

Capital Project Considerations

Type of Project: Renovation of an Existing Subsidized Rental Complex

Name of Project: Tyrella Gardens Apartments Rehabilitation Project

Applicant: MidPen Housing, Inc.

Requested Funding: \$825,000, \$658,000 in HOME funds and \$167,000 in CDBG funds

Use of Funds: New energy efficient water heaters, furnaces, and exterior safety lighting; water saving landscaping and irrigation improvements; photovoltaic system for common areas; and paint and flooring.

Considerations:

- Maintenance of the City's existing subsidized housing stock is mentioned as a goal in the existing and Draft Consolidated Plan and meets City sustainability objectives related to green rehabilitation at subsidized apartment complexes. Use of CDBG and HOME funds for green and sustainable upgrades to City deed-restricted affordable units also results in reduced utility and operating costs, which benefits the lower income residents.
- HOME funds must be committed within two years of their availability or the City risks their forfeiture. About \$200,000 of the estimated \$658,000 in available HOME funds were carried over from FY 2012-13 and must be committed by July 2014. If reduced funding is awarded, the reduced amount should first come from CDBG, not the HOME funds, which must be used exclusively for affordable housing activities.
- Only five existing subsidized properties in Mountain View are currently eligible to receive additional HOME funding and Tyrella Gardens is one of those properties. The other subsidized properties already have HOME funding agreements. Under federal regulations, a property initially awarded HOME funding cannot be awarded additional HOME funding during the agreement term.
- The Tyrella Gardens Apartments renovation can be phased for completion, based on available funding. If reduced funding is awarded, MidPen would adjust the scope accordingly.

Capital Project Considerations

Type of Project: Repairs and Upgrades for Non-Subsidized Units

There are two rehabilitation funding program requests of this type.

Project 1: Safe at Home Program

Applicant: Rebuilding Together Peninsula

Requested Funding: \$10,000 in CDBG funds

Use of Funds: Minor home repairs for homeowners and accessibility modifications for homeowners and tenants.

Project 2: Single-Family Home Rehabilitation Program

Applicant: Habitat for Humanity

Requested Funding: \$200,000 in CDBG funds

Use of Funds: Single family homeowner rehabilitation with a focus on indoor air quality, resident safety, and building preservation.

Considerations:

- The City previously funded agencies at \$30,000 per year to operate a minor home repair and home access program. The previous two agencies that operated the program declined to continue, due to challenges in satisfying HUD regulations. Under one of the federal regulations, a bid process must be administered, even for small level purchases such as outlet covers and replacement bulbs. Also, the agency must have the ability to track its personnel time spent on each job. With these issues in mind, it is important that, if chosen, an agency has the in-house resources and financial tracking systems needed for federal compliance.
- Prior operation of the Minor Home Repair and Home Access Program did not involve fees, since many of the lower income households consisted of primarily seniors on fixed incomes. Also, most of the repairs were minor (around \$500 on average) and all were less than \$2,000, which would not typically be financed through loans.
- Demand for a minor repair and accessibility program is strong and staff still receives inquiries although it is not currently operating in Mountain View. The lower income households that were previously served tended to be seniors who did not need the level of rehabilitation that is typically financed, but rather small scale repairs and modifications that helped them continue to live independently.
- Rebuilding Together's Safe at Home Program and Habitat's rehabilitation model are eligible to receive CDBG. Neither program is eligible for HOME funding because of their focus on special purpose activities. HOME funds may be used for major rehabilitation work where work is performed to bring the entire residence up to code.

Capital Project Considerations

Type of Project: Capital Improvements at a Public Facility

Name of Project: Rengstorff Lighting Project

Applicant: City of Mountain View Public Works Department

Requested Funding: \$350,000

Use of Funds: Installation of safety lighting and upgrades to the electrical lines and conduits at Rengstorff Park.

Considerations:

- The safety lighting is identified as a priority in the Rengstorff Park Master Plan. Rengstorff Park has had problems with criminal activity within the park at night, particularly in the areas that are not well lit. The additional lights would increase visibility for the public and police who patrol the park.
- If all of the requested CDBG funds are not recommended or granted, additional Park In-Lieu Fee funds could be used as a supplemental source.