



SAN MATEO, SANTA CLARA & SAN BENITO COUNTIES

March 26, 2021

City of San Jose
200 East Santa Clara St
San Jose, CA 95113

Attn: Kara Hawkins, Environmental Project Manager (408) 535-7852
Via email to: kara.hawkins@sanjoseca.gov

Subject: the Madera Residential Development

Dear Ms. Hawkins,

The Sustainable Land Use Committee of the Loma Prieta Chapter of the Sierra Club (SLU) advocates on land use issues in San Mateo and Santa Clara Counties. We've reviewed the Madera Project submittal and are pleased to see housing in close proximity to the Diridon Multi-Modal station; however, we have the following concerns:

1. Affordable Housing: The project does not provide enough affordable units on-site (only 5% where 15% is required), and the in-lieu fee (\$10.07/SF) is much too low to cover the cost of actually constructing the required additional 15% units off-site. The city should reconsider the (\$10.07/SF) in-lieu fee and instead use the currently pending May 1, 2021 IHO (\$43/SF) fee for this project or require the developer to build all 15% affordable units on-site.

According to Tina Vo from the city's Residential Development Division, the 145,734 SF project residential square footage multiplied by the \$10.07/SF in-lieu fee for this project equals a total fee of \$1,467,541.38 [to compensate for not building 15% (28) affordable units on-site].

Per our calculations, the amount of money needed to actually build 28 units off-site would be:

- \$4,200,000 or more for all 1 BR units¹
 - \$6,720,000 or more for all 2-BR units²
- Clearly, \$1,467,541 is not even close to adequate.

- a) If the in-lieu fee is calculated by the city's pending (May 1, 2021) revised IHO, the total in-lieu fee would be \$6,266,562³ which is close to a reasonable in-lieu fee.
- b) If the in-lieu fee is calculated using the existing IHO, the fee would be \$3,500,000⁴ which is better than \$1,467,541, but not as high as the new \$43 square footage fee.

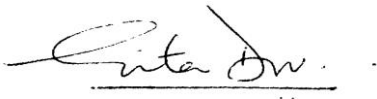
The city should reconsider the (\$10.07) in-lieu fee and instead use the currently pending May 1, 2021 IHO (\$43 per SF) fee for this project or require the developer to build all 15% affordable units on-site.

2. Electric Car Charging Stations: We understand the developer in not planning to include electric car charging stations on-site because they are going to use a mechanical parking system which is difficult to coordinate with charging stations; however, in a world where it is becoming increasingly clear that electric cars are the wave of the future, not planning for electric charging stations on-site is not acceptable at all. This site is within the transit-oriented development designation of Diridon Station. By including car share at the site, the number of parking places can be reduced making space for EV charging more feasible. Austin, Texas reduces parking by 20 spaces for every one car share included. Reducing parking also reduces the cost of the overall structure making affordable housing more feasible.

The city should require the developer to come up with a plan that includes a substantial number of electric car charging station on-site.

Thank you for your consideration.

Respectfully yours,



Gita Dev, Co-Chair, Sustainable Land Use Committee

Cc: Sustainable Land Use Committee, Sierra Club Loma Prieta Chapter (SCLP)
James Eggers, Director, Sierra Club Loma Prieta Chapter
Raul Peralez, District 3 City Council Member, District3@sanjoseca.gov
Tina Vo, Residential Development Division, tina.vo@sanjoseca.gov
Lisa Hansen, Mercury News, lhansen@bayareanewsgroup.com

¹ 28 units X 500 sf/unit X \$300/sf/unit = \$4,200,00

² 28 units X 800 sf/ unit X \$300/sf/unit = \$6,720,000

³ 145,734 SF X \$43/SF (rental) for a total of \$6,266,562

⁴ 28 units X \$125,000 per rental unit = \$3,500,000