



COUNCIL REPORT

DATE: May 13, 2025

CATEGORY: Public Hearing

DEPT.: Housing

TITLE: **Federal Fiscal Year 2025-30 Consolidated Plan and Fiscal Year 2025-26 Annual Action Plan**

RECOMMENDATION

1. Adopt the Fiscal Year 2025-30 Consolidated Plan and Fiscal Year 2025-26 Annual Action Plan (Attachment 1 to the Council report) and authorize the City Manager or designee to execute and submit any required forms and certifications to the U.S. Department of Housing and Urban Development.
2. Allocate Community Development Block Grant Funds for the 2025-26 Annual Action Plan as follows:
 - a. \$233,000 in Community Development Block Grant funding for public service applicants as shown in Table 4. If the actual Community Development Block Grant amount received by the City for Fiscal Year 2025-26 is different than estimated, allocate the difference using the "Capped Proportion" method among applicants based on their awarded funding levels and up to the amount requested.
 - b. \$1,846,000 in direct allocation projects for the Fiscal Year 2025-26 Annual Action Plan Funds as described in Table 2.
 - c. \$120,000 for program administration costs.
3. Allocate \$1,708,231 in HOME Investment Partnerships Program funds to direct allocation projects and \$23,700 to program administration costs for the Fiscal Year 2025-26 Annual Action Plan.
4. Allocate \$171,000 of General Fund for Fiscal Year 2025-26 for public service applicants as shown in Table 5.

BACKGROUND

CDBG/HOME Overview

The City of Mountain View is developing its Fiscal Year 2025-30 Consolidated Plan and Fiscal Year 2025-26 Annual Action Plan. These plans are required by the U.S. Department of Housing and Urban Development (HUD) for jurisdictions like Mountain View that receive annual federal housing and community development funding (known as “entitlement jurisdictions”), such as the Community Development Block Grant (CDBG) and HOME Investment Partnerships Program (HOME) programs. These plans are required to use a template provided by HUD which includes the narrative prompts, data tables, and overall structure of the report.

The amount of CDBG and HOME program funds awarded each fiscal year fluctuates and is dependent on the adopted federal budget. These programs also utilize program income, which is revenue generated from CDBG or HOME-funded activities, such as loan repayments from affordable housing projects, which must be reinvested into eligible projects. Both the CDBG and HOME programs have distinct requirements that are stipulated by HUD, including the types of activities that can be funded and the amount of funding that can be allocated toward each activity type. Activities must benefit low- and moderate-income (LMI) persons and households that are below 80% of the area median income (AMI).

CDBG

CDBG funding helps jurisdictions address their community development needs, such as public service activities, capital projects, and economic development activities. Staff recommends the following use of CDBG funding:

- 15% for public service activities (maximum allocation allowed). Examples of eligible CDBG public service activities include, but are not limited to, homelessness-prevention programs, legal services for seniors, and services for survivors of domestic violence.
- 65% for capital projects or economic development activities (100% of CDBG allocation is allowed). Examples of capital projects include, but are not limited to, acquisition of property for the development of affordable housing and improvements to public facilities, parks, streets, and sidewalks that serve LMI residents. Economic development activities include technical assistance and loans for small businesses.
- 20% for program administration (maximum allocation allowed).

HOME

HOME funding helps jurisdictions fund various types of affordable housing-related programs and developments, with the following allowed uses:

- 90% for affordable housing projects and programs, such as site acquisition, rehabilitation, financial assistance to eligible home buyers or owners for home purchase and tenant-based rental assistance (100% of HOME allocation is allowed).
- 10% for program administration (maximum allocation allowed).

Consolidated Plan and Annual Action Plan

HUD requires entitlement jurisdictions to update the Consolidated Plan every five years and develop an Annual Action Plan (AAP) each year to implement the five-year plan. The Consolidated Plan includes an assessment of housing and community development needs for low- and moderate-income households, analysis of the housing market, barriers to affordable housing, and identification of the City's priority goals.

The AAP describes the specific activities and projects that the City will allocate CDBG and HOME funds toward for a given fiscal year in addition to the funding amounts and performance goals for those activities.

Regional Process

The City is in the process of updating the Consolidated Plan for the 2025-30 period and concurrently developing the Fiscal Year 2025-26 AAP, which is the first year of the Fiscal Year 2025-30 Consolidated Plan. As with prior updates, the City is participating in a regional process led by the County of Santa Clara Office of Supportive Housing. Other cities in the County participated in the regional process, including Cupertino, Gilroy, Milpitas, Palo Alto, Santa Clara, Sunnyvale, and the Santa Clara Urban County, which is composed of the cities of Campbell, Los Altos, Los Altos Hills, Town of Los Gatos, Monte Sereno, Morgan Hill, Saratoga, and the Unincorporated Area. The regional process allows for a more streamlined development in procuring the Consolidated Plan consultant, coordinating public and stakeholder engagement regionally and in each city, and identifying shared issues, needs, and potential opportunities for collaboration across cities.

