
From: Saki Bailey
Sent: Tuesday, March 19, 2024 1:53 PM
To: City Council; Olga Melo; Marilu Cuestas; Paige Ariana Hill; Anthony Chang
Subject: Letter of Support Re Today's Study Session Displacement Response
Attachments: Letter of Support_SFCLT_Re Study Session.pdf

Follow Up Flag: Follow up
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Dear Mountain View City Council members,

We, San Francisco Community Land Trust (SFCLT), are writing to comment on the March 19, 2024 study session on displacement response strategy, and particularly on city staff's first recommendation on creating an acquisition and preservation pooled fund.

The San Francisco Community Land Trust (SFCLT) is a nonprofit organization that creates permanently affordable housing for those of low-to-moderate-income through the community ownership of land. Guided by the principles of anti-displacement and racial justice, SFCLT stabilizes neighborhoods and creates greater access to housing and homeownership opportunities. More recently, in line with its strategic priorities to center racial equity at all levels of the organization, it focuses on creating affordable housing for BIPOC communities previously excluded from access to wealth, and in particular, access to homeownership opportunities.

Recently, Fondo de Solidarid/Mountain View CLT joined our CLT Capacity Collaborative. The CLT Capacity Collaborative or "CCC" is a growing cohort of Community Land Trusts (SFCLT, Care CLT, PAHALI, CLAM, Bolinas CLT, Common Space CLT, Two Valleys CLT, NCLT, Richmond Land, and South Bay CLT) in the SF Bay Area and beyond committed to working together to leverage our shared capacity and resources to pursue our common CLT missions.

We appreciate the staff recommendations that will help prevent displacement and create community ownership of housing, especially the recommendation to dedicate \$4 million of city funds towards acquisition and preservation via a community ownership of housing model.

We'd also like to suggest additions and alternatives to the city staff recommendations that may enhance the community's ability to achieve goals around anti-displacement and community ownership. These suggestions are outlined in the letter attached.

Organizations like Fondo de Solidaridad/Mountain View CLT are critical to the fight against displacement in our communities. I truly hope that your plan will include a CLT strategy as the Fondo is offering the Mountain View community.

Thank you for your consideration.

Sincerely,
Saki Bailey
Executive Director
She/Her/Hers
San Francisco Community Land Trust





March 19, 2024

Re: March 19, 2024 Study Session on Displacement Response Strategy

Dear Mountain View City Council members,

We, San Francisco Community Land Trust (SFCLT), are writing to comment on the March 19, 2024 study session on displacement response strategy, and particularly on city staff's first recommendation on creating an acquisition and preservation pooled fund.

The San Francisco Community Land Trust (SFCLT) is a nonprofit organization that creates permanently affordable housing for those of low-to-moderate-income through the community ownership of land. Guided by the principles of anti-displacement and racial justice, SFCLT stabilizes neighborhoods and creates greater access to housing and homeownership opportunities. More recently, in line with its strategic priorities to center racial equity at all levels of the organization, it focuses on creating affordable housing for BIPOC communities previously excluded from access to wealth, and in particular, access to homeownership opportunities.

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We appreciate the staff recommendations that will help prevent displacement and create community ownership of housing, especially the recommendation to dedicate \$4 million of city funds towards acquisition and preservation via a community ownership of housing model.

We'd also like to suggest additions and alternatives to the city staff recommendations that may enhance the community's ability to achieve goals around anti-displacement and community ownership:

- Support committing \$4 million for acquisition and preservation for community ownership of housing, but not in a pooled fund with a minimum \$20 million. Instead, we suggest making these funds available to community land trusts and other community ownership of housing projects,



where they can leverage city funds to attract external funding, much like what happens in the building of new affordable housing projects.

- Ensure a simple and accessible process for getting these funds, especially for community-based groups led by working class people like community land trusts, tenants buying buildings, mobile home park residents buying their mobile home park, etc.
- Accelerate the deployment of these funds into projects by creating a pilot program directly with 1-3 community based organizations working towards community ownership of housing (e.g. community land trusts, tenant unions, mobile home park residents interested in buying their mobile home park, etc.), including groups like Fondo de Solidaridad | Mountain View CLT, who we understand the city has already worked with to distribute \$1.8 million in flexible financial assistance to 700+ low-income families in the community.

