



COUNCIL REPORT

DATE: March 25, 2025

CATEGORY: Consent

DEPT.: Housing

TITLE: **Code Amendment to Chapter 36 (Zoning)—Below-Market-Rate Housing Program (Second Reading)**

RECOMMENDATION

1. Adopt an Ordinance of the City of Mountain View Amending Mountain View City Code Sections 36.40.05, 36.40.10, 36.40.15, and 36.40.20 to Make Clarifying Modifications, and Adding Section 36.40.16 Governing Rent Increases for Below-Market-Rate Units to the Mountain View City Code, to be read in title only, further reading waived (Attachment 1 to the Council report). (First reading: 7-0)
2. Find that pursuant to California Code of Regulations Section 15060(c)(2), the proposed Code amendments are not subject to the California Environmental Quality Act because they will not result in a direct or reasonably foreseeable indirect physical change in the environment.

SUMMARY

On [February 25, 2025](#), the City Council held a Public Hearing (first reading) to introduce an ordinance to amend Chapter 36 (Zoning) of the City Code to:

- Include a 3% maximum allowable annual rent increase for in-place tenants;
- Clarify Area Median Income (AMI) levels and income ranges;
- Clarify that unit rents/sales prices are based on unit-designated income levels, not the qualifying household's income; and
- Clarify the definition of "residential development."

Council unanimously supported the amendments (7-0 vote).

This is the second reading of the ordinance for Chapter 36 of the City Code. If approved, the ordinance will become effective thirty (30) calendar days after the second reading, which is April 24, 2025.

FISCAL IMPACT—The recommended actions have no fiscal impact.

LEVINE ACT

California Government Code Section 84308 (also known as the Levine Act) prohibits city officials from participating in any proceeding involving a “license, permit, or other entitlement for use” if the official has received a campaign contribution exceeding \$500 from a party, participant, or agent of a party or participant within the last 12 months. The Levine Act is intended to prevent financial influence on decisions that affect specific, identifiable persons or participants. For more information see the Fair Political Practices Commission website: www.fppc.ca.gov/learn/pay-to-play-limits-and-prohibitions.html

Please see below for information about whether the recommended action for this agenda item is subject to or exempt from the Levine Act.

EXEMPT FROM THE LEVINE ACT

General policy and legislative actions

PUBLIC NOTICING

Agenda posting. The ordinance was published at least two days prior to adoption in accordance with City Charter Section 522.

Prepared by:

Julie Barnard
Affordable Housing Manager

Approved by:

Audrey Seymour Ramberg
Assistant City Manager

Reviewed by:

Wayne Chen
Housing Director

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