Funding Allocation—Public Services and Capital Projects/Economic Development Activities

- Public Services—The City has allocated CDBG funds for public services through a two-year Notice of Funding Availability (NOFA) process, which is more efficient than an annual NOFA

and provides greater financial predictability for recipients. NOFA funding priorities are based on goals established in the Consolidated Plan. The next two-year cycle starts with the Fiscal Year 2025-26 AAP.

- Capital projects and economic development activities—These items are funded through a direct allocation process rather than a NOFA process in alignment with the funding methodology as has been discussed with and approved by the Human Relations Commission (HRC) and City Council.

Detailed discussion of the funding process is provided below.

ANALYSIS

2025-30 Consolidated Plan

The purpose of the City Council public hearing is to gather input and provide feedback on the Fiscal Year 2025-30 Consolidated Plan and the Fiscal Year 2025-26 AAP, including priority needs and proposed goals. The Consolidated Plan outlines the City's five-year housing strategy (2025-30), while the AAP details the first year of implementation (2025-26). The Consolidated Plan includes the following HUD-required sections: (1) Executive Summary; (2) Process; (3) Needs Assessment; (4) Housing Market Analysis; (5) Strategic Plan; and (6) Annual Action Plan.

Summary of Needs Assessment and Housing Market Analysis

The Consolidated Plan requires a comprehensive evaluation of the City's housing and community development needs along with a needs assessment and market analysis, which were also conducted by the consultants. The needs assessment evaluates HUD-required topics, such as housing affordability, overcrowding, and homelessness, with an emphasis on LMI households. The Housing Market Analysis examines the City's housing market, economic conditions, and availability of resources to address housing and community development needs. The key data source is the U.S. Census. This analysis informs the Strategic Priorities in the Consolidated Plan. Detailed information about the Regional Housing Market Analysis is included in Attachment 3.

Below is a summary of key findings from the needs assessment and market analysis:

- Approximately 33% of households in the City (10,965 out of 33,020) are classified as LMI, meaning they earn below 80% of the AMI;
- Between 2010 and 2022, the median home value in the City increased by 147%, and the median rent increased by 111%;

- Of the approximately 33,000 households in the City, around 6,000 LMI renters and 2,200 LMI homeowners are cost-burdened;¹
- Over 2,000 affordable rental units are needed to accommodate households with incomes of less than \$50,000; and
- Nearly 1,500 rental households live in overcrowded conditions.²

Summary of Community and Stakeholder Engagement

In addition to the needs assessment and market analysis, a community and stakeholder engagement process was conducted. The process included regional events as well as local efforts specific to Mountain View to receive input on housing and community development priorities that should be considered for the Fiscal Year 2025-30 Consolidated Plan.

The extensive community/stakeholder engagement process included:

- Public workshops;
- Stakeholder consultation meetings;
- Focus groups;
- Pop-up tables at community events and community-focused meetings;
- Community engagement survey;
- Social media outreach; and
- General outreach, such as an informational website and email blasts.

Detailed information about the outreach and engagement process is available in the Citizen Participation and Stakeholder Consultation Appendix (Attachment 2).

Below is a summary of findings based on both local and regional feedback and input:

- The top housing needs are affordable rental housing and rental assistance. (Regional)
- Unhoused residents require supportive services, such as hygiene assistance and employment navigation. (Regional)
- Affordable child care was the most selected community and economic development need by survey respondents in Mountain View. (Local)

¹ Households that are cost-burdened are paying more than 30% of their income toward housing costs, including utilities.

² A household is considered overcrowded if there is more than one person per room.

- Mountain View survey respondents selected more opportunities for small or start-up businesses as the most desired economic development outcome. (Local)
- Americans with Disabilities Act (ADA)-compliant improvements are needed to increase accessibility for individuals with disabilities related to the areas of mobility, safety, and infrastructure. (Local)

Interdepartmental Coordination and Input

Finally, Housing staff engaged with City staff to identify the Strategic Priorities that should be considered for the Consolidated Plan, including the City Manager's Office (Human Services Division), Community Development Department (Economic Vitality Division), and the Public Works Department (Transportation Division). City staff identified potential activities and projects that align with HUD requirements and use of the federal funding:

- Various public services related to homelessness response and services which may also support the City's Homeless Response Strategy.
- Infrastructure/transportation projects related to increasing mobility, safety, and accessibility.
- Support for economic development, particularly for small businesses and technical assistance.

