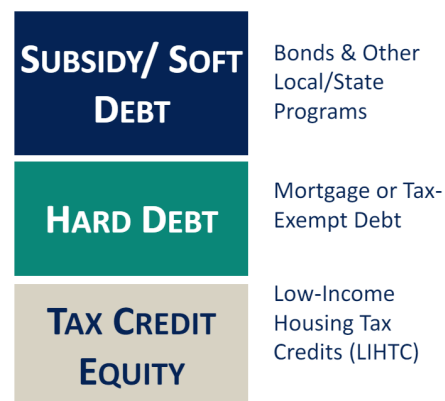
## Understanding the Funding Need

An affordable housing development generally requires multiple funding sources to fully finance construction. This includes a commercial mortgage from a bank, Low-Income Housing Tax Credits (LIHTC) and bonds, and various sources of subsidy or soft debt – also known as “gap” funding. This funding fills the “gap” between the cost of the development and the financing secured through hard debt and LIHTC equity.

Gap funding can come from local, regional, and state programs. It is often the first funding committed to a development, which allows the development to then access additional financing. For this reason, subsidy or soft debt gap funding is especially critical for developments to move forward. Unfortunately, this funding is also in limited supply across California and the Bay Area.

In recent years, oversubscription of California’s tax-exempt bonds have also made securing 4% LIHTC much more challenging, as bonds are a prerequisite for 4% LIHTC. In the past, these credits were readily available for eligible developments. Due to federal constraints on the program, it is now a competitive program, which often delays developments from receiving the final funding they need to begin construction.

### TYPICAL CAPITAL STACK



- 
- Source: [Making It Pencil: The Math Behind Housing Development \(2023 Update\)](#)



Is Serra proposing that we consider multiple mixed-income developments as alternatives to Ford Field or is the subcommittee suggesting this, and are those making and considering the proposal aware of the increased density that is associated with mixed-income developments?

### **Concerns about the chosen consultant: Serra Real Estate Capital**

- On the homepage of the Serra Real Estate Capital website this is how they introduce themselves: **Serra is focused on providing effective and efficient real estate and project finance solutions for corporate, governmental and not-for-profit users.** My understanding is that the subcommittee was tasked to identify alternative sites, not be considering financing at this time. I think the consultant in question is a mismatch and will be most familiar with frameworks that align with the solutions that their firm offers.
- “Serra Capital has familiarity with Portola Valley as its representatives have attended Stanford and have operated in the Bay Area.” These days I don’t believe those two data points are enough to claim familiarity with Portola Valley.
- The Serra projects listed in the subcommittee report (with units ranging from 70 to 1600) are all much larger than the 50 units needed to replace Ford Field. With the smallest being a full 40% larger.
- It is unclear to me whether the Serra proposal would require them to engage with one of the town’s approved architects for the section of work (Step 2) that requires an architect. This is important for an accurate assessment of costs (which are much higher here than in neighboring or East Bay cities.)
- The calling out of Serra’s expertise with the credit tenant lease program raises the alert to me that they will be counting on the higher level tenant rents of additional units to cover the subsidization of the 50 VLI units for which we are trying to identify alternative sites.

### **An alternative**

I am in full agreement with a statement from Rebecca Flynn that I read today on the PV Forum:

“The Town Planning Staff has committed to provide affordable housing developers with monthly meetings to discuss their properties. They can provide information about earthquake fault zones, Williamson act cancellation fees, development restrictions, current allowable units as well as give a perspective on potential

upzoning changes. Individual members as well as the entire ASCC stand available to discuss ideas at conceptual stages prior to expensive engineering and architectural plans. *The ASCC and PC would be the ideal group in Town working with the Planning Department to come up with the Site Feasibility Framework instead of using outsiders with no knowledge of Portola Valley*”

I’m also aware of local sources that are knowledgeable about affordable housing, local building costs, allowable monthly rents, and operational budgets, and may be willing, if approached, to share their expertise.

I began this note stating that I believe engaging with a consultant at this time is premature. An additional reason for this is that recent outreach, spurred by curiosity, to three of the large property owners in town to see if they had been contacted by the subcommittee resulted in my learning that none of them had been.

Submitter DB ID 7279  
IP Address [REDACTED]  
Submission Recorded On 05/28/2024 12:55 PM  
Time to Take the Survey 39 minutes, 53 secs.

