



August 6, 2018

Mayor Sam Liccardo and City Council
City of San Jose
200 East Santa Clara Street
San Jose, CA 95113

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The silicon valley organization

Re: Park Impact Fees on Accessory Dwelling Units (OPPOSE) – Council Item 2.13

Honorable Mayor Liccardo and City Council:

On behalf of The Silicon Valley Organization (The SVO), I am writing to share our concerns regarding the city's proposed policy change of Parkland In-Lieu fees on Accessory Dwelling Units (ADUs) in San Jose. By way of background, The SVO is the Silicon Valley's premier business advocacy organization representing 1,400+ companies that employ nearly 300,000 workers and we represent our membership as the region's largest Chamber of Commerce.

On June 26th earlier this year, the city council approved changes to the zoning code that permitted the construction of ADUs throughout San Jose. ADUs are significant in that they provide additional affordable housing opportunities in our community, promote in-fill development, and could potentially increase overall housing supply in our region. ADUs are considered "low-hanging fruit" when it comes to increasing housing supply and unlocking additional housing opportunities on a fixed amount of land. The City of San Jose has made great strides to allow construction of ADUs to promote these affordable housing opportunities, yet implementing park impact fees that could cost homeowners thousands of additional dollars, on top of the cost of constructing the ADU, would be a major hurdle to the city's stated goals of increasing affordable housing units.

The SVO's 70-member Board of Directors has prioritized tackling the housing crisis as our top public policy issue. We believe that the key to addressing the housing crisis is to accelerate housing production at all levels, including: market rate, affordable housing, and veteran/homeless housing unit production. ADUs can go a long way towards achieving an increased housing supply to put downward pressure on existing market rate units and open opportunities for every resident to access affordable housing prices.

The SVO urges the Mayor and Council to reconsider council agenda item 2.13 and consider an exemption for ADUs. A park impact fee could be a major disincentive for homeowners to build ADUs, which could make significant strides toward addressing our regional housing crisis. Should you have any further questions, please contact Eddie Truong, Director of Public Policy & Advocacy, at 408-291-5267.

Sincerely,

Matthew R. Mahood
President & CEO
The Silicon Valley Organization