



County of San Mateo

Inter-Departmental Correspondence

Department: COUNTY MANAGER

File #: 18-325

Board Meeting Date: 4/24/2018

Special Notice / Hearing: None
Vote Required: Majority

To: Honorable Board of Supervisors
From: John Maltbie, County Manager
Subject: Letter in Support of Santa Clara County Affordable Housing Impact Fees

RECOMMENDATION:

Recommendation to authorize and direct the President of the Board of Supervisors to sign and transmit a letter to the Santa Clara County Board of Supervisors supporting the adoption of affordable housing impact fees and requesting that a portion of such fees be allocated to mitigate housing-related impacts in San Mateo County resulting from development at Stanford University.

BACKGROUND:

The County of Santa Clara has retained Keyser Marston Associates, Inc., to undertake affordable housing nexus studies related to residential and commercial development in the unincorporated areas of Santa Clara County. San Mateo County staff has reviewed the April 2018 Public Review Draft of the Santa Clara County Affordable Housing Nexus Studies (Nexus Studies), which reflects that by far the largest amount of future development in unincorporated Santa Clara County is expected to take place on the Stanford University campus, in the immediate vicinity of San Mateo County.

Specifically, Stanford University has submitted a General Use Permit (GUP) application to Santa Clara County that proposes, between 2018 and 2035, the construction of up to 2.27 million square feet of new academic and academic support facilities, and 3,150 new on-campus housing units. The development proposed under this GUP adds to the 10.25 million square feet of academic facilities and 15,237 housing units constructed under the prior General Use Permit for Stanford University, adopted in 2000.

In recognition of the impacts that new academic and residential development on the Stanford University campus would have on the need for affordable housing, the Nexus Studies conclude that the maximum affordable housing impact fee that can be justified for academic space on the Stanford University campus is \$143.10 per square foot, while the maximum fee for faculty and staff housing space is \$69.10 per square foot.

DISCUSSION:

Although physical development proposed by Stanford University in the new proposed General Use Permit is confined to its campus, a significant portion of the affordable housing-related impacts from development at the Stanford University campus occurs in San Mateo County.

San Mateo County has expressed to Santa Clara County concerns regarding the potential increase in housing costs, as well as displacement of existing San Mateo County residents, due to increasing demand for off campus housing by Stanford University students, faculty, and staff. The current imbalance in San Mateo County between employment growth and housing availability has grown to unprecedented levels, and the challenges of housing residents of all income levels has never been greater. Anticipated development at Stanford University will certainly exacerbate this problem in San Mateo County in ways that are likely to be significant.

To ensure that affordable housing-related impacts resulting from development at Stanford University, including those impacts occurring in San Mateo County, are mitigated, I recommend that the Board of Supervisors transmit to the Santa Clara County Board of Supervisors the attached letter supporting the adoption of affordable housing impact fees for development at Stanford University at the maximum rate set forth in the Nexus Studies and requesting that an appropriate portion of fees collected for such development be directed to affordable housing efforts in San Mateo County in the vicinity of the Stanford University campus.

FISCAL IMPACT:

There is no direct material fiscal impact from this proposed action.

ATTACHMENT:

A. Draft Letter