CITY OF MOUNTAIN VIEW RESOLUTION NO. SERIES 2025

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MOUNTAIN VIEW: (1) AMENDING CITY OF MOUNTAIN VIEW RESOLUTION NO. 18329 TO MODIFY CONDITION OF APPROVAL ("COA") NO. 66 TO INCREASE THE INCOME ELIGIBILITY FOR MODERATE-INCOME HOUSING UNITS FROM 120% OF THE AREA MEDIAN INCOME TO 150% OF THE AREA MEDIAN INCOME ("AMI") FOR QUALIFYING MOUNTAIN VIEW WHISMAN SCHOOL DISTRICT ("MVWSD") AND CITY EMPLOYEES; (2) FINDING THAT PURSUANT TO CALIFORNIA CODE OF REGULATIONS SECTION 15060(c)(2) THE PROPOSED MODIFICATION TO COA NO. 66 IS NOT SUBJECT TO THE CALIFORNIA ENVIRONMENTAL QUALITY ACT; AND (3) AUTHORIZING THE CITY MANAGER OR THEIR DESIGNEE TO AMEND THE BELOW-MARKET-RATE ("BMR") REGULATORY AGREEMENT TO INCREASE THE INCOME ELIGIBILITY FOR MODERATE-INCOME HOUSING UNITS FROM 120% AMI TO 150% AMI FOR QUALIFYING MVWSD AND CITY EMPLOYEES AND EXTEND THE AMOUNT OF TIME MVWSD TEACHERS AND STAFF HAVE TO VACATE AN INCOME-RESTRICTED BMR UNIT AFTER EXCEEDING THE INCOME LIMIT FROM ONE YEAR TO THREE YEARS.

WHEREAS, on May 21, 2019, the City Council adopted Resolution No. 18329, which, among other things, conditionally approved a planned community permit for the residential Gatekeeper project located at 777 West Middlefield Road (now called "The Sevens"); and

WHEREAS, the project includes 716 units, 20% (or 144) of which are Below-Market-Rate (BMR) units to meet project-approval requirements; and

WHEREAS, the City Council approved the request from the developer (Fort Bay at the time, now Miramar) that the delivery of the BMR units be accomplished via an alternative mitigation through off-site delivery of the units rather than integrated with the market-rate units, with 124 units reserved for teachers/staff employed by the Mountain View Whisman School District (MVWSD or District) and 20 BMR units reserved for City staff; and

WHEREAS, the BMR units include moderate-income units up to 120% of area median income (AMI); and

WHEREAS, the purpose of this alternative mitigation is to help attract and retain teachers and provide moderate-income housing for teachers and school staff to address the "missing middle" housing needs; and

WHEREAS, the MVWSD began the BMR application/tenant selection process in December 2024; and

WHEREAS, only 7% of the moderate-income units have been filled to-date; and

WHEREAS, the Developer and MVWSD have requested that the City modify the project's BMR requirements to increase the moderate-income units from 120% AMI to 150% AMI and to extend the grace period from one year to three years for tenants who initially qualify for a BMR unit but later become over-income and are required to move out; and

WHEREAS, MVWSD conducted an updated teacher/staff survey in March 2025 and found that an increase in the household income limit from 120% AMI to 150% AMI would substantially increase the interest and qualified pool of teacher/staff employees for the moderate-income units (approximately 50% increase); and

WHEREAS, a key barrier identified by MVWSD is that their teachers and staff may be hesitant to apply for the 120% AMI units due to the concern that the combination of annual salary step increases and cost-of-living-adjustments, combined with the potential to earn additional income through stipends, would result in an employee becoming over-income later even if they initially income-qualify for a unit; and

WHEREAS, the addition of another income earner to a teacher's household significantly increases the likelihood of the household becoming over-income; and

WHEREAS, the benefits to providing teacher housing and City employee housing include recruitment and retention, an opportunity to strengthen connections between public workers and the communities they serve, reduced greenhouse gas emissions due to shorter commutes, and reduced traffic congestion; and

WHEREAS, MVWSD makes significant investment in the training and development of its teachers, and if a teacher in a BMR unit becomes over-income and has to leave the District, this would limit the benefits of the upfront and ongoing investments made in the teacher; and

WHEREAS, there are various MVWSD positions that are difficult to fill, such as bus drivers, qualified maintenance workers, and science and math teachers, and if these employees leave the District because they no longer income-qualify for a BMR unit at The Sevens and cannot find alternative housing in Mountain View, it may impact District operations and reduce the staff resources needed to support students; and

WHEREAS, the original intent of the BMR alternative mitigation is to attract and retain teachers who are important to the community, and if teachers are unable to qualify for the BMR units at the 120% AMI level or the BMR units are not as attractive due to the one-year grace period, then the underlying goal of the project is not met; and

WHEREAS, the State Teacher Housing Act give school districts the right to prioritize teachers and employees for affordable housing projects that are financed by school districts and to pursue public/private partnerships, innovative financing opportunities, and different AMI levels as needed; and WHEREAS, the BMR requirements are part of the Conditions of Approval (COA) for The Sevens, particularly COA No. 66, indicating that the maximum qualifying income limit is 120% AMI; and

WHEREAS, the BMR regulatory agreement between the City and MVWSD stipulates how the BMR units must be operated (Regulatory Agreement), including the AMI levels, income qualifications, and the one-year grace period for tenants who initially income qualify but later become over-income and are required to move out; now, therefore, be it

RESOLVED: that City of Mountain View Resolution No. 18329 is hereby amended to modify Condition of Approval ("COA") No. 66 to increase the income eligibility for moderate-income housing units from 120% of the Area Median Income to 150% of the Area Median Income for qualifying Mountain View Whisman School District ("MVWSD") and City employees; and be it

FURTHER RESOLVED: that, pursuant to California Code of Regulations Section 15060(c)(2), the proposed modification to COA No. 66 is not subject to the California Environmental Quality Act because it will not result in a direct or reasonably foreseeable indirect physical change in the environment; and be it

FURTHER RESOLVED: that the City Council of the City of Mountain View hereby authorizes the City Manager or their designee to amend the BMR regulatory agreement to increase the income eligibility for moderate-income housing units from 120% AMI to 150% AMI for qualifying MVWSD and City employees and to extend the amount of time MVWSD teachers and staff have to vacate an income-restricted BMR unit after exceeding the income limit from one year to three years; and be it

FURTHER RESOLVED: that this Resolution shall become effective immediately upon adoption.

WC/4/RESO 821-06-24-25r