

CITY OF MOUNTAIN VIEW
RESOLUTION NO.
SERIES 20__

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MOUNTAIN VIEW RESCINDING APPROPRIATION OF \$6,800,000 FROM THE CITY'S BELOW-MARKET-RATE IN-LIEU FEES FUND AND \$3,200,000 FROM THE CITY'S LOCAL HOUSING TRUST FUND TO THE 1012 LINDA VISTA AFFORDABLE HOUSING PROJECT, LESS ANY ELIGIBLE EXPENSES INCURRED TO DATE, AND RETURNING ALL REMAINING FUNDS TO THEIR ORIGINATING ACCOUNT

WHEREAS, on February 14, 2023, City Council appropriated \$10 million from the City's Housing Impact Fund to the 70-unit 1012 Linda Vista affordable housing project (the "Project"); and

WHEREAS, on May 9, 2023, City Council changed the funding source for the \$10 million appropriation to the Project from the Housing Impact Fund to the Below-Market-Rate In-lieu Fees Fund ("BMR Funds"); and

WHEREAS, on February 13, 2024, City Council adopted Resolution No. 18868, which, among other things, allocated \$1,600,000 in Local Housing Trust Fund grant funds ("LHTF Funds") to the Project and reduced the \$10 million BMR Funds appropriation to the Project by \$1,600,000 for a new BMR Funds appropriation in the amount of \$8,400,000; and

WHEREAS, on February 25, 2025, City Council adopted Resolution No. 18968, which, among other things, allocated an additional \$1,600,000 in matching LHTF Funds to the Project and reduced the \$8,400,000 BMR Funds appropriation to the Project by an additional \$1,600,000 for a new BMR Funds appropriation in the amount of \$6,800,000; and

WHEREAS, the Project applicant, Alta Housing, notified the Housing Department that the Project is not feasible in the current environment and, in August 2025, submitted an SB 35 application for a smaller 56-unit project at the same location; and

WHEREAS, this change has significant impacts on the project's financing and timeline, and therefore, the project is no longer on track to meet encumbrance and expenditure deadlines associated with the LHTF grant fund requirements; and

WHEREAS, Alta Housing will submit a new request for City funding for the 53-unit project through the City's Notice of Funding Availability (NOFA) process; and

WHEREAS, in light of the above-noted project changes, Housing staff recommends that City Council rescind the \$6,800,000 BMR Funds and \$3,200,000 LHTF Funds appropriations to the Project, less any eligible expense incurred to date, and return all remaining funds to the City's

Below-Market-Rate In-lieu Fees Fund and Local Housing Trust Fund, respectively so these funds can be used for other shovel-ready affordable housing projects; now, therefore, be it

RESOLVED: that the City Council of the City of Mountain View hereby rescinds the appropriation of \$6,800,000 from the City's the Below-Market-Rate In-lieu Fees Fund to the Project, less any eligible expenses incurred to date, and authorizes and directs the City Manager or their designee to return the amount remaining after any eligible expenses are subtracted to the the City's the Below-Market-Rate In-lieu Fees Fund; and be it

FURTHER RESOLVED: that the City Council of the City of Mountain View hereby rescinds the appropriation of \$3,200,000 from the City's the Local Housing Trust Fund to the Project, less any eligible expenses incurred to date, and authorizes and directs the City Manager or their designee to return the amount remaining after any eligible expenses are subtracted to the City's Local Housing Trust Fund; and be it

FURTHER RESOLVED: that this resolution shall become effective immediately upon adoption.
