



## COUNCIL REPORT

**DATE:** September 9, 2025

**CATEGORY:** Public Hearing

**DEPT.:** Housing

**TITLE:** CDBG Homekey Grant Closeout

### **RECOMMENDATION**

Review the results of the projects funded by the State Community Development Block Grant Homekey program to support the interim housing development at 2566 Leghorn.

### **BACKGROUND**

In 2020, the California Department of Housing and Community Development (HCD) awarded funding to the City through the first round of HCD's Homekey Program (Homekey). With that funding, LifeMoves developed 100 units of interim housing at 2566 Leghorn Street (hereinafter "LifeMoves Mountain View development" or "interim housing development"). The LifeMoves Mountain View development was completed in May 2021 and provides much-needed housing and services to unsheltered persons and to those vulnerable to the pandemic.

In April 2021, the State released its Community Development Block Grant (CDBG) Homekey Program to provide funding for developments that had applied for round one of the Homekey Program funds. In response to this funding opportunity:

- [On August 24, 2021](#), Council adopted an HCD-required resolution to submit an application to the CDBG Homekey Program requesting \$5 million in funding to 1) acquire and improve a 0.5-acre site located at 1950 Leghorn Street to provide additional nearby parking for the interim housing development and 2) install a solar power system for the interim development project to enhance environmental sustainability and lower operating costs. LifeMoves would be the implementer of these projects with City oversight.
- On August 30, 2022, the City submitted the application to HCD in coordination with LifeMoves.
- In November 2021, HCD awarded the City the requested \$5 million.
- [On June 27, 2023](#), Council adopted a resolution to provide flexibility in how the \$5 million

is allocated between the projects, given escalating costs, particularly as a result of the inflationary pressures that occurred during the COVID-19 pandemic.

## **ANALYSIS**

Due to increased development costs and time constraints, LifeMoves completed one of the two projects, namely the acquisition of 1950 Leghorn to provide additional parking for the interim housing development at 2566 Leghorn. The solar power project was not completed.

As part of the State's administration of federal CDBG funding, HCD requires that the jurisdiction hold a public meeting to "review the results of the project with local residents and to take comments about the local governments' performance." The public meeting must be held prior to the closeout of the grant and include information related to the funded project. Below is a summary of the required information related to the 1950 Leghorn parking project.

### **1. Project progress/status of completion and expected timeframe to completion**

Project: Acquire and improve a 0.5-acre site located at 1950 Leghorn to provide additional nearby parking for the interim housing project.

Summary: This is complete. LifeMoves has acquired 1950 Leghorn and installed lighting, fencing, and security cameras to operate the site for parking. Operations began in late June 2025. The 1950 Leghorn site shall be used solely and exclusively as a parking lot for clients and staff of the interim housing project. Short-term, temporary uses that support the interim housing project and do not prevent use of the 1950 Leghorn as a parking lot for clients and staff of the Project are allowed, subject to LifeMoves obtaining all permits required by the City for any such uses. The site may not be used for Safe Parking (with people living in the parked vehicles) or general parking for the public.

As required by HCD, 1950 Leghorn must be used as parking to support 2566 Leghorn for as long as the interim housing project remains in operation, with a minimum of 5 years. If and when the interim housing project is no longer in operation, parking at 1950 Leghorn must discontinue unless the appropriate permits are obtained to operate the site as general parking for the public.

Project: Install a solar power system for the interim development development.

Not completed.

**2. Results to date and projected totals, such as number of beneficiaries assisted, housing units completed, portion of project in service, or persons served.**

Summary: 1950 Leghorn will provide additional parking to the approximately 219 clients served annually at 2566 Leghorn. This will enhance the residents' ability to conveniently access vehicles and improve transportation and mobility for all users of the site. The number of vehicles that may be parked at 1950 Leghorn will vary depending on the needs of the residents, the rate at which residents own vehicles, and other factors. Because LifeMoves has just begun parking operations, there is no data on the utilization rate of 1950 Leghorn. LifeMoves will provide the City periodic reports over the life of the parking operation.

**3. Funds expended, balance of funds available, and budget expectations to completion.**

Summary: The total cost of the completed 1950 Leghorn parking project was \$3,401,361.50. Because the solar project was not completed, this results in an unexpended balance of \$1,598,638.50 out of the \$5 million award, which will be returned to the State.

**NEXT STEPS**

As noted, this public hearing is an HCD requirement. Additionally, public notices were required to be posted 10 full calendar days prior to this Council meeting. Upon completion of the public hearing, this information along with the required public notices will be submitted to HCD as part of the grant closeout process. The deadline to submit this information is September 22, 2025.

**FISCAL IMPACT**

There is no impact on the City's General Fund as City funding was not involved in this project. CDBG Homekey is a reimbursement program, meaning LifeMoves had to first incur the costs of the parking project and will be reimbursed subject to HCD review. HCD is in the process of reviewing project related documents. Upon HCD approval, payment will be made first to the City as the grantee, and the City will subsequently reimburse LifeMoves as the subgrantee.

**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](http://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.

**EXEMPT FROM THE LEVINE ACT**

☒ General policy and legislative actions

**ALTERNATIVES**

1. Do not hold a public hearing and review the results of the project, and forego the CDBG Homekey funding.

**PUBLIC NOTICING**

Agenda posting and public notices in the Daily Post and Mountain View Voice.

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