



DATE: May 17, 2016

CATEGORY: Consent

DEPT.: Community Development

TITLE: **Contribution to the Housing Trust
Silicon Valley**

RECOMMENDATION

Authorize the City Manager to execute an agreement with the Housing Trust Silicon Valley for a City contribution of \$150,000 in Fiscal Year 2015-16.

BACKGROUND

The City of Mountain View has made continuous contributions to the Housing Trust since Fiscal Year 2001-02. Below-Market-Rate (BMR) housing funds have been used for these contributions. The Trust has continued to improve their programs and has demonstrated their long-term viability. Their programs serve extremely low-, low-, and moderate-income households. Contributions to the Trust support local affordable housing projects and provide first-time homebuyer programs for Mountain View residents.

Since Fiscal Year 2011-12, the City's annual \$150,000 contribution to the Trust has been included as part of the budget and can be changed by the Council as part of the budget process. The City's funding agreement with the Trust is to be approved by Council in accordance with Council Policy A-10, as the amount exceeds \$100,000. Funding for Fiscal Year 2016-17 will be in the proposed budget and if adopted, authorization to execute an agreement for those funds will occur in the next fiscal year.

ANALYSIS

Mountain View has contributed a total of \$2.1 million to the Trust. As noted in the attached letter from the Trust, over \$1.8 million has been invested in Mountain View assisting 37 low- to moderate-income households become first-time homebuyers, assisting in the creation of 275 new affordable rental homes for extremely low- to low-income residents with special needs, and the funding has provided homeless prevention and assistance services for some of the Valley's most vulnerable residents

(refer to Attachment 1). The City's agreement with the Housing Trust stipulates that the City's contribution be used for affordable housing projects and home loans in Mountain View. Fourteen (14) out of 15 cities in Santa Clara County contribute to the Trust annually.

FISCAL IMPACT

BMR housing funds have been used for the Trust contributions, so General Fund support is not required. It is recommended that the Council continue to use BMR funds for this purpose. The City collects three types of affordable housing funds, including BMR In-Lieu fees, Rental Housing Impact Fees, and Housing Impact Fees. A \$150,000 contribution to the Housing Trust will not substantially affect the City's housing fund balance or limit the Council's ability to fund new affordable housing initiatives.

ALTERNATIVES

1. Modify the amount of the City's contribution to the Housing Trust.
2. Do not make a contribution to the Housing Trust.

PUBLIC NOTICING

The Council agenda has been posted, notice of this item appears on the City's home page and local Channel 26, and a copy has been sent to the Housing Trust.

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AvD-RA/7/CAM
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Attachment: 1. Letter from the Housing Trust