Priority Needs

Based on data gathered through public outreach, the needs assessment, and market analysis, staff propose the following five Strategic Priorities for the Fiscal Year 2025-30 Consolidated Plan:

1. **Increase Affordable Housing:** Promote affordable housing through the development of new units and the rehabilitation of existing units. This includes, but is not limited to, supporting new construction, housing acquisition and preservation, and partnering with nonprofits to provide rental and home ownership opportunities. Examples of projects that address this priority need are the acquisition of property for the development of affordable housing and the rehabilitation of housing for LMI homeowners in the City.
2. **Respond to Homelessness:** Respond to homelessness through a range of programs, including, but not limited to, assistance for those experiencing or at risk of homelessness through supportive services and homelessness prevention. Illustrative examples of supportive services can include, but are not limited to, case management, food and nutrition, and access to legal and health services.

3. **Support Public Services:** Support public services that enhance health, safety, and well-being of populations in need, including, but not limited to, senior services, services for victims of domestic violence, and health services.
4. **Promote Economic Vitality:** Support economic vitality through job creation, work force development, job training, and small business assistance. An example of a project that addresses this priority need is a microenterprise business assistance program that provides technical assistance to LMI business owners.
5. **Enhance Public Infrastructure:** Install new or rehabilitate end-of-life public infrastructure, including enhancements to safety, mobility, and accessibility. Examples of public infrastructure projects include, but are not limited to, transportation-related projects that address pedestrian safety, enhance mobility through street and sidewalk improvements, and increase accessibility for residents with disabilities by implementing ADA improvements to areas of need in the City.

The HRC voted unanimously to accept the 2025-30 Consolidated Plan and all five Priority Needs and recommend them to Council for approval.

Fiscal Year 2025-26 Annual Action Plan

The Fiscal Year 2025-26 Annual Action Plan identifies the CDBG and HOME activities that the City will undertake for the period of July 1, 2025 through June 30, 2026. The budget for the AAP is composed of annual funding allocations, program income, and prior year resources, which are CDBG and HOME funds from prior years that were not expended. The estimated amounts are shown in Table 1 below.

Table 1: Anticipated Federal Budget for Fiscal Year 2025-26

Program	Estimated Entitlement Allocation	Estimated Program Income	Prior Year Resources	Total
CDBG	\$604,000	\$250,000	\$1,345,000	\$2,199,000
HOME	\$237,000	\$500,000	\$994,931	\$1,731,931

As noted, public services are funded through the NOFA process, while nonpublic service projects (e.g., capital projects and economic development activities) are funded through a direct allocation approach instead of the NOFA process. Only a limited number of organizations are able to utilize the direct allocation, largely because many traditional nonprofits and public service organizations lack the resources and expertise needed to meet the strict federal funding and

complex reporting requirements. Those applicants who were able to receive a direct allocation are listed in Table 2 below.

Staff recommends that funds be allocated toward the eligible CDBG and HOME projects as shown in Table 2 below.

Table 2: Proposed Projects for Fiscal Year 2025-26

Program	Category	Funding	Description
CDBG	Public Services (15% cap)	\$233,000	These funds were made available through the NOFA, and the funding recommendations are discussed below.
	Capital Projects/Economic Development (65%)	\$1,846,000	These funds will be directly allocated to capital projects and economic development projects: <ul style="list-style-type: none"> • Rebuilding Together Peninsula Minor Home Repair Program (\$180,000)—Emergency home repairs to LMI Mountain View homeowners. • Upwards BOOST (\$80,000)—Technical assistance to LMI microenterprise businesses³ in the City that provide child-care services. • City of Mountain View—ADA improvements for public facilities and infrastructure (\$190,000). • City of Mountain View—Funding for eligible projects in the City’s affordable housing pipeline (\$1,396,000).
	Program Administration (20% cap)	\$120,000	These funds cover program administration of the CDBG program.
HOME	Capital Projects (90%)	\$1,708,231	These funds will be directly allocated to the City’s affordable housing pipeline (which are capital projects).
	Program Administration (10% cap)	\$23,700	These funds cover program administration of the HOME program.

³ A microenterprise business is defined as a small business with five or fewer employees, including the owner(s).

