

Date: July 10 2018

To: City of Foster City Planning Commission

Subject: Pilgrim Triton, Phase C and Workforce Housing

I am writing on behalf of the leadership team of Foster City Residents for Responsible Development (FECRRD.) We are opposed to the approval of the Pilgrim Triton phase C and associated workforce housing plan that you will be considering on July 19th. This will summarize the primary reasons for our opposition. We ask that you consider these points during your review.

1. **The current proposal is not a compromise.** This is the third time Sares Regis has attempted to get its proposal passed. The last time they appeared at the Planning Commission the developer was told to come back with a compromise. Originally, there were to be 17 for sale townhomes, then that total that was bumped to 70 townhomes and is now 92 proposed units. In addition, this new proposal now eliminates ALL additional commercial/retail.
2. **The plan substitutes housing for all the remaining previously approved commercial/retail that planners said would make the Pilgrim-Triton Master plan work.** The idea was that the commercial/retail would support residents there, and provide them with places to work and shop. If this proposal is approved it will force people who live in the 805 residential Pilgrim Triton units to drive off site to work and shop. They will depart and return at about the same time each day, thereby adding even more congestion to the traffic nightmare that exists at nearby intersections.
3. **Approving 92 residential units there, now, will forever close off the ability to allow the neighborhood to achieve the housing/commercial/retail balance envisioned in the Pilgrim Triton Master Plan.** A City analysis has confirmed what Sares Regis, itself, has determined: Developing the site to meet the existing entitlements is not economically viable at this point in time. However, the time will come when a scaled down version of what has been approved will be possible. The best outcome for Foster City is to wait until this future arrives.

4. **The public employee workforce housing portion of the proposal is being used as an inducement to gain passage of a developer's plan** that, otherwise, is not acceptable on its merits.
5. **The workforce housing: a) provides less than the required 20% affordable housing, b) is unlikely to house many first responders, and c) may run afoul of fair housing law.** (See detail, below)

Conclusion: FCRRD and the public at large have consistently opposed the Sares Regis plan. The last time they approached the City the Council received over 250 pages of emails from residents expressing opposition. Citizens have made it clear that we do not want any more high-density housing. It has overwhelmed our infrastructure. More housing approvals will only make matters worse. The 70 units + 22 workforce additional housing units now being proposed will mean more people, more cars to add to our traffic congestion, more students for our overcrowded schools. The troublesome Workforce housing offer to house public employees should not be allowed to drive approval of this project.

=====

Detail for Item 5. The workforce housing provides less than the required 20% affordable housing, is unlikely to house many first responders, and may run afoul of fair housing law.

a. Workforce housing provides less than the required 20% affordable housing.

All the developers at Pilgrim-Triton have been required to provide 20% affordable housing. That provision is also in the agreement with Sares Regis. The most recent staff report says that the 70 town house units and the 22 units of workforce housing will be considered one project. See:

<http://fostercityca.civicclerk.com/Web/GenFile.aspx?ar=1653>

This means they will be building 92 units. Twenty-percent of 92 units

is 18.4, units, so the Developer should be required to designate at least 18 and maybe 19, of the 22 workforce housing units as affordable housing, not 14 units. If that happens, only 3, maybe 4 of the 22 units will not have income limits and, therefore, be accessible to first responders. The developer and the City believe only 14 of the units need to be affordable units ($20\% \times 70 = 14$).

Here are examples of how the affordable housing 20% has been figured at two other developments at Pilgrim Triton. Note that the 20% is based on the total number of units being constructed. How or why the Sares Regis 20% gets to be calculated based on 70 units instead of 92 units escapes us. The calculation should be reviewed and perhaps challenged by the Planning Commission

The Triton: 220 apartments, including 48 below Market Units. ($48/220 = 21.8\%$) A city document says: "The City's newest apartment development, The Triton, is under construction with estimated completion in early 2017. The Triton includes 220 apartment units and 5,000 sq. ft. of ground floor retail, located at the northeastern end of Triton Drive. Apartments will include studio, 1-, 2- and 3-bedroom units, including 48 below market rate units in the very low-, low- and moderate-income ranges." Source: <https://www.fostercity.org/commdev/project/triton-formerly-waverly>

One Hundred Grand: 166 units, 33 affordable and 133 market rate units. ($33/166 = 19.9\%$). A City document says: "**One Hundred Grand (formerly Triton Pointe) – 100 Grand Lane, Foster City, CA 94404 (under construction).** One Hundred Grand will have 33 affordable one-, two-, and three-bedroom units for very low-, low- and moderate-income households as well as 133 market rate units." Source: <https://www.fostercity.org/commdev/page/rental-below-market-rate-units>

b. Workforce Housing is unlikely to house many first responders.

Workforce housing is unlikely to house many first responders. Why? The income limit qualifications will exclude almost all first responders. They make too much money to qualify for the affordable units.

City policy requires that the affordable workforce housing units must meet (Extremely low, very low, low, and moderate) affordable housing limits. Here is the chart that shows the income limits.

County	Income Category	Number of Persons in Household							
		1	2	3	4	5	6	7	8
Last page instructs how to use income limits to determine applicant eligibility and calculate affordable housing cost and rent									

San Mateo County 4-Person Area Median Income: \$118,400	Extremely Low	30800	35200	39600	44000	47550	51050	54600	58100
	Very Low Income	51350	58650	66000	73300	79200	85050	90900	96800
	Low Income	82200	93950	105700	117400	126800	136200	145600	155000
	Median Income	82900	94700	106550	118400	127850	137350	146800	156300
	Moderate Income	99450	113700	127900	142100	153450	164850	176200	187550

Source: Foster City Community Development Department.

A single person can earn no more than \$99,450 at the “moderate” or top-level; a couple no more than \$113,700, a three person household no more than \$127,900, and a 4 person household no more than \$142,100.

Here is a link to the Foster City Employee Pay for FY2018-19.

<http://fostercityca.civicclerk.com/Web/GenFile.aspx?ad=10921> If you compare the pay with the income limits you can see why almost all first responders have incomes that will not allow them to be housed in the affordable units.

For example, the very beginning salary (Step 1) for a Police Officer is \$8,155 per month (\$97,860/yr). A single person would barely qualify (\$99,450 limit). Note, these are the salaries for brand new recruits at the bottom of the salary scales. It does not include overtime or other pay, other earnings, such as dividends and interest. Nor does it include the possible income of a spouse. Police and firefighters at higher pay grades will clearly not be able to qualify.

This website <https://transparentcalifornia.com/salaries/foster-city/> provides fy2017 compensation data for Foster City employees. It is

informative because it includes actual pay, including overtime and extra pay for each worker. Though out of date, it reveals that first responders... and, in fact...the average City employee, makes too much money to qualify for the affordable workforce housing units.

There are a few units, maybe 8 but more likely 2-3, that are not considered affordable units. These units will not present income limit problems for first responders.

This raises serious questions about the workforce housing initiative and why certain council members so vigorously support it.

c. Workforce Housing may run afoul of fair housing law.

The plan deprives the community of the 20% of affordable housing promised in the developer agreement. The “Foster City first” approach eligibility excludes all but public employees. And, 18 of the 22 units are designated for moderate income eligible occupants, leaving only 4 units for low or very low income participants, and zero units for the extremely low income category. This badly skews toward providing housing for the moderate and above income groups. These factors may lead to unnecessary and expensive litigation.