



COUNCIL REPORT

DATE: June 23, 2026

CATEGORY: New Business

DEPT.: Housing

TITLE: **Adoption of Community Ownership
Action Plan – Housing Element Program
3.2**

RECOMMENDATION

1. Adopt the Community Ownership Action Plan (Attachment 1 to the Council Report).
2. Adopt a Resolution of the City Council of the City of Mountain to Transfer and Appropriate \$1,000,000 From the Below-Market-Rate Housing Fund to the Acquisition and Preservation Subfund to Fund Community-Owned Housing Projects as Part of the Community Ownership Action Plan, to be read in title only, further reading waived (Attachment 2 to the Council report). (Five votes required)
3. Adopt a Resolution of the City Council of the City of Mountain View to Appropriate \$425,000 From the General Housing Fund to Fund Capacity-Building Efforts as Part of Implementing the Community Ownership Action Plan, to be read in title only, further reading waived (Attachment 3 to the Council report). (Five votes required)
4. Authorize the City Manager or designee to establish and implement a process, including appropriate safeguards and eligibility criteria, for evaluating and selecting Community-Owned Housing Projects for funding, and to approve and execute all funding agreements and related documents for selected projects, without returning to City Council, and direct the City Manager or designee to provide notice to City Council and the public of funding decisions within 30 days of executing all project-related funding documents.

EXECUTIVE SUMMARY

Developing the Community Ownership Action Plan (COAP) is part of the City's State-certified 2023-31 Housing Element Program 3.2, which includes developing innovative housing options that are not met by the existing housing system. Key elements of the COAP include the following:

- The COAP advances a people-centered vision where housing supports community well-being, health, connectedness, affordability, and stability for all.

- The COAP includes a vision and six guiding principles that define community-owned housing:
 - **Decommodification** — Mission-driven organizations own and operate housing that protects long-term affordability and is removed from speculative market pressures.
 - **Resident Roles in Governance** — Residents have meaningful roles in oversight and decision-making about their housing.
 - **Community Stewardship** — Housing is managed with a long-term perspective that considers current and future residents, sound operations, asset preservation, and community integration.
 - **Capacity building** — Strengthen the capacity of mission-driven organizations to undertake projects while also building the broader ecosystem of partners.
 - **Systems transformation** — Advance new ways of organizing partners, capital, expertise, and public support to deliver innovative housing models.
 - **Continuous improvement** — Use data and feedback for ongoing refinement of the COAP on an as-needed basis.
- Community-owned housing can take many forms and structures, and can provide rental or ownership opportunities for residents. The COAP is intended to be flexible enough to support different models, as long as the project aligns with the COAP’s vision, guiding principles, and definition of community-owned housing. **Staff recommends increasing City funding previously appropriated for projects from \$4,000,000 to \$5,000,000; and for the City Council to authorize staff to determine and implement a streamlined funding process that allows administrative approval of project funding.**
- Community-owned housing projects are complex and require coordinated action between multiple partners at every stage of a project’s lifecycle. In Mountain View and the broader region, this ecosystem is still developing. **Staff recommends increasing City funding for capacity building from \$75,000 to \$500,000.**
- To catalyze this work, the City will continue to serve as convener, funder, capacity builder, and policy leader, with the goal to transition this to shared regional leadership (Goal 4).
- The COAP covers a five-year implementation period and is intended to provide actionable items while providing flexibility to adapt and refine the actions as needed. The framework includes five Goals:
 - **Goal 1** – Achieve at least 50 Community-Owned Housing Units

- **Goal 2** – Continue to Build the Community-Owned Housing Fund
- **Goal 3** – Build Capacity Within Organizations and the Broader Ecosystem
- **Goal 4** – Transition from City-Led Catalyst to Shared and Regional Leadership
- **Goal 5** – Monitor Housing Quality, Resident Stability, and Resident Governance

BACKGROUND

Developing the Community Ownership Action Plan (COAP) is part of the City’s State-certified 2023-31 Housing Element Program 3.2 to comprehensively address the displacement of tenants from housing covered under the City’s rent-stabilization program, known as the Community Stabilization and Fair Rent Act (CSFRA). The Housing Element establishes an objective to work with partners to facilitate the acquisition and preservation of at least 50 community-owned housing units to address housing needs that are not met by the market or traditional affordable housing.

On [March 19, 2024](#), the City Council held a Study Session regarding the COAP and 1) directed staff to proceed with development of the plan and 2) supported committing \$4 million in City housing funds intended to leverage outside resources for acquisition/preservation projects focused on CSFRA units. [On October 8, 2024](#), Council appropriated \$4 million to fund projects.

Following the Study Session, the City procured a consultant team led by Community Planning Collaborative and ECONorthwest and convened a 12-member Community Ownership Action Plan Advisory Committee (COAPAC) composed of representatives from community groups, County agencies, and non-profit organizations. The process included extensive stakeholder outreach, economic analysis, case study review, and discussions regarding governance, operations, financing, rehabilitation, long-term stewardship, and implementation capacity.

On [September 9, 2025](#), the City Council held a public meeting regarding the COAP framework and unanimously approved staff’s recommendations related to the COAP vision and guiding principles, recommended City roles, recommended terms for City funding for community ownership projects, and creation of a Technical Assistance Grant Program. Council also directed staff to continue developing the full COAP, including implementation strategies, underwriting guidelines, criteria for evaluating projects, and a process for awarding funding requests.

After the September 2025 Council meeting, staff held additional meetings with individual COAPAC members to discuss details of the COAP and underwriting guidelines, as well as two additional meetings with the entire COAPAC to discuss goals and actions as part of the COAP implementation (March 25, 2026) and receive input on the draft COAP document (May 15, 2026).

ANALYSIS

The draft COAP implements the direction provided by the City Council during its September 2025 meeting as well as input provided by stakeholders and the COAPAC. Overall, the COAP establishes a long-term framework for facilitating innovative housing models centered on affordability, resident stability, resident governance, and community stewardship. The COAP is intended to complement the City's broader housing preservation, anti-displacement, and affordable housing efforts while supporting new approaches that are not typically produced by the conventional housing market.

The following provides a summary of the five Sections of the COAP.

Section 1: “About the Community Ownership Action Plan”

Section 1 summarizes why the COAP is needed and the process and timeline of the COAP's development. Key takeaways include:

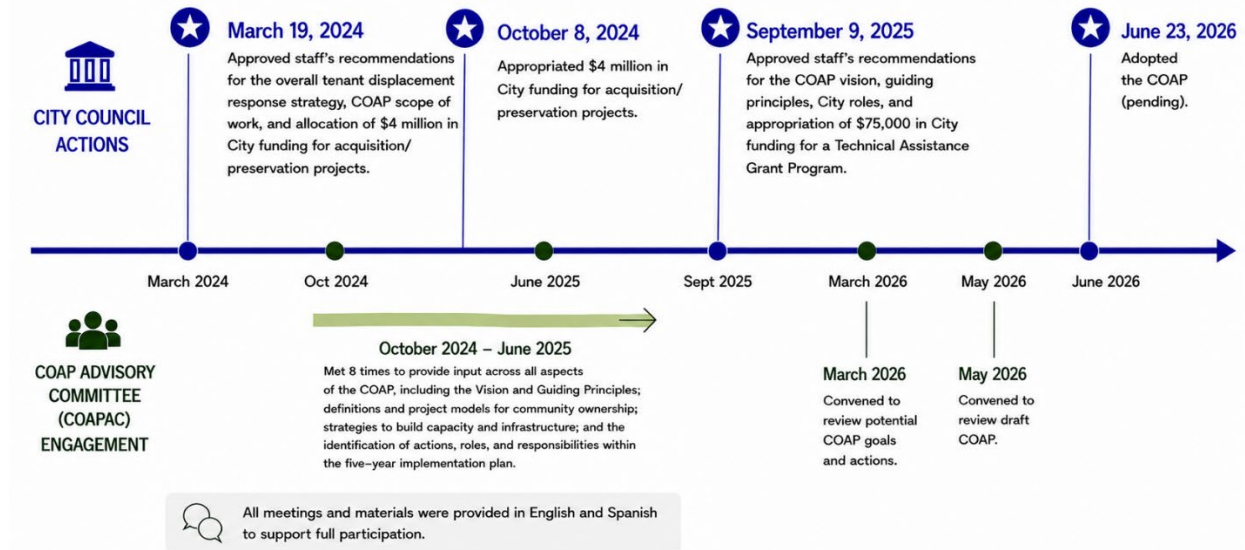
- ❖ The COAP was developed based on direction from the City Council and with input from a 12-member advisory committee, stakeholders, and practitioners.
- ❖ Mountain View's strong economic conditions are both a strength for the community and an underlying cause of the City's high housing costs and affordability challenges.
- ❖ High housing demand puts redevelopment pressure on older naturally affordable housing stock, creating displacement risks for lower-income residents and vulnerable households.
- ❖ By acquiring and preserving these units, community-owned housing can help respond to the instability that results from conventional housing market activities.
- ❖ The COAP is one component of a larger housing response by the City that includes increasing the supply of affordable housing, preserving existing housing, reducing displacement pressures, and supporting long-term housing stability.
- ❖ If successful, the COAP will create the ecosystem to scale beyond the initial 50 units required by the Housing Element.

As noted in the Background section and summarized in Chart 1 below, the COAP was developed over a two-year process, with significant input from the COAPAC and stakeholders and based on direction provided by Council during its September 2025 meeting.

Chart 1.

COAP DEVELOPMENT TIMELINE