Public Service Funding Recommendations—CDBG and General Fund

As described earlier in this report, the City uses a NOFA process to fund its public service activities, operating on a two-year funding cycle. Applications approved through the NOFA are funded using CDBG. In addition, the City makes an annual appropriation from its General Fund to supplement the funding requests and to support human services, cultural, arts, and other programs that are not eligible for CDBG funds. The allocation of General Funds helps provide additional resources to the local community organizations, as federal funds are limited, have strict eligibility and reporting requirements, and are often oversubscribed. Per Council Policy A-8, the uses of the City's General Funds that supplement CDBG funds must align with and further the goals and strategies in the City's federal Consolidated Plan.

General Fund Budget—Fiscal Year 2025-26

The NOFA included \$171,000 from the General Fund to support human services, educational, cultural, arts, and other programs not eligible for federal funds. The General Fund public services are overseen by the Human Services Division in the City Manager's Office. For Fiscal Year 2025-26, the City received \$535,575 in General Fund public service funding requests. The General Fund public services are oversubscribed, which has been the trend in recent years. In the prior public service cycle (Fiscal Year 2023-25) the City Council supplemented the baseline General Fund budget of \$171,000 by adding \$112,724 from the General Fund in order to fully fund the applications that were recommended. This brought the total General Fund support for public services to \$283,724. For Fiscal Year 2025-26, the proposed budget includes the baseline budget of \$171,000.

HRC Input on NOFA Process

At the [December 5, 2024](#) HRC meeting, staff provided Commissioners with an overview of the CDBG/HOME programs, including funding purposes, eligible activities, and the purpose and process related to preparation of the Consolidated Plan and AAP. The HRC discussed making NOFA funding decisions that are equitable in the event that requests exceed the available funding and approved staff's recommendation to use three priority needs from the current Fiscal Year 2020-25 Consolidated Plan for the Fiscal Year 2025-27 NOFA,⁴ as follows:

- Increase affordable housing for LMI and special-needs households;
- Establish and support programs to prevent and end homelessness; and

⁴ Conceptually, the 2025-30 Consolidated Plan priority goals should inform the Fiscal Year 2025-26 AAP NOFA process. However, the 2025-30 Consolidated Plan is being developed concurrently with the Fiscal Year 2025-26 AAP, which means that the next five-year goals have not been adopted yet. Therefore, staff recommended using three of the existing priorities in the 2020-25 Consolidated Plan for this NOFA.

- Support public service activities that promote safety, security, wellness, and well-being for LMI households and special-needs populations, such as seniors, abused and neglected youth, and the disabled.

NOFA Application Timeline

Below is a timeline of key dates from the NOFA process, which also includes the next steps that will be taken.

- December 6, 2024: Fiscal Year 2025-26 NOFA released.
- December 13, 2024: Mandatory presubmittal webinar.
- January 10, 2025: Fiscal Year 2025-27 NOFA application submittal deadline.
- April 3, 2025: HRC Public Hearing on 2025-30 Consolidated Plan/Fiscal Year 2025-26 AAP and funding recommendations to Council.
- May 13, 2025: Council Public Hearing to adopt 2025-30 Consolidated Plan/Fiscal Year 2025-26 AAP and funding recommendations.
- May 15, 2025: HUD submittal deadline.

A recording of the presubmittal webinar was posted on the City's YouTube account, and staff was available for questions and technical assistance throughout the application period.

The NOFA was shared and publicized in the following ways:

- Emailed to the CDBG and General Fund public service interest list;
- Shared with the City's Coordinating Together network;
- Published in the *City Hall Connection* e-newsletter; and
- Published in the *Mountain View Voice* and *Palo Alto Daily Post* newspapers.

NOFA Eligibility Criteria

To receive CDBG funds, a project must meet the following criteria:

1. Meet one of the CDBG National Objectives:
 - Benefit LMI persons;
 - Aid in the prevention or elimination of slums or blight; or
 - Meet an urgent need.
2. Meet at least one of the three priority needs from the City's prior 2020-25 Consolidated Plan, as was discussed at the [December 5, 2024](#) HRC meeting:
 - Increase affordable housing for LMI and special-needs households;
 - Establish and support programs to prevent and end homelessness; or
 - Support public service activities that promote safety, security, wellness, and well-being for LMI households and special-needs populations (e.g., seniors, abused and neglected youth, and the disabled).

To receive General Fund public service funds, a project must meet the criteria for General Fund public service activities as per Council Policy A-8:

- Educational, cultural, arts, and other programs not eligible for federal funds; and
- Align with and further goals and strategies in the City's Consolidated Plan and AAP.