---

**Page 1**

**1. First and Last Name**

Rebecca Flynn

**2. Email address ( will not be publicly displayed)**

[REDACTED]

**3. Organization ( Enter name of organization, business, or non profit if you are submitting comments on their behalf.)**

Not answered

**4. Street address ( will not be publicly displayed)**

[REDACTED]

**5. City**

Portola Valley

**6. State**

CA

**7. Zip Code**

94028

**8. Date of Meeting you are submitting comment for.**

05/29/2024

**9. Agenda Item number or name**

6. Serra Capital Agreement

**10. Comment**



I very much appreciate Councilmembers Mary and Judith updating the Town on all their impressive efforts to find alternative sites for affordable housing to replace those committed to in the Housing element at Ford Park. It's very good news that they have identified 3-12 sites that might work as alternatives.

However, I still think that the subcommittee and the private landowners should first avail themselves of the expertise of the Town staff, Town committees and commissions, and local residents to determine the feasibility of the various sites for development before spending \$25,000 of taxpayer money on studies for private landowners.

If the PV taxpayers are being asked to fund this study, then the taxpayers should know who the beneficiaries are.

If we are planning to hire a development or consulting company to evaluate the feasibility of particular sites, there should be more transparency on the process being used to hire a development consultant and on those sites. We should be evaluating several development companies and using a company that is actively involved in affordable housing projects and not one that doesn't normally do this type of work in the first place.

If the community values transparency around affordable housing and around our budget (which many people in Town claim to) and value the expertise already available in our Town, then residents should be asking questions and sending a note to the Town Council (before 1 pm tomorrow) asking to change the process in this situation.

The link to submit your comments is here ( <https://www.portolavalley.net/government/town-council/submit-public-comments-for-town-council-meeting> )

#### Context and Background Information

The Town Planning Staff has committed to provide affordable housing developers with monthly meetings to discuss their properties. They can provide information about earthquake fault zones, Williamson act cancellation fees, development restrictions, current allowable units as well as give a perspective on potential upzoning changes. Individual members as well as the entire ASCC stand available to discuss ideas at conceptual stages prior to expensive engineering and architectural plans. The ASCC and PC would be the ideal group in Town working with the Planning Department to come up with the Site Feasibility Framework instead of using outsiders with no knowledge of Portola Valley.

In addition, we have several individuals in Town who are experts in affordable/supportive housing (Jim White, for example) who can give you a perspective on deed restricted units as well as on current building costs and relevant PV regulations that have significant cost implications. We also have the VP of Programs and Services at LifeMoves living in Town who I am sure would be willing to provide you with an overview on the processes, practical needs, and issues of people looking for stable affordable housing in the Bay area.

If, after the subcommittee and private property owners have exhausted these options, then it may make sense to pursue obtaining more information from a development outfit such as the Texas group recommended. However, I think the Portola Valley taxpayer really needs to be provided a more thorough explanation for why we need to fund feasibility studies for private property owners and what the process was for selecting a group that normally does not do these types of studies.

Frankly, I'd also like to know what Serra Capital's return on investment is for their credit tenant lease program, particularly in light of a potential 50-unit project compared to a 1000-unit high rise in SF or Oakland. If their main business is credit tenant lease programs, they should be able to provide that information for no cost.

Also, I'd like to know the feedback from Stanford on the Stanford Affordable 70-unit project on their experience working with Serra Capital ( Stanford Affordable – Keystone (keystonedg.com)). That project is now named Mayfield Place - Apartments in Palo Alto, CA (liveatmayfieldplace.com). The project was actually developed by Related California (Mayfield Place | Related California). Related California develops both affordable and luxury residential complexes. Another potential developer for affordable housing projects with significant financing strategies is Bridge Housing (Our Work - BRIDGE Housing) who is involved in the Potrero Hill (Potrero Block B - BRIDGE Housing), Belleau Woods in Beaverton Oregon (a development that would fit in nicely with PV) (Belleau Woods - BRIDGE Housing) and a San Rafael senior housing projects (Rotary Valley Senior Village - BRIDGE Housing). Does it make sense to speak directly to these other developers first since they are actively involved in current development projects instead of adding more layers with a middleman who farm out the details to yet more consultants?

Plus, I would want more details about the relationship between Serra Capital and Keystone Development Group, the latter of which seems to take credit for all of the cited projects and seems to be the actual name on the contract.

To provide further details about the projects cited as being by Serra Capital but are only listed under Keystone Development's website: (Italics represent quotes from the Keystone website. Non-italics are my comments)

From the subcommittee memo : "In the Bay Area, representative projects the principals have worked on include" :