Sincerely,

Saki Bailey
Executive Director
San Francisco Community Land Trust



March 19, 2024

Ref: March 19, 2024 Study Session Item 3.1: Displacement Response Strategy

Dear Mayor Showalter and Members of the City Council:

The Cafecito at St. Athanasius is pleased that the City of Mountain View is continuing to seek effective policies to minimize the displacement of its long term residents. Within the Cafecito, we continue to struggle with the effects of the 2005 Rock St. and subsequent apartment demolitions.

The Cafecito is supportive of the staff recommendations presented in the Study Session Memo for Item 3.1. Specifically:

Acquisition/Preservation:

- Catalyze a Funding Pool. Staff recommends that the City commits up to \$4 million in City Housing Funds to catalyze \$16 million of external funding partnerships. This should not exclude the possibility of using some fraction of these funds for worthy acquisition projects prior to meeting the full \$20 million goal.
- OPA and Community Ownership Action Plan Process. Staff recommends incorporating the evaluation of OPA into the community ownership action plan process, a consultant-led process at a cost of approximately \$125,000.

Alternatives to Displacement Recommendations

- Staff will evaluate “true” first-right options and seek to implement programs by 2028.
- Staff will evaluate options and seek grant funding to provide down payment or closing costs assistance to displaced tenants.
- Displaced-resident preferences. Staff recommends evaluating Senate Bill (SB) 649 and bringing back an ordinance for Council consideration.
- Partnerships with developers on alternative units for displaced residents. Staff will resume this effort but recommends evaluating a broader range of options, including partnerships with hotels/motels, short-term rentals, vouchers, and developing another interim housing project.

Thank you for your consideration,

For the Cafecito:

Philip Cosby
Sandra Esparza
Reyna Dominguez

Guadalupe Rosas
Malia Pires
Rosa Arellano



Los Altos • Mountain View
COMMUNITY FOUNDATION

Los Altos Community Foundation

LosAltosCF.org

March 19, 2024

City of Mountain View City Council
City Hall,
500 Castro Street
PO Box 7540
Mountain
View, CA 94039-7540

Re: Displacement Response Strategies

Dear Mayor Showalter and City Council members:

Los Altos Mountain View Community Foundation (the Foundation) appreciates the opportunity to comment on the Study Session Memo (memo) prepared by the City staff for the City Council's study session on displacement response strategy. The Foundation thanks the City staff and Council Members for engaging the community in advance of the Study Session and encouraging input on the questions raised in the memo.

Acquisition/Preservation Program

The Foundation concurs with the conclusion from staff that new funding sources are needed with more favorable terms. Relying on existing funding sources with short-term horizons and grants from government and philanthropies will likely not generate the needed capital in a reasonable time period. Nor would a fundraising strategy dependent on generating donations from local residents. The current financial environment for nonprofit and government funders – sectors that now face falling revenues or deficits – does not point to an easy path to raise capital through traditional methods.

In discussion with other community partners including local funders and residents, the Foundation believes the City should consider a pooled investment fund based on principles of impact investing in which investors, philanthropies, corporations come together with the same goal¹. Such a fund has more of an opportunity to tap into both charitable as well as investment resources. It would also have a greater chance to meet or exceed the \$20 million target established by the City (thereby possibly addressing financial needs identified in Program 3.2 and Program 4.4), and should provide a revolving flow of cash as investments mature.

As the Global Impact Investment Network (GIIN) notes, impact investments offer “banks, pension funds, financial advisors and wealth managers” additional investment opportunities for

¹ The Global Impact Investment Network (GIIN) defines impact investing as “investments made with the intention to generate positive, measurable social and environmental impact alongside a financial return.”

clients. Endowment-based philanthropies (institutional, family, private, and community foundations) “can leverage significantly greater assets to advance their core social and/or environmental goals, while maintaining or growing their overall endowment[s].” Corporate impact investing continues to grow as shareholders pressure companies to more effectively deploy cash reserves. GIIN estimated the worldwide impact investment market at 1.164 trillion dollars with a significant portion reflecting US investments.

In recommending this funding approach, the Foundation suggests the following:

- Create a collaborative working group composed of philanthropies, private-sector organizations, local nonprofit partners and the City to establish the parameters of an impact investment fund including its management structure and investment criteria. This recommendation aligns with the memo’s observation that “there must be local leadership supporting these efforts.”

