

Council Questions

January 28, 2025 - City Council Meeting

ITEM 3.1 Pathways to Housing - Homeless Response Strategy and Expenditure Plan

1. How is it determined that for every 1 exited 2.6 are determined?

In 2023, in Mountain View, 283 households requested housing assistance for the time first and 107 households were placed in permanent housing. The ratio of 2.6 to 1 is calculated by dividing the number of households that requested housing (283) assistance for the first time by the number of households placed in permanent housing (107). This inflow and outflow from homelessness to housing is subject to fluctuation.

2. On page 3 figure one, there are dollars amounts listed, is this what MV spends?

Yes, this is what Mountain View spends on a Fiscal Year basis, except for LifeMoves MV, toward which the City provided one-time startup funds and Affordable Housing in which the City has invested nearly \$170M since 2014.

3. Home response strategy RFP- why was this necessary since 2016 as mentioned early on, all the steps and programs the city had developed up until this time?

The City released an RFP to obtain a qualified consultant for the strategy development to take stock of the existing City policies and initiatives, engage the community, and identify potential gaps.

4. What was the cost to develop this plan?

The cost was \$150,000.

5. Figure 4, does the 5 themes to repeat the same data that the city collected and studied since 2020?

The five themes emerged based on the review of homelessness data, the City's existing programs and services, and the stakeholder engagement input.

6. Figure 6 Goals- example goal 1, are we not collaborating with the regional?

The City does collaborate regionally and staff recommends building on these actions.

7. How do you increase something we are already doing?

Staff recommends expanding the number of people who receive Permanent Supportive Housing and broadening the outreach to vulnerable populations, using tailored strategies to reach groups with specific needs.

8. TABLE 1 What are the total dollars spend to date on all these highlighted actions?

Table 1 includes a summary of major programs and initiatives that have costs, and ordinances, plans, and designations without specific costs. Applicable costs are shown below.

- Safe Parking Program – Average cost is \$700,000 per year.
- Community Outreach Officer – \$354,500 per year
- Joint funding with County for CSA Case Management - \$60,000 City/\$60,000 County cost share per year
- COVID-19 Rent Relief Program - \$5.3 million in total.
- Homeless Response Strategy included in Council Work Plan - \$150,000 total cost.
- LifeMoves Mountain View - \$2.4 million total start-up funding

9. Page 13 it states that the city should consider funding for a limited period or ongoing.

Staff proposes a phased approach, using either limited-period and/or ongoing funding, dependent upon funding availability.

10. Page 2 is stated that the city is dedicated one Million dollars per year. Is this the same?

The \$1M is consistent with the City's expenditures over several years, of which, 70% of the \$1M is for the Safe Parking Program.

11. Page 15 – in bold type is the ENHANCED – please give an example of an enhanced program over what we are doing now?

Staff recommends enhancing the existing Biannual Clean Streets Program by providing garbage receptacles for a limited period.

12. How many staff are going to be needed to implement “pathway to housing”?

There are no recommendations to add new staff to implement the Plan. There are 24.75 full-time equivalent staff who contribute their time on a full-time (e.g., Housing (16.5 FTE)) or a percentage basis (e.g., Human Services (2.75 FTE), PD-NES (4.5FTE), and Fire-Environmental Protection (2 FTE)) on housing and homelessness initiatives.

13. What is the administer cost ratio for these programs to people served?

The City does not have this ratio. As a guideline, nonprofit agencies aim to keep administrative overhead to no more than 15% of total expenses.

14. Page 27 of the plan states that Mountain view “has plans” to increase an additional 200 units, When and how is it being funded?

Mountain View’s plans to increase the permanent supportive housing and Rapid Rehousing supply refers to the approximately 200 units in the city’s existing affordable housing pipeline, in particular projects funded through the City-County Measure A MOU which set aside \$80 million in Measure A funds for the pipeline. These pipeline projects are at different stages of development (also listed as part of the response to question 15 below):

- **Completed Construction:** The Heartwood (Jamboree Housing).
- **Approved - Under Construction:** La Avenida (Eden Housing), 1265 Montecito (Charities Housing).
- **Approved:** 96 W. El Camino Real (Danco), 1020 Terra Bella, Lot 12, Linda Vista (Alta Housing).

These projects are being financed through a combination of city, state, and federal resources, as well as other private funding sources specific to each development.

15. Page 31 AFFORDABLE HOUSING DEVELOPMENT- list 1300 units in the pipeline. What does that mean - permitted?

The pipeline projects included the following projects. Permitted units are those projects approved or approved and under construction.

The Heartwood (formerly known as Crestview)	Completed	48
La Avenida	Approved - Under Construction	100
Montecito	Approved - Under Construction	85
Lot 12	Approved	120
Terra Bella	Approved	108
Linda Vista	Approved	70
96 WECR	Approved	79
87 Evelyn (City RFP)	Under review	268
57-67 Evelyn (Charities site)	Under review	143
3 Future RFQ/RFP projects on City-owned sites (1305 Space Park, 2 Middlefield Park sites)	Not yet started	300+ units

16. The staff report says, “In Santa Clara County, for every 1 household that exited homelessness, another 1.5 households entered homelessness in 2023. In Mountain View, for every 1 household that exited homelessness, another 2.6 households entered homelessness.” Does staff have any theories as to why more people would be entering homelessness in Mountain View?

These numbers fluctuate year to year. In Fiscal Year 2023-24, both Santa Clara County and Mountain View experienced more people requesting housing assistance for the first time than were placed in permanent housing.

Homelessness does not result from a single cause. Rather there are several complex factors that differ across individual situations. Households that spend a significant portion of their income on housing costs are often most susceptible to falling into homelessness. Based on 2018-2022 data, the City has a higher percentage of households that were renters (60%) compared to the County (37%) and the median gross rent is higher than the countywide median rent.

