

October 12th, 2020

Mayor Pepper and Members of the Los Altos City Council

1 North San Antonio Road, Los Altos, CA 94022

Re: Council Meeting, October 13th Item #10 – Park In-Lieu Fees

I am writing to you in regards of the proposed increase on multi family park in lieu fees. I think that everybody understands that fees must be updated based on appraisals and market rate and yearly evaluation should continue. At your last meeting Jan 2019, when Council implemented the last increase you have also discussed that BMR's park In-lieu fees could be waived since that would be helping generating more BMR's. BMR's generation translate on a net loss to any development. Since your January 2019 Park In-Lieu Fees meeting I have been following up with emails with Jon Biggs on this topic to schedule it for an open discussion with council and every time I was told that council did not ask for the topic to be brought back, or there were some other priorities. I understand that council is busy but, it is better to have a discussion before developments are in the approval process in front of City Council for review, that will help developers to proper plan on offering more BMR's. Currently city of Los Altos does not have any incentives to create additional BMR's above 15% BMR requirement. As an example, City of Santa Clara offers 50% reduction on all fees (park in-lieu, traffic etc) on all BMR's provided by the developer.

There are several issues with the appraisal provided by Valbridge Advisors:

1. Appraisal was done Feb 2020 (pre Covid data) and the commercial sales/land valuation changed substantially that mandates a new appraisal and evaluation of current data/sales as of last months and not pulling 2017-2018 irrelevant land sales data some initially used for Jan 2019 Park in Lieu-Fee CC meeting. Appraiser should use sales data from late 2019 and 2020 to date, same methodology used by Santa Clara County for property tax purposes assessments.
2. Incorrect data use: Page 51 references 4115 ECR Palo Alto property sold for \$7.650M but this price is as entitled for 7 residential condominiums, 5000 SF retail and 2000 SF office the real value of the unentitled land was \$4.550M when it closed Nov 2016. The other Palo Alto and Mountain View sales have to be verified too to ensure proper reporting and differentiate between unentitled and entitled land sales.

Regards,



10/12/2020

Mircea Voskerician

Property owner 4846/4856 ECR Los Altos, CA, 94022