- *Mandela Station (West Oakland – 240 affordable units) – not yet started, still searching for funding. Keystone listed on its website that "it sought and successfully secured grant financing from five governmental agencies for environmental remediation and infrastructure related improvements totaling \$30 million and is negotiating acquisition and loan financing totaling \$77 million from another four governmental agencies for the construction of the affordable housing development. The proposed masterplan and residential projects received their entitlement and environmental approvals, and the first phase of construction is scheduled for 2024."* Mandela Project actually lists SUDA and McFarlane Development Company as the developers. (About Mandela Station - Mandela Station Oakland)
- *Stanford Affordable (Palo Alto – 70 units), Keystone provided "design management and entitlement services."* The project was actually developed in 2017 by Related California.
- *Rebuild Potrero (San Francisco – 1,600 affordable/mixed income units- Keystone was "interim Development Director" and replaced by Bridge Housing.*
- *and McArthur Station – "Keystone Development Group was tasked with the role of Development Director during Phase I of the MacArthur Transit Village transit-oriented development. The project is a Public Private Partnership between BART, The City of Oakland and MacArthur Transit Community Partners (a private developer affiliated with BRIDGE Housing). Keystone's scope of work included the successful negotiation of land acquisition, entitlements, financing and construction of the 480-stall BART parking garage and associated retail space, as well as replacement and construction of new roads and utilities that serve the full master plan. The acquisition and infrastructure funding sources included five Federal grants (over \$3 million), three State grants (over \$37 million), and one local Redevelopment Agency/TIF grant (over \$17 million)." The project was approved in 2008. It's unclear when the parking garage was built. The affordable housing portions of the development are being developed by Bridge Housing. Keystone build a parking garage and did some preliminary land acquisition, neither is relevant to Portola Valley's plans.*

Serra Real Estate Capital provides no details on their website about the projects they have been involved with and based on the Subcommittee memo "d not typically perform this type of study." Their main focus is on financing options. If the Town wants eventually to explore different financing options, then by all means, Serra should be asked for a financing proposal when we get to that point.

In summary:

It seems to me that the Town should be first :

- using the expertise in the Town,
- getting the Planning Department, ASCC and PC involved in creating the site evaluation framework

- getting the Planning Department, ASCC and PC involved in creating the site evaluation framework
- working with the various property owners (privately if they desire) with the Planning department and ASCC to explore potential options,
- and engaging with a number of different affordable housing developers such as Bridge, Related California, and SUDA to evaluate the best consultant to help us flesh out realistic options for affordable (and mixed income) housing that fits in with Portola Valley.

If you support this message and a new process, please send in a message of support to the Town Council before Wednesday 1 pm (tomorrow).

Please send your comments to the PVForum and use the link to submit your comments directly to the Council Packet (you can cut and paste your PVForum message into the form): <https://www.portolavalley.net/government/town-council/submit-public-comments-for-town-council-meeting>

Regards,

Rebecca Flynn

ASCC

**11. Optional: You can upload a copy of your comments.**

Submitter DB ID 7287  
IP Address [REDACTED]  
Submission Recorded On 05/29/2024 9:29 AM  
Time to Take the Survey 15 minutes, 45 secs.

---

**Page 1**

**1. First and Last Name**

Sarah Dorahy

**2. Email address ( will not be publicly displayed)**

[REDACTED]

**3. Organization ( Enter name of organization, business, or non profit if you are submitting comments on their behalf.)**

Not answered

**4. Street address ( will not be publicly displayed)**

[REDACTED]

**5. City**

portola valley

**6. State**

ca

**7. Zip Code**

94028

**8. Date of Meeting you are submitting comment for.**

05/29/2024

**9. Agenda Item number or name**

Housing 6a

**10. Comment**

Dear Town Council,

I side with other town residents who oppose the use of \$25,000 in taxpayer dollars for consultants' review of possible affordable housing sites. We taxpayers should not be subsidizing private landowners for development deals. In considering future sites, we should use the expertise of our town employees, the ASCC and the Planning Commission.

If a site had been gifted to the town, then this might be a different conversation.

Thank you.

**11. Optional: You can upload a copy of your comments.**

---



Submitter DB ID 7289  
IP Address [REDACTED]  
Submission Recorded On 05/29/2024 9:44 AM  
Time to Take the Survey 15 minutes, 8 secs.

---

**Page 1**

**1. First and Last Name**

Susan Adams

**2. Email address ( will not be publicly displayed)**

[REDACTED]

**3. Organization ( Enter name of organization, business, or non profit if you are submitting comments on their behalf.)**

Not answered

**4. Street address ( will not be publicly displayed)**

[REDACTED]

**5. City**

PORTOLA VALLEY

**6. State**

CA

**7. Zip Code**

94028

**8. Date of Meeting you are submitting comment for.**

05/29/2024

**9. Agenda Item number or name**

6a.

**10. Comment**

I heartily agree with Rebecca Flynn's recommendations. As the next steps in evaluating the potential affordable housing sites that Mary Hufty and Judith Hasko identified, and before engaging an expensive outside consultant, the Town needs a site evaluation framework. Engaging a consultant before we have that framework is putting the cart before the horse.

**11. Optional: You can upload a copy of your comments.**