17. See city outreach including nonprofits, community and government groups that work with homeless individuals and small business representatives. I don't, though, see any general resident groups – such as neighborhood groups – in the Advisory Committee or Working Sessions. How might city residents be best represented?

The project team held two Community Forums, one in-person and one by Zoom, which were noticed and shared widely with the community. The forums were well attended.

18. Where do people in the winter shelter program go when it is no longer winter? My understanding is that they are not to stay in the winter shelter all day long. If so, where are they expected to go during the daytime?

The County works to transition participants to other programs or housing opportunities before the close of the shelter, where possible. During the daytime, the participants do other activities such as school, employment or use of other services.

19. Figure 3 says, “200 planned units for a mix of rapid rehousing and permanently supportive housing” twice, in two different sections of the table. Why? Do we have 200 or 400 planned units total?

There are 200 units planned in total (not 400 units), which includes rapid rehousing and permanent supportive housing units.

20. The staff report says, “Stakeholders also cited a need for more accessible services that meet people where they are to address basic needs, such as a day center or service hub where multiple community-based organizations and physical and behavioral health service providers can come together to offer services.” Are these “more accessible services” essentially a navigation center?

More accessible services could be in the form of a navigation center, which serves as a one-stop service site. The City currently recognizes CSA as the official Resource Hub for unhoused and unstably housed residents providing many of these services.

21. What might we want to change or improve, changes can come from expiration of Navarro decision?

There may be modifications in terms of the outreach areas and the Clean Streets program may focus on different zones, but the strategies included in this plan are anticipated to continue regardless of the settlement expiration on February 28, 2027.

22. Are there quantifiable goals and metrics provided in the Strategy? Can staff direct me to these quantifiable goals and metrics?

The Plan is intended to be a living document that will incorporate ongoing review and regular updates, with metrics aligned with the County's Plan to End Homelessness, City's performance measures, program targets and contractual obligations. The draft plan did not include a metrics summary chart, but one will be included in the final plan.

23. The staff report indicates that "the goal is not to strive for an unrealistic 'function zero.'" Why is "functional zero" "unrealistic?" Why is it that other communities, like Bakersfield, CA, Rockford/Winnebago and Boone Counties in Illinois, and Lynchburg, Virginia, can achieve "functional zero," but Mountain View cannot? Source: <https://community.solutions/these-communities-are-proving-that-homelessness-is-solvable/>

Staff will refine the message related to "Functional Zero" to clarify that it is the point in time when a community's homeless services system is able to prevent homelessness whenever possible and ensure that when homelessness does occur, it is rare, brief and one-time for a specific sub-population (e.g., families, veterans, chronically homeless, seniors, youth, and families). Source: <https://community.solutions/built-for-zero/functional-zero/>

The City's Plan is aligned with the County Plan to End Homelessness, and the latest annual report from the County on homelessness includes the goal of narrowing the gap toward a "Functional Zero," for families by 2025. The County defines this as the number of housing placements for families is greater than the number of families entering homelessness.

The communities referenced above appear to have achieved "Functional Zero" for targeted sub-populations.

24. What would it take to achieve "functional zero" in Mountain View?

It would take the region to provide permanent housing and associated supportive services to anyone needing it, such as chronically homeless individuals, veterans, seniors, and youth and young adults during any given point in time.

25. Can staff describe how the "homeless prevention emergency rent relief program" would work?

Staff would use the experience gained from the pandemic programs, in particular the streamlined emergency assistance program with the goal of making the tenant experience as accessible and efficient as possible.

26. When would be the appropriate time to discuss use of Measure G funding for homelessness prevention?

Per City Council direction, 5% to 15% of this additional source of revenue will be dedicated to other general governmental services, including road maintenance, active transportation, small business support, and homeless support services, among others. The use of Measure G funds is anticipated to be considered as a part of the Council's budget approval process.

27. How much funding would be needed to prevent the homelessness that happens due to evictions in Mountain View on an annual basis?

Staff does not have the data to fully respond to this question at this time. For example, the City does not have annual data on the number of evictions. Additionally, while the primary cause of evictions is typically due to non-payment of rent, each household is different. A household could be stabilized with a couple of months of rental assistance, while another household may require ongoing assistance. Finally, not all evictions result in homelessness.

Using data that the City does have, the Rent Stabilization Division received 80 requests for rental assistance in the first six months of Fiscal Year 2024-25 (the requests are forwarded to CSA). Using a hypothetical example, assuming this volume remains the same for the rest of the year (resulting in 160 requests) and that 25% of the households could become homeless without assistance, that equals 40 households at risk of homelessness. If the average household needs three months of rental assistance at \$2,500/mo., then \$300,000 in funding would be needed.

28. How do the City and School Districts coordinate on assisting our homeless residents?

The federal statute McKinney-Vento Homeless Assistance Act requires schools to track students experiencing homelessness. Both MVWSD and MVLA have McKinney-Vento liaisons, who are a part of the City's Coordinating Together Network and meet monthly to share updates, information, and resources.

ITEM 4.2 Annual Report of the Investment Review Committee for Fiscal Year 2023-24 and Amendment of City Council Policy B-2

29. Read that if the city down grade its bond rating, it may open other investment, what does an AA rating do for the city, what are the financial benefits?

The staff report includes a recommendation, approved by the Council Finance Committee/Investment Review Committee, to lower the investment rating requirement for corporate notes from AA to A, which would allow the City to invest in a broader range of corporate notes. Currently, the City is only able to invest in corporate notes rated AA, which are relatively limited in the market. Although the City's current investment policy allows for up to 15% of investments in this category, the City has historically only been able to invest 10% of the portfolio in this category.

It is the belief that lowering the rating requirement would expand the range of corporate notes available for investment, potentially offering higher returns and increased investment options, and increasing the City's holdings in this category up to 15%, in alignment with the City's current investment policy. Additionally, the California Government Code allows for a minimum rating of A for corporate notes. Therefore, if the proposed change to the City's Investment Policy is approved by the City Council, the City will also be in alignment with state guidelines, which is the basis for most municipal investment policies.