NOFA Evaluation Framework

Each application was reviewed based on the following key parameters and criteria:

Completeness of Application	Includes threshold information, such as Consolidated Plan goal, clients served, and objectives/outcomes.
Addressing Community Needs	Alignment with identified community needs.
Organizational Capacity	Ability to implement the program/activity/project effectively.
Financial Oversight	Ensures accurate tracking and reporting of funds.

Figure 1: Key Parameters for Reviewing Funding Applications

While most of the applicants are current or past subrecipients, there were new applicants as well for this NOFA. Requests for CDBG and the General Fund were significantly oversubscribed, and it is not possible to fund each applicant at the fully requested amount. The level of oversubscription was driven primarily by applications from new organizations as well as larger funding requests from prior recipients. Due to the oversubscription, staff also considered the following factors for funding recommendations.

Amount Previously Awarded <ul style="list-style-type: none"> Funding history, if applicable. 	Amount Requested <ul style="list-style-type: none"> Total amount requested in the current application. 	Funds Available <ul style="list-style-type: none"> Total funding available for allocation.
Past Performance <ul style="list-style-type: none"> Historical performance, if applicable. 	Program Budget & Goals <ul style="list-style-type: none"> Budget alignment with program goals. 	Minimum Funding Threshold <ul style="list-style-type: none"> \$7,500 minimum for recommended public service applicants.

Figure 2: Additional Criteria for Funding Recommendations

Staff notes that because programs seeking funding may provide different levels of service for their clients, the total number of clients served is not always useful as an assessment criterion.

Based on the factors in Figures 1 and 2 above and the degree to which funding requests amount to more than twice the available funding (as shown in Table 3 below), staff recommends using a “Capped Proportion” method to allocate funding. As illustrated in Figure 3 below, this method uses a formula that allocates each recommended application a proportional award based on their total funding request while also incorporating a maximum allowable funding request, or “cap,” for all funding requests.

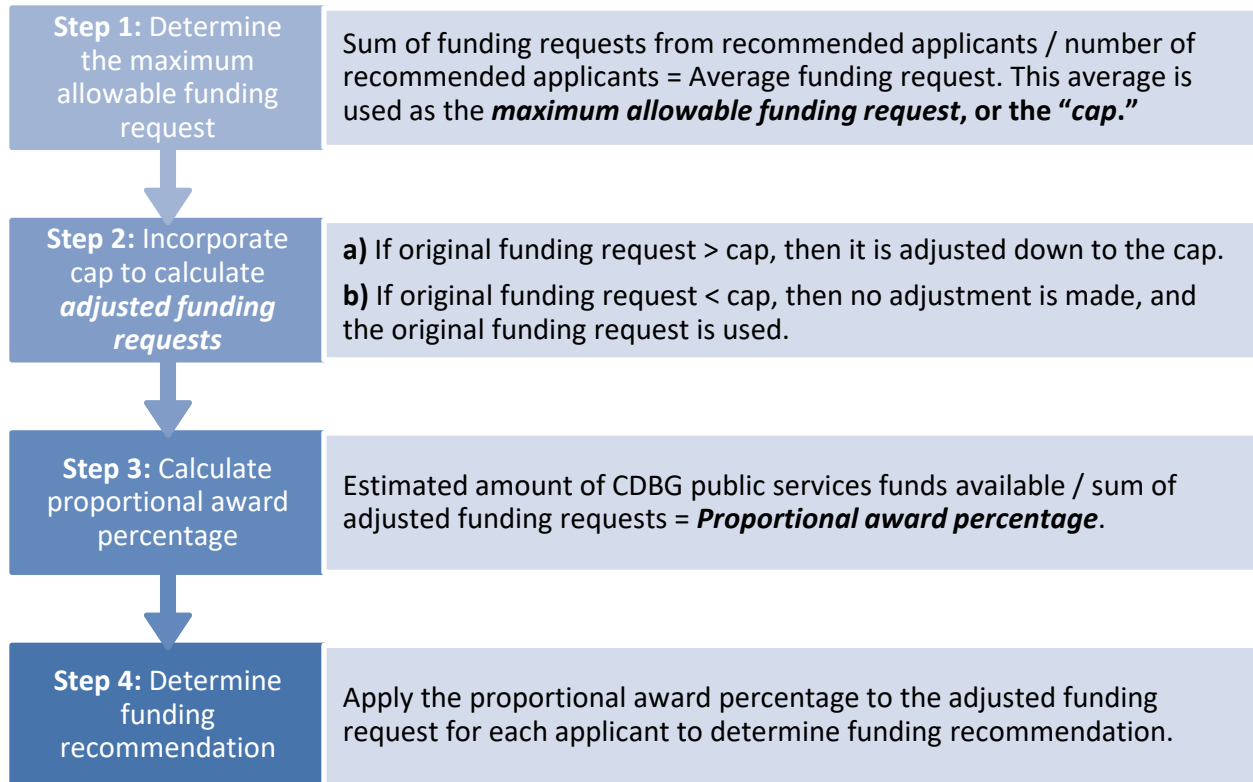


Figure 3: Summary of Capped Proportion Formula

This funding strategy results in higher funding recommendations for more organizations and helps to reduce the impact of applications whose funding requests were outliers on the high end. A detailed summary of the funding recommendations is shown in Tables 4 and 5 below.