The working group would:

- Own the responsibility of raising the needed funds so that the burden is not placed on just the City or a limited group of community organizations. It should explore partnership opportunities with one or more private capital funds, for example, like the Housing Accelerator Fund.
 - Research existing housing impact investment efforts, especially the San Diego Housing Fund, which has set a \$20 million target for its first project and intends to use the revolving nature of the impact fund to develop 1,000 housing units per year.
 - Either evolve into the coalition involved in the design and implementation of the Community Ownership Action Plan or work in tandem with its leadership.
- Establish an impact investment fund that has the opportunity to expand with housing opportunities as those are identified.
 - Construct the fund so that it not only supports affordable housing acquisition and preservation, but could also align financial resources with other types of projects including housing transition support, community-controlled housing, and opportunity to purchase programs.
 - Provide a market rate of return to pool participants but also apply a patient capital attitude that supports investments with longer-term repayment schedules (beyond five years).

The Foundation believes such an impact investment fund can attract individual investors, donors, property owners, financial client-serving companies, other philanthropies and funders, and corporations including real estate developers. Further, the Foundation believes and

supports the memo's conclusion that the City must catalyze the funding partnership with an initial seed investment of \$4 million.

Local Community Land Trust (CLT) Infrastructure

Like the City, the Foundation has met with the Mountain View Solidarity Fund / Fondo de Solidaridad (Fondo) to discuss its interest in morphing into a CLT. The Foundation serves as Fondo's fiscal sponsor – meaning it provides its nonprofit status to the project as a means for Fondo to receive both grant funding and tax-deductible donations. The Foundation has supported Fondo in the receipt and execution of two grants from the City of Mountain View, both of which were successfully implemented and completed.

As detailed below, the Foundation recommends establishing a collaborative working group, that includes local leaders, to advance the Community Ownership Action Plan. The Foundation anticipates that Fondo, as well as other local community organizations, would be natural partners in this working group.

At this time, In the Foundation's opinion, were Fondo to receive funding as a CLT, it would likely need to do so as a stand-alone nonprofit or in partnership with another housing nonprofit, as such funding might impact the Foundation's tax status as a public charity. At this point, a non-exempt determination by the Internal Revenue Service that would establish preliminary nonprofit status typically takes 12 to 18 months, which might affect a timeline to allocate a portion of the City's \$4 million investment this calendar year.

Community Ownership Action Plan

The Foundation believes that the Community Ownership Action Plan represents a unique and critical aspect of the Housing Element. The Foundation supports the Memo's recommendation to hire a consultant to manage the process to create the Community Ownership Action Plan. It also agrees that the Community Ownership Action Plan should evaluate OPA opportunities and processes.

However, the lead-up to the Community Ownership Action Plan deadline and its implementation should include community voices and partners. The Foundation knows that successful community building and engagement strategies depend on involving multiple partners, building cross-sector collaborations, and forming action-focused working groups with specific goals and collaborative strategies. As such, the Foundation recommends:

- The proposed consultant collaborates with a working group composed of philanthropies, private-sector organizations, local nonprofit partners, and the City in leading the process and development of the Community Ownership Action Plan.
- The working group can either form now and help in the selection of the consultant or form shortly after the consultant begins to work on the project.

Collaborative community initiatives that engage multiple partners commonly operate at different levels of effectiveness. Territorial issues that lead to balkanization of community priorities can undermine a shared impact agenda. When joined with a strong top-down governance structure, such efforts can collapse altogether.

Therefore, the Foundation recommends that the working group and consultant collaborate on exploring and adopting collaborative models in which the leadership group members act as stewards of the community interest and collective vision, not their respective organization's self-interest. In such models, guiding principles are developed and embraced; a shared vision is defined that reflects the overarching goals such as those needed for the Community Ownership Action Plan; and an independent third party helps coordinate and convene the working group for ongoing planning, fundraising, conflict mediation, information flow, and overall capacity building.

Other Efforts

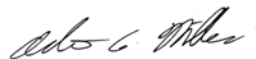
Community-based organizations, including the Foundation, are able to lobby in support of anti-displacement measures as appropriate. The Foundation recommends that the City collaborate with members of the proposed working group and other organizations on an advocacy strategy.

Timing

The Housing Element lists deadlines for program components that appear to sequentially build off each other. However, the community sense of urgency is high to bring solutions online and align financial resources quickly. As such, the Foundation recommends that the City look to parallel track deadlines for the funding strategy, OPA opportunities, and alternatives to displacement.

Thank you again for providing opportunities for community organizations, like the Foundation, to comment on the Study Session Memo and to contribute to this important dialogue. We look forward to working with the City Council members and the City staff in helping to make the Housing Element a reality.

Sincerely yours,



Adin Miller
Chief Executive Officer

cc:

Wayne Chen, Housing Director
Kimbra McCarthy, City Manager
Heather Glaser, City Clerk