30. Interested in how much mortgage-based corporations are impacting the stock of owner-ship housing available in Mountain View. Do we know how many of the mortgages of Mountain View homes are owned by these corporations? Are these corporations' activities reducing the supply of houses available for home ownership by local residents? Is this an issue we should be watching from an advocacy position?

The City is unable to accurately determine how many of the mortgages on City of Mountain View homes are owned by corporations as this information is not readily available. The City's Investment Policy prohibits investments for any collateralized mortgage obligations (Council Policy B-2, 10.2.1), which carry a higher risk. However, the City is allowed and does invest in mortgage-backed securities issued through Government-Sponsored Enterprises such as the Federal National Mortgage Association (FNMA) and the Federal Home Loan Mortgage Corporation (FHLMC), which facilitate borrowing and home ownership for individuals throughout the United States.

ITEM 4.3 Water and Sewer Main Replacement at U.S. 101, Project 20-41-Additional Appropriation and Amend Construction Contract

31. Are there any pipes moving treated water from the water treatment plant south of 101?

During normal operations, potable water flows south to north via pipelines to service the area around U.S. 101.

There are currently no recycled water pipelines south of U.S. 101. In 2022, City Council approved the Recycled Water Feasibility Study Update which calls for expansion of the recycled water system to the East Whisman Precise Plan area after full build-out of the system in the North Bayshore area.

32. Page 2 mentions the planned Shoreline bus lane, has that been put on hold?

No. Phase 1 consists of the critical utility infrastructure improvements, bicycle and pedestrian improvements, and signal modernization. This item will be brought to Council for consideration in late spring 2025, with construction anticipated starting in summer/fall of this calendar year. Subsequent phases include evaluation of interim pedestrian/bicycle improvements through the US 101 interchange and reversible center bus lane.

VTA yard, are they cleaning up the PCBS?

The City has coordinated with the EPA and collected soil and groundwater samples along the water and sewer main trenches to assess the presence of PCBs within the work areas. Testing identified one location requiring hazardous waste disposal. The testing was limited to the project area and did not cover the entire North Yard.

VTA is coordinating with the EPA to assess PCB presence, determine contamination limits, define remediation requirements, and address monitoring and reporting needs for the remainder of the property.

33. The \$1,600,000 utility easement through is that construction cost or money paid to VTA?

The \$1,600,000 was paid to the VTA for right-of-way acquisition through their North Yard. This acquisition grants the City easement rights to install our water and sewer mains on VTA property and ensures future access for operations, maintenance, and repairs.

ITEM 4.4 Landfill Gas Collection System Replacement-Back Nine, Design, Project 24-42-Professional Design Services Agreement

34. Golf course, why is the Robert Trent Jone designation so important? Have heard of many of the high-end golf course in the Bay Area having redesign that did not include the original design.

Mountain View's golf course holds the distinction of being a Robert Trent Jones designated facility. This designation is highly regarded in the golfing community due to the renowned design which emphasizes strategic play, timeless features, and a challenging yet enjoyable experience for golfers of all skill levels.

Golf courses near the Bay Area with this designation include Granite Bay, Spyglass, and Poppy Hill Golf Courses. These courses have undergone renovations with varying levels of involvement by Robert Trent Jones Jr. Both Granite Bay and Spyglass were able to maintain their designation without significant Robert Trent Jones Jr.'s involvement because the renovation did not drastically alter the course design, and the hole locations were largely preserved. Poppy Hills, on the other hand, underwent significant renovation in 2014. The renovation was led by Robert Trent Jones Jr. to improve playability and course flow.

At Mountain View's course, holes 10 through 18 will likely be moved and have significant changes to accommodate the new gas collection and control system, Robert Trent Jones Jr.'s involvement is critical to keep the course's designation and ensure that the Back 9 aligns with the playability and design of the Front 9 for a cohesive and attractive golf course.

35. What is the cost of having RTJ II doing to preserve their distinction?

The golf course renovation design and construction services cost approximately \$466,000.

36. Will the water pipes coming from the water treatment plant be upgrade? In the past the pipes were allowing bay water to seeping in.

No. This project does not include recycled water distribution pipeline improvements. Note that the Back Nine area is in an enclosed relatively non-permeable site to reduce water from impacting the refuse.

In the past, there was saltwater intrusion from the Bay into the sewer collection system due to old and damaged piping. Since that time with pipeline inspections, many of these pipes including large trunk mains to the Palo Alto treatment plant have been repaired or replaced and salt levels in the wastewater have decreased substantially.

37. Page 6 The design proposal exceeded the budget due several factors, specialized expertise, complexities of project, where this item not considered during the forming of the budget?

The design cost to replace the existing landfill gas collection system was estimated at \$400,000 in 2021. However, this was solely for repairs to the landfill gas collection system. Staff realized that construction with the gas collection system, the golf course would be adversely impacted, and it would make sense to bundle the two items together. Additional project complexities included an extended CEQA review process and documentation, and construction support services. The recommended engineering services also include a contingency to address optional design needs following preliminary site investigation and the potential preparation of an Environmental Impact Report (EIR), which may be required depending on the CEQA findings.

38. It's good to make projects like this as comprehensive as is reasonable. Were any aspects of our SLR protection program considered for inclusion in this project?

Staff considered sea level rise adaptation opportunities during the Back Nine project formulation. The Back Nine project design will consider potential future creek levee alignments when designing new utilities to minimize conflicts and address local low spots to facilitate effective stormwater drainage.

The project area does not overlap and will not include any portions of projects in the City's current Sea Level Rise Capital Improvement Program (SLR CIP). However, the SLR CIP includes plans to improve sections of the adjacent Permanente Creek levee in the future.

ITEM 4.5 City Council Work Plan Process

39. Is it possible to get a report on proposed project that have seen their budget amount increase due to delaying the project.