Public Services Applications and Funding Recommendations

For Fiscal Year 2025-26, demand for public service funding continues to exceed available resources. A total of 20 organizations submitted applications seeking support for 24 programs and activities, resulting in an oversubscription of both CDBG and General Funds. Table 3 below provides a summary of available funds, total requests, and the number of applications received. Attachment 4 offers additional details on each organization’s mission and application.

Staff connected with each applicant to discuss the potential impacts of slight to significant reductions in their recommended grant awards compared to their request, and all applicants chose to accept the funding recommendations. To the extent that any applicant ultimately chooses to withdraw due to a lower funding amount than requested, staff recommends using the same proportional method as shown above in Figure 3 to allocate the funding that has been freed up to remaining applicants.

Table 3: Public Service Applications and Funding Totals

Funding Source	Available Funds	Total Requests	Number of Applications
CDBG Funds	\$233,000	\$356,364	11
General Funds	171,000	535,575	13
TOTAL	\$404,000	\$891,939	24

Most applicants applied for funding for one activity. However, the following organizations applied for more than one activity and sought both CDBG and General Funds:

- Community Services Agency of Mountain View, Los Altos, and Los Altos Hills (CSA)
 - Homelessness Prevention Program—CDBG
 - Senior Case Management Program—CDBG
 - Senior Nutrition Program—General Fund
- Day Worker Center of Mountain View
 - Education, Skills Training, and Job Placement Program—CDBG
 - Healthy Meals Program—General Fund
- The United Effort Organization
 - Homeless Case Management Services/Case Management Services for Vulnerable Populations—CDBG and General Fund

CDBG Funding Recommendations

Housing Department staff reviewed applications that were submitted for CDBG public services funding against the NOFA evaluation criteria. Table 4 provides a summary of the organizations that applied for CDBG public services funding and staff's funding recommendation. Using the

Capped Proportion Formula described in Figure 3, the recommended level of funding as a percent of the requested amount ranges from 53% to 96%. Seven of the 11 applicants are recommended to receive at least 79% of the requested amount.

As per Figure 3, the maximum award amount for CDBG public service applicants was \$31,518.18. See Attachment 5 for detailed calculations for each of the funding recommendations.

**Table 4: CDBG Public Service Funding Recommendations
for Fiscal Year 2025-26**

Applicant (Agency Name)	Program/Activity Name	Amount Requested (Per FY)	CDBG Funding Recommendation (Per FY)	Percent Funded
Catholic Charities of Santa Clara County	Long-Term Care Ombudsman Program	\$13,793	\$13,201.93	96%
Community Legal Services in East Palo Alto	Homelessness Prevention (Housing Legal Services Program)	\$60,000	\$31,518.18	53%
Community Services Agency of Mountain View, Los Altos, and Los Altos Hills (CSA)	Homeless Prevention/Services	\$46,508	\$31,518.18	68%
Community Services Agency of Mountain View, Los Altos and Los Altos Hills (CSA)	Senior Case Management	\$34,000	\$31,518.18	93%
Day Worker Center of Mountain View	Education, Skills Training, and Job Placement Program	\$40,000	\$31,518.18	79%
LifeMoves	MTV Housing Specialist	\$35,000	\$31,518.18	90%
Senior Adults Legal Assistance (SALA)	Legal Assistance to Elders	\$19,500	\$18,664.35	96%
Silicon Valley Independent Living Center (SVILC)	Housing Program for Persons with Disabilities	\$12,563	\$12,024.64	96%
Vista Center for the Blind and Visually Impaired	Vision Loss Rehabilitation Program	\$35,000	\$31,518.18	90%
The United Effort Organization*	Homelessness Case Management Services	\$20,000	Not recommended (Funding recommended via General Fund)	-

Applicant (Agency Name)	Program/Activity Name	Amount Requested (Per FY)	CDBG Funding Recommendation (Per FY)	Percent Funded
Pearl Transit Corp*	Oral Health Outreach	\$40,000	Not recommended	-
TOTAL CDBG FUNDS		\$356,364	\$233,000	

The United Effort Organization is recommended for funding through the General Fund, as shown in Table 5 below, rather than through CDBG. Pearl Transit Corp is not recommended for funding. After the HRC meeting, staff identified some inconsistencies with the application material. Based on those inconsistencies and not being able to verify the information, staff recommends not funding Pearl Transit Corp and redistributing the funds to the other eligible applicants. For this reason, the funding recommendations included in the table above are higher than those included in the HRC memorandum from the meeting on April 3, 2025.

General Fund Recommendations

The Human Services Division reviewed applications for General Fund public services funding using the NOFA evaluation criteria. Table 5 below summarizes the organizations that applied and staff's funding recommendations using the Capped Proportion formula or the HRC-directed minimum funding threshold of \$7,500, whichever is greater.

The recommended level of funding as a percent of the requested amount ranges from 29% to 75%. This is driven by the amount requested being more than twice the amount available. Based on the maximum allowable funding request and proportional award percentage, the maximum award amount for General Fund public service applicants was \$18,489.54. See Attachment 5 for detailed calculations for each of the funding recommendations.

**Table 5: General Fund Public Service Funding Recommendations
for Fiscal Years 2025-26 and 2026-27**

Applicant (Agency Name)	Program/ Activity Name	Amount Requested (Per FY)	Funding Recommendation (Per FY)	Percent Funded
Community School of Music and Arts (CSMA)	Preschool Music and Art Program	\$30,000	\$15,030.11	50%
Community Services Agency (CSA)	Senior Nutrition Program	\$50,000	\$18,489.54	37%
Counseling and Support Services for Youth (CASSY)*	Mountain View School-Based Mental Health Services Program	\$32,000	\$16,032.11	50%

Applicant (Agency Name)	Program/ Activity Name	Amount Requested (Per FY)	Funding Recommendation (Per FY)	Percent Funded
Day Worker Center of Mountain View	Healthy Meals Program	\$40,000	\$18,489.54	46%
Healthier Kids Foundation	Physical Health Screenings	\$19,850	\$9,944.92	50%
Hope's Corner Inc*	Healthy Food for Hope	\$64,000	\$18,489.54	29%
Junior Achievement of Northern California	JA Mountain View Youth Economic Empowerment Initiative	\$10,000	\$7,500.00	75%
Loaves and Fishes Family Kitchen*	Meals on Wheels for Low-Income, Homebound Seniors	\$43,200	\$18,489.54	43%
MayView Community Health	Increasing Access to Medical Care for Underserved Mountain View Residents	\$25,000	\$12,525.09	50%
Parents Helping Parents, Inc.	Supporting Families Raising Children with Disabilities	\$10,000	\$7,500.00	75%
The United Effort Organization*	Case Management Services for Vulnerable Populations	\$20,000	\$10,020.07	50%
YWCA Golden Gate Silicon Valley	Domestic Violence Support Services	\$45,000	\$18,489.54	41%
MOVE Mountain View*	Small Groups and Counseling for Homeless School-Age Children and Youth	\$146,525	Not Recommended	-
TOTAL GENERAL FUND		\$535,575	\$171,000	

The application from MOVE Mountain View is not recommended as the applicant did not meet the NOFA eligibility criteria relating to completeness of application in terms of delivery of objectives and outcomes. The application lacked clarity regarding the actions that would be taken to achieve the program goals. Additionally, it did not provide clear measurements of progress, expected outcomes, or details on how the requested direct financial assistance would support the program's goals and outcomes.

Federal Budget Considerations

As Council considers the HRC's funding recommendations for Fiscal Year 2025-26, several key factors should be taken into account. While funding estimates have been provided, final allocations and external factors may impact available resources and require adjustments to grant awards.

- **Actual Allocation Amounts:** The City has not yet received final CDBG and HOME allocation amounts from HUD. While fluctuations have been relatively small in recent years, entitlement funding levels this year may be impacted due to uncertainties related to the current federal administration, which may impact HUD and its grant funding programs. Federal budget decisions, staffing reductions, and shifting priorities may impact the final allocations, requiring adjustments to the recommended awarded amounts. Staff will continue to monitor updates and ensure compliance with HUD requirements to maximize available funding for public services.
- **Capped Proportion Funding Strategy:** If final allocations differ from estimates, staff will adjust funding recommendations using the “Capped Proportion” funding strategy. This ensures equitable distribution based on HRC recommendations and City Council approvals while aligning with available funding levels.
- **Fiscal Year 2026-27 Public Service Funding Estimates:** Higher-than-usual CDBG loan repayments have increased program income over the past few years, which has resulted in a higher amount for public services for this NOFA. However, program income is unpredictable, and the same funding level may not be available for the second year of the two-year cycle in Fiscal Year 2026-27. Staff will monitor program income levels and, to the extent possible, maximize available public services funding for Fiscal Year 2026-27 to achieve the same level of funding as for Fiscal Year 2025-26. However, it is possible that lower second-year funding amounts may result if the City receives a lower amount of program income. Additionally, recipients must be in good standing and meet performance objectives in order to receive funding in the second year.

HRC Public Hearing

At the [April 3, 2025](#) HRC meeting, staff presented the Fiscal Year 2025-30 Consolidated Plan, including the recommended five Priority Needs, as well as the Fiscal Year 2025-26 Annual Action Plan, including the public service funding recommendations. The HRC voted unanimously to accept the plans, the Priority Needs, and the funding recommendations and recommend them to Council for approval. The HRC also recommended that, if the City receives less CDBG funding than estimated, the City Council approve a General Fund allocation to fund the CDBG public service awards up to the amounts included in Table 4. This is listed as an alternative below but not recommended at this time due to General Fund fiscal constraints.

Next Steps

Based on the City Council’s recommendations, the Fiscal Year 2025-30 Consolidated Plan and Fiscal Year 2025-26 Annual Action Plan will be finalized and submitted to HUD. The City was notified by HUD that the CDBG and HOME allocations are anticipated to be released on May 14,

2025. HUD also provided guidance that the submittal of these documents must be completed within 60 days of the allocation announcements. Based on these anticipated dates, the final plans will be submitted by July 14, 2025. Staff will monitor updates and ensure timely submission.

FISCAL IMPACT

Approval of the Fiscal Year 2025-30 Consolidated Plan and Fiscal Year 2025-26 Annual Action Plan will not impact the General Fund. General Fund public service funding in the amount of \$171,000 is part of the City's base budget. Applicants approved for funding will be included in the Fiscal Year 2025-26 Recommended Budget for Council adoption in June 2025.

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.

SUBJECT TO THE LEVINE ACT

☒ Contract or franchise agreement

CONCLUSION

As a HUD entitlement jurisdiction in receipt of CDBG and HOME funds, the City is required to adopt a five-year Consolidated Plan and Annual Action Plan. The 2025-30 Consolidated Plan, including five Priority Needs, and the Fiscal Year 2025-26 Annual Action Plan for CDBG and HOME funds were approved by the HRC for recommendation to the City Council. The Annual Action Plan includes funding for public service agencies, capital projects, affordable housing initiatives, a minor home repair program, economic development projects, and program administration. The HRC also approved recommendations for General Fund-supported public service agencies. The recommendations in this report fulfill HUD's requirements and advance the goals within the Consolidated Plan, while demonstrating the City's commitment to addressing community needs, fostering affordable housing, and enhancing the quality of life for its residents.

ALTERNATIVES

1. Provide other Priority Needs for the Fiscal Year 2025-30 Consolidated Plan.
2. Provide other funding recommendations for the Fiscal Year 2025-26 CDBG, HOME, and/or General Fund allocations.
3. Accept the funding recommendations, and if the City receives less CDBG funding than estimated, use appropriate funding from the General Fund to fund the CDBG public service awards up to the grant amounts recommended in Table 4.
4. Provide other direction.

PUBLIC NOTICING

The Fiscal Year 2025-30 Consolidated Plan and Fiscal Year 2025-26 Annual Action Plan was posted on the City's [Affordable Housing](#) website on April 13, 2025 for a 30-day public comment period that opened on April 14, 2025 and is closing at 11:59 p.m. on May 13, 2025. Public notices advertising the public comment period and the public hearing were published in the *Mountain View Voice* and *Palo Alto Daily Post*, with links to the same notice in Spanish, Chinese, and Russian. Paper notices were posted to bulletin boards at City Hall, the City Clerk's Office, and the Library. Information about the availability of the 2025-30 Consolidated Plan and 2025-2026 Annual Action Plan was shared through social media channels (Facebook, X, and Nextdoor), and an email blast was sent out to the CDBG and Consolidated Plan subscriber lists.

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Attachments: 1. Draft 2025-30 Consolidated Plan and 2025-26 Annual Action Plan
 2. Appendix A—Citizen Participation and Stakeholder Consultation
 3. Appendix B—Regional Housing Market Analysis
 4. Organization Mission and Program Summaries
 5. Funding Strategy