To answer this question, staff focused on the 18 in-progress projects in the FYs 2023-25 City Council Work Plan that are not anticipated to be completed by the end of the current 2-year work plan cycle. Of these 18 projects, 5 have experienced a budget increase due to the delay in the project beyond FYs 2023-25 (listed below). For some of these projects, budget increases may also be driven by changes in scope or other conditions. (Note: Staff does not have specific dollar figures at this time.)

- Biodiversity Strategy
- Urban Tree Master Plan
- R-3 zoning revisions.
- Active Transportation Plan
- Steven's Creek Trail Extension

40. How many projects that are in the pipeline exceed their original budget?

The budget increases for some of the projects above also include cost increases due to changes in scope or other conditions (in addition to the cost increases related to project delay).

41. How many projects are fully funded?

All but 2 of the FYs 2023-25 in progress projects are fully funded. (The 2 projects that are not fully funded are the Steven's Creek Trail extension and affordable housing at the VTA Evelyn site.) However, it should be noted, that several of these projects involve the development of plans or strategies that, once completed, will require significant budget and staff time to implement all the tasks/specific programs, e.g. the Parks and Recreation Strategic Plan, Active Transportation Plan, Decarbonization Strategy, Biodiversity Strategy, Downtown Precise Plan, and Moffett Boulevard Precise Plan.

42. What major changes need to be made to have the percentage of project get done in a realist time frame? When one reads, 50 % of projects are not completed is concerning.

The most direct way to getting projects completed in a realistic time frame is to right size the number and scope of projects to match the organization's capacity (i.e. staff resources and funding). This could primarily include reducing the number or scope of projects but could also include increasing staff or budgets. The latter is not always an option and depends on the City's fiscal condition. In addition, streamlining or elimination of processes and programs that have become more cumbersome or less beneficial would free up organizational capacity. The Upcoming Council Work Plan is currently proposed as focusing on "quality over quantity," acknowledging that our current Work Plan has too many projects to complete in the given time, and staff is unable to complete everything due to other projects and daily work that is already underway.

43. What is meant "high-visibility projects? Examples

A project can be considered high visibility if it is part of a relatively small number of projects that are elevated as the Council's highest priorities. This type of focus makes it easier for the project to stand out and for more accessible communication about the progress of the project.

44. What is meant by "well-defined? Are not all projects well-defined when they come before council?

A well-defined project is one for which the scope, desired outcome and key steps/milestones are clear. Sometimes, when projects are first proposed for the Council Work Plan, the scope and end results can be vague or open to staff and Councilmember interpretation and the key milestones may not yet be known. By the time a project comes to Council for action, it is expected to be well-defined.

45. Attachment 5 – How many projects list can be completed in 2 years and fully funded?

Given the number of projects in Attachment 5 (109), it is not possible to gather the requested information in time for this meeting. Staff can say that a good number of the projects are not expected to be completed within two years and are not yet fully funded. For example, several projects in Attachment 5 call for implementation of projects in the FYs 2023-25 Council Work Plan that are initial steps in a longer-term work plan (e.g. Parks and Recreation Strategic Plan, Active Transportation Plan, Decarbonization Strategy, Biodiversity Strategy, Homelessness Response Strategy, Economic Vitality Strategy, etc.). The implementation periods for these plans and strategies are multi-year and for the most part, funding has not been appropriated for all recommended actions in the plans/strategies.

In addition, Attachment 5 includes the implementation of other plans or strategies adopted before the current Work Plan that will take place over multiple years and require additional funding, such as the 2022-27 Affordable Housing Strategic Plan to advance the affordable housing pipeline, which has a funding gap of \$50 million and implementation of the Downtown Parking Strategy, which was adopted in 2021. Finally, Attachment 5 also lists 24 significant discretionary Capital Improvement Program projects. CIP projects typically take several years to design and construct.

The majority of the projects listed in Attachment 5 will not be completed in the next two fiscal years. And several of them are not yet fully funded, including the Rengstorff Avenue Grade Separation, Public Safety Administration Building, and Lot 5 Parking Structure.

46. Including the 14 projects staff is recommended, how many projects listed in Attachment 5 are presently going forward?

There are 109 projects in the Comprehensive List of Other Significant Continuing and Planned Projects (Attachment 5). In addition, there are 18 in progress projects in the FYs 2023-25 Council Work Plan that will continue. If Council adopts 14 new projects in the FYs 2025-27 Work Plan, the organization will be working on a total of 141 significant projects, in addition to more minor or routine projects and day to day ongoing operations.

ITEM 4.6 Recycled Water System Expansion, Phase 1, Project 23-40-Reservoir Siting Study and Professional Design Services Contract Amendment

47. When will we see an upgrade of the Regional Water quality control plant from recycled water to Potable water, like what the City of San Jose has?

The advanced water purification system located in the City of San Jose is owned and operated by Valley Water. The advanced treated water is currently blended with recycled water to reduce salt levels, enhance the quality, and expand the use of recycled water for irrigation, dual plumbing, and industrial purposes. In the future, Valley Water is planning to use the purified water to augment drinking water supplies in groundwater basins.

The advanced water purification project planned at the Palo Alto Regional Water Quality Control Plant will be similar to the Valley Water system. The City of Mountain View will use the purified water for irrigation, dual plumbing, and cooling towers. The purified water will not meet potable water requirements. The City of Palo Alto is separately developing a One Water Plan for Palo Alto and considering options for future direct and indirect potable reuse of purified water, which will require additional treatment processes and regulatory review.

48. Site C – Google with the prospect of modifying their 30-year development agreement, should that be a factor in the decision-making process on location?

Google has expressed interest in modifying their North Bayshore Master Plan and Development Plan but has not formally submitted any changes. Without new information, the site ranking has not changed.

ITEM 4.8 Magical Bridge All-Inclusive Playground, Project 18-36, and Rengstorff Park Maintenance and Tennis Building Replacement, Project 21-48--Various Actions

49. When this project was first introduced to council, what was the amount that the city was willing to contribute?

In 2017, the City's contribution was \$1 million, which assumed a total construction cost of \$4.5 million. Subsequent additions totaled an additional \$75,000 in the 2018/2019 CIP and \$300,000 in the 2019/2020 CIP for administrative, permitting, project management, inspection, and environmental costs.

50. What makes up the \$ 1,990,000 for the initial target?

This amount was identified in the original agreement between the Magical Bridge Foundation (MBF) and the City as the amount to be collected from community donations through MBF fundraising efforts.

51. What are examples of steps the City can take if Magical Bridge does not make meet their financial obligations?

Per Council's direction on June 27, 2023, the MBF agreement was amended to require the Magical Bridge Foundation continue to remit to the City on a biannual basis all community donations received for the project until the original initial target of \$1,990,000 is met. If the original target of \$1,990,000 has not been met one year after the park is opened, staff will return to Council to determine next steps for any additional progress payments to MBF.

52. Will Magical Bridge be paying for the new shadow Structure?

No, this is intended to be a City funded element as the proposed shade structures were not part of the original design or agreement with MBF.

53. If the contract with TPI was not-to-exceed the construction with contingency fees of \$11,799,382, who is pay the remaining fees listed on table 2?

The contract with TPI (construction management support) is currently in an amount not-to-exceed \$750,000. The contract with Robert A. Bothman (construction) is currently in an amount not to exceed \$11,799,382. Table 2 outlines the funding sources and amounts for the project, and Table 3 outlines the project costs. The project's costs are paid by the funding sources, which include a combination of City, County, State, MBF, and community benefits. The additional \$540,000 needed to support the shade structures is recommended to be funded by the City with Park Land Funds.

54. Why couldn't trees be used for the shade structure?

While there are new trees that have been planted as part of the Magical Bridge project, their initial size and canopy would not provide substantial shade for 5 – 10 years or more. The proposed shade canopy will have posts outside of the rubberized areas in most cases and outside of fall zones for safety purposes.

ITEM 6.1 198 Easy Street Residential Rowhouse Development

55. How much street parking is available next to this project?

There are approximately nine on-street public parking spaces along the project's Easy Street frontage. However, parking is not marked for specific spaces on the street.

56. With 15 bedrooms, is there adequate parking?

The proposed parking for the development meets the minimum parking requirements set forth in Section 36.32.50 (Required Parking) of the City Code. The requirement results in a total of 12 parking spaces for the development: 2 spaces per unit for a total of 10 spaces plus 2 guest parking spaces.

57. There is a reason that staff made a miscalculation on the park fees. At any time was the applicant informed that the park-in-lieu fees would be \$215,280?

The miscalculation was an unintentional error and staff is developing process changes to prevent these errors going forward.

58. These rowhouses will be 3 stories, correct? Are elevators included as part of the design? Elevators increase the length of time that seniors can stay in their own home, so are very desirable.

Four of the units (Units 1, 2, 3, and 4) will be three stories and the remaining unit, Unit 5 will be two stories tall. Elevators are not proposed as a part of the development and are not required under the California Residential Code applicable to these one-unit buildings. In cases where elevator requirements do apply, the Building Code generally does not require an elevator in a residential development unless a required accessible floor or occupied roof is four or more stories above or below a level of exit discharge. Even if elevator requirements did apply to the project type, an elevator would not be required in any of the buildings because they are a maximum of three stories.

ITEM 7.1 Potential Modifications to Allowed Rent Increases in Mobile Home Rent Stabilization Ordinance-Housing Element Program 3.2

59. The Housing Element states that "rent increases are consistent with or less than comparable jurisdictions with rent control for mobile home parks.

Correct.

60. All the objective data that staff provided shows that Mountain View is comparable, and staff report confirms it, what has changed since the MHRSO was first introduced to know to change the AGA?

According to input received from residents, rent increases of around 3% per year are expected and historically the norm. However, in 2022 and 2023, the first two years of the MHRSO being in effect, residents experienced rent increases of 5% per year due to high inflation in the midst of the pandemic. During this time, the City was updating its Housing Element and received feedback that the recently adopted MHRSO was not providing sufficient protection for residents due to high inflation rates and the 5% ceiling. The Housing Element therefore included reviewing allowed increases in the MHRSO as part of Program 3.2.

61. Referring to figure 2, CPI has been relatively flat for over 26 years except for the 2 years when we came out of Covid restrictions.

That is generally correct. CPI generally fluctuated between approximately 2% and 3.5%, with three years spiking above 5% and several years dropping below 2%.

62. Did those 2 years justify changes to the AGA. Floor and ceiling numbers?

Public/stakeholder input received during the 2023-31 Housing Element process as well as during the MHRSO review process noted concern about the two 5% years and the challenge of managing future rents if they continued to increase at 5%. Staff's recommendation is based on Housing Element language and reviewing comparable jurisdictions. Council can determine whether to modify the MHRSO or make no changes.

63. If the AGA is modified, will it be different than the CSFRA?

Yes. The CSFRA AGA will remain at 100% CPI and the floor/ceiling at 2-5%.

64. What business related cost are reflected in the CPI being used?

The Consumer Price Index for All Urban Consumers (CPI-U) is a monthly measure of the average change over time in the prices paid by consumers for a market basket of consumer goods and services, rather than reflecting business-related costs. However, consumer costs can indirectly reflect business-related costs.

65. Was the final vote of the RHC on this matter 2-1?

That is correct. 2 RHC members recused themselves as mobile home residents.

66. What are the typical space rents?

Park owners submit space rent information in the MHRSO database. Based on the information provided, the following are the ranges by mobile home park:

- Moorpark: \$750-\$1,400/mo
- Moffett: \$900-\$1,800/mo
- Sunset: \$950-\$2,000/mo
- New Frontier: \$1,000-\$1,800/mo
- Sahara: \$1,100-\$2,300/mo
- Santiago Villa: \$1,100-\$2,300/mo

67. Is there much difference between rents among the parks?

Please see response to question 66 above.

68. What items make up the CPI?

The CPI-U includes 200 plus consumer items, divided into the following 8 main categories:

- Housing/Shelter
 - a. Rent
 - b. Owners equiv. of rent of residence
 - c. Utilities
 - d. Operations/household insurance
- Food & Beverages
- Apparel
- Transportation
- Medical Care
- Recreation
- Education & Communication
- Other Goods & Services

69. Items in the CPI, are business cost like insurance, higher construction, energy, and maintenance, reflect as part of doing business?

The Consumer Price Index for All Urban Consumers (CPI-U) is a monthly measure of the average change over time in the prices paid by consumers for a market basket of consumer goods and services. It does not include insurance, construction costs, and maintenance costs paid by businesses. CPI-U does reflect utility costs to consumers, which may be similar to those paid by businesses.

70. If the pad rent is low, does that indirectly increase the value of the mobile home?

Yes, that is staff's understanding and reflects input provided by stakeholders. A potential purchaser of a mobile home is assessing the total cost of mobile home ownership, which includes purchase of the unit and payment of space rent. If space rent is higher, there is less in a potential buyer's budget to pay for the unit, and vice versa. If space rent is lower, there is more in a potential buyer's budget to pay for the unit.

71. What data did staff use to determine that park owners still are profitable at a one percent floor?

As noted in the staff report, the analysis focused on what comparable jurisdictions use per the Housing Element, rather than financial returns of Mountain View Park owners.

An economic analysis would have required a consultant, would have taken longer than the Housing Element deadline, and may not have been able to obtain necessary financial documents from park owners due to determine profitability at a one percent floor. The focused literature review showed that in general, mobile home parks may have lower operating costs than apartments and are attractive investments.

72. Why did staff recommend a two percent floor to the RHC and now recommend a lower floor?

Based on RHC's discussion and interest in more data, staff subsequently analyzed 26 years of CPI data. Over this extended period of time, the CPI fell below the 2% floor seven times while it only went above the 5% ceiling three times. A 75% CPI would cause the floor to be triggered even more times (11). Therefore, park owners with a 2% floor would have been protected more than tenants with a 5% ceiling. Lowering the 2% floor to 1% – while keeping the 5% ceiling – would provide greater balance between the protections provided to both park owners and residents.

73. Page 16 staff concluded that over 26 years park owner would have been protected using the current floor/ceiling, on the preceding page staff found that tenants would have been protected using a different CPI. There appears to be a balance over the last 26 years, so why did staff “see a rationale for changing the floor?

As noted under a previous question and in the staff report, a 2% floor would have protected park owners more than a 5% ceiling would have protected residents. Lowering the floor to 1% would provide greater parity between the protections provided to park owners.

74. Was there any data that supports that lowering the floor to 1% would affect tenants.

As noted under a previous question and in the staff report, 1% would provide greater parity between the protections provided to park owners and residents.

75. Was there any one park owner that was out of line with the others?

Staff have not received any input that any one park owner was out of line with the others. Park owners have complied with the MHRSO requirements since it went into effect in October 2021.

76. Staff mentioned that they did not have the resources or staff to gather and analyze additional relevant information. What information is missing?

The RHC was interested in additional data regarding park operating costs and financial returns. Staff does not have access to this data and would require an economic consultant to conduct such an evaluation for Mountain View mobile home parks.

77. Should we take a second look at our fees? How do they compare to other jurisdictions and also to Mountain View's need to fund CSFRA for mobile homes?

The MHRSO budget and fee level is established based on a full cost-recovery model. Taking a second look at the fees (presumably lowering the fees) would require further evaluation and another funding source to support the overall program budget which has been set at efficient levels. See Table 1 above for a comparison of other jurisdictions for which staff was able to gather data.

78. How does the MHRSO allow capital improvement pass-through costs?

A park owner submits a petition to the Rent Stabilization Division and is reviewed by a Hearing Officer to determine compliance with the petition regulations, including the following:

Allowed Capital Improvements:

- Primarily benefit mobile homeowners
- Functional improvement with life expectancy of 5 yrs. +
- Permanently fixed in place
- Costs amortized over a period of time; cannot exceed 50% of total costs.

Not allowed for capital improvements are:

- Routine Maintenance/Repair
- Replacement costs due to failure to maintain
- Maintenance of improvements to Communal Facilities
- Additions/Replacements to bring in compliance with laws

79. Can staff provide information comparing fees in Mountain View imposed on mobile home park owners with fees in other jurisdictions with mobile home rent stabilization?

Staff was able to identify fee levels for the following comparable jurisdictions. The last column indicates whether park owners can pass the fees to mobile residents and, if so, what percentage can be passed through.

Table 1. Fees in other Jurisdictions with Mobile Home Rent Stabilization

Jurisdictions	# MH Park	# MH Units	AGA	Floor/Ceiling	Annual Fees per Space	Pass Through (percentage)
Mountain View	6	1,130	100% CPI	2 - 5%	\$285	No
San Jose	59	10,836	75% CPI	3 - 7%	\$33	Yes / 50%
Morgan Hill	6	531	75% CPI	0 - 8%	\$12	Yes / 50%
Los Gatos	2	138	100% CPI	3 - 5%	\$28.50	Yes / 100%
Santa Cruz County	45	2,013	50% CPI	None	\$38	Yes / 50%
Scotts Valley	3	250	100% CPI	3.5 - 7%	\$29.50	Yes / 100%
Watsonville	9	1066	70% CPI	0 - 5%	\$21.90	Yes / 100%
East Palo Alto	2	146	100% CPI	None	\$222	Yes/50%
Union City	2	896	100% CPI	0 - 5%	\$36	No
Pacifica	1	93	75% CPI	None	\$19 plus AGA	Yes / 100%
Hayward	16	2,397	3% -60% CPI	0 - 6%	\$32	Yes / 50%
Fremont	3	732	3% \$10 or 60% CPI	3 - 6%	\$14	No

80. Can staff provide the budget for the mobile home rent stabilization program?

The Fiscal Year 2024-25 budget for the MHRSO is \$323,114.50, composed of the following:

- 53% of the budget is for staffing (1 FTE Analyst I/II)
- 21% for legal services
- 11% for overhead (ex: City services such as HR, IT, and Finance are budgeted)
- 15% for hearing officers, materials, and supplies.

81. Please describe how property taxes are handled in mobile home parks. What do park owners pay and what do individual mobile homeowners pay?

Park Owners pay the property tax on the value of their mobile home park; mobile home residents pay property tax on the value of their mobile home, similar to conventional homes.

82. Please describe the general responsibility of park owners to maintain their park and how it differs from an owner of an apartment building.

As noted in the staff report, mobile home parks appear to generally have lower operating costs than apartments. Mobilehome park owners bear costs associated with owning the land and with maintaining and repairing the infrastructure of a park, such as the common areas, street lighting, and the connection of utilities to each unit, and club house and pool, if any. Mobile homeowners – not park owners – are responsible for maintaining and repairing their mobile homes, and their rental pad. Apartment landlords typically bear more costs, including maintaining and repairing each apartment unit and the apartment building itself such as the exterior, as well as common areas, amenities, and infrastructure. As such, the staff report notes that operating costs of mobile home parks in general may be 35% to 40% of the gross rental income, whereas apartments may have a 50% to 60% expense ratio.

83. On Mobile Home Rent Stabilization, it would be helpful if we can update attachment 1 (Summary of Comparable Jurisdictions) to include information about:

- a. Program fee passthroughs. Does the jurisdiction require the mobile home park owner to pay 100% of the program fee, a percentage, or allow full passthrough to residents?

See Table 1 in a prior question 79 for an overview of program fees and pass-through percentages for certain jurisdictions that staff could find.

- b. Vacancy Control – Does the comparable jurisdiction have vacancy control?

Vacancy control limits the increase of the space rent to the AGA when there is a new mobile homeowner of a unit.

Table 2. Vacancy Control for Mobile Home Rent Stabilization Jurisdictions

Jurisdictions	# MH Parks	# MH Units	AGA	Floor/Ceiling	Vacancy Control	Vacancy Control Limitation
Mountain View	6	1130	100% CPI	2 - 5%	Yes	AGA
San Jose	59	10,836	75% CPI	3 - 7%	Yes	8%
Milpitas	3	521	50% CPI	0 - 5%	Yes	AGA
Morgan Hill	6	531	75% CPI	0 - 8%	Yes	AGA
Los Gatos	2	138	100% CPI	3 - 5%	Yes	\$25 or AGA
Santa Cruz County	45	2013	50% CPI	None	Yes	AGA
Santa Cruz City	2	250	75% CPI	0 - 8%	Yes	AGA
Scotts Valley	3	250	100% CPI	3.5 - 7%	Yes	\$30 or 10%. Once per 3 years.
Watsonville	9	1066	70% CPI	0 - 5%	No	NA. Rents can be increased to market
San Mateo County	7	750	75% CPI	0 - 5%	No	NA. Rents can be increased to market
East Palo Alto	2	146	100% CPI	None	No	NA. Rents can be increased to market
Union City	2	896	100% CPI	0 - 5%	No	NA. Rents can be increased to market
Pacifica	1	93	75% CPI	None	No	NA. Rents can be increased to market
Alameda County	22	710	4%	4%	No	NA. Rents can be increased to market
Pleasanton	4	371	100% CPI	1 - 5%	Yes	\$30 and AGA
Hayward	16	2,397	3% -60% CPI	0 - 6%	Yes	AGA
Fremont	3	732	3%, \$10, or 60% CPI	3 - 6%	Yes	CPI% change between transfers, 15% cap

84. Can staff respond to the email from Saulo Londoño? Are there errors in the staff report?

Staff reviewed the WMA data and re-examined 8 jurisdictions. As a result, some data changes were made. 3 jurisdictions were removed and data for 5 jurisdictions were updated, due to interpretation of available information or inadvertent errors.

The following tables have been updated to reflect 33 jurisdictions (instead of 36 jurisdictions) and over 40,000 spaces (instead of over 45,000 spaces):

- Majority of the data is unchanged.
- Conclusions regarding the floor and ceiling are unchanged.
- Conclusion regarding the AGA is that the updated table shows an equal number of jurisdictions using 100% CPI and 75% CPI (10 each) versus the original table (which showed 10 jurisdictions using 100% CPI and 11 using 75% CPI). Both tables still show that 75% CPI covers the highest number of mobile home spaces (the updated table shows an increased number of spaces covered at 75% CPI). Finally, both tables still show that there is a majority of jurisdictions at 75% CPI and below.

Below are comparisons of the original and updated tables for the AGA, floor, and ceiling.

AGA: Original Table

AGA	Number of Jurisdictions	% of Jurisdictions	Number of Mobile Homes	% of Mobile Homes
100% CPI	10	29%	5,262	12%
90% CPI	1	3%	896	2%
75% CPI	11	30%	15,968	35%
70% CPI	5	14%	8,540	19%
60% CPI	6	17%	11,820	26%
50% CPI	2	6%	2,534	6%
Board ¹	1	3%	174	0% ²
TOTAL	36	100%	45,194	100%

AGA: Updated Table

AGA	# Jurisdictions	% of Jurisdictions	# of Mobile Homes	Percentage of Mobile Homes
100% CPI	10	30%	4,907	12%
99.5% CPI	1	3%	1,316	3%
90% CPI	1	3%	896	2%
80% CPI	1	3%	1,412	3%
75% CPI	10	30%	18,788	45%
70% CPI	4	13%	7,830	19%
60% CPI	2	6%	3,129	8%
50% CPI	2	6%	2,534	6%
Fixed 4%	1	3%	710	2%
Board	1	3%	174	0%
Total	33	100%	40,380	100%

Floor: Original Table

Floor	Number of Jurisdictions	% of Jurisdictions	Number of Mobile Homes	% of Mobile Homes
None	31	86%	29,440	65%
1%	1	3%	371	1%
2%	1	3%	1,130	3%
3%	2	6%	14,003	31%
3.5%	1	3%	250	1%

Floor: Updated Table

Floor	# Jurisdictions	% of Jurisdictions	Number of Mobile Homes	Percentage of Mobile Homes
None	25	78%	23,836	59%
1%	1	3%	4,043	10%
2%	2	6%	11,883	29%
3%	3	9%	250	1%
3.5%	1	3%	371	1%

Ceiling: Original Table

Ceiling	Number of Jurisdictions	% of Jurisdictions	Number of Mobile Homes	% of Mobile Homes
3%	4	11%	5,307	12%
4%	7	20%	9,361	21%
5%	8	23%	5,280	12%
6%	4	11%	3,812	8%

Ceiling	Number of Jurisdictions	% of Jurisdictions	Number of Mobile Homes	% of Mobile Homes
7%	3	9%	11,982	27%
8%	2	6%	781	2%
10%	1	3%	174	0%
None	7	17%	8,497	19%

Ceiling: Updated Table

Ceiling	# Jurisdictions	% of total	Number of mobile homes	Percentage of mobile homes
3%	1	3%	177	0%
4%	8	25%	10,071	25%
5%	7	22%	5,388	13%
6%	5	16%	6,825	17%
7%	3	9%	11,982	30%
8%	2	6%	781	2%
10%	1	3%	174	0%
None	5	16%	4,982	12%

The following is a response to each of WMA’s points provided in their comment letter:

- **Daly City** does not have an ordinance with a 5% cap. The city does not have a rent control ordinance at all; it has a rent review commission. This mistake amounts to 501 spaces.

Response: Daly City does have an ordinance; however, the ordinance does not specify an AGA, floor, or ceiling. Daly City has been deleted from the new data table.

- The **County of Napa** does not have a mobilehome rent control ordinance at all but your staff summary says they do. This mistake amounts to 3,661 spaces.

Response: This is correct. They have an MOU in place. The County of Napa has been deleted from the new table.

- The **County of Contra Costa** does not have an ordinance with 60% of CPI without a floor and a 3% cap. They have an ordinance with 75% of CPI with a 2% floor and a 6% cap. Also your data indicates that there are zero mobile home spaces in Contra Costa County. The actual number, and what this mistake amounts to, is 2,913 spaces.

Response: This is correct. Updated data table with these numbers, including number of spaces.

- The **City of Concord** does not have an ordinance with 60% of CPI with a 3% cap. They have an ordinance with 80% of CPI with a 5% cap. This mistake amounts to 1,412 spaces.

Response: Concord has two rent stabilization ordinances:

- Mobile homes that are rented out fall under the apartment rent stabilization ordinance with a 60% CPI and a 3% cap. This was included in the original table but was deleted from the updated table.
- Mobile homes that are owned fall under a separate ordinance with 80% CPI and a 5% cap. This was not included in the original table but was added to the updated table.

- The **City of Antioch** does not have rent control for mobile homes located in mobile home parks. They are directly exempted from the city's ordinance, but your staff summary says otherwise. This mistake amounts to 3,718 spaces.

Response: This is correct. Deleted from new data table.

- The **County of Alameda** does not have an ordinance with 70% of CPI. They have an ordinance with 100% of CPI. This mistake amounts to 710 spaces.

Response: WMA is not correct. The ordinance does not stipulate 100% CPI but provides a fixed allowed rent increase of flat 4% per year.

- The **City of Fremont** has an ordinance with a 3% floor, but your summary says the ordinance includes no floor. This mistake amounts to 732 spaces.

Response: This is correct. The 3% floor was inadvertently included as a ceiling in the original table. This has been corrected in the updated data table.

- The **City of Rohnert Park** does not have an ordinance with 75% of CPI. They have an ordinance with 99.5% of CPI. This mistake amounts to 1,316 spaces.

Response: This is primarily correct. The 99.5% CPI has been corrected in the data table. However, the ordinance states that in the event the vacancy control provision in section 9.70.042, or the prospective homeowner rights in section 9.70.044 is (are) invalidated in any way or by any authority, then the following section shall be enforced: section 9.70.050. Annual general adjustment formula will revert to seventy-five percent of the CPI with a four percent cap.

WMA conclusions and staff response

- Mountain View's AGA of 100% of CPI is within the range of the CPIs used in comparable jurisdictions. **100% of CPI is the subsection with the greatest number of jurisdictions, making it the most common level of AGA used throughout the region.**

Response: According to the updated table, both the 75% CPI and the 100% CPI are used by 10 jurisdictions each. In both tables, the majority of jurisdictions use a CPI of 75% or lower. Additionally, both tables show that 75% CPI covers the highest number of spaces (in fact, the updated table shows an increased number of spaces covered at 75% CPI).

- Mountain View's **floor of 2% falls squarely in the middle of the range of floors used in comparable jurisdictions.** (Staff analysis that says your city is the only jurisdiction with a floor of 2% is false)

Response: The updated table now shows 2 jurisdictions with a floor of 2%.

- Mountain View's **ceiling of 5% falls at the very bottom of the range of ceilings used in comparable jurisdictions.** Over 75% of jurisdictions have a ceiling of 5% or above.

Response: This is not correct. The updated table shows that Mountain View at 5% is near the bottom of the range but is not at the very bottom. There are 9 jurisdictions with a ceiling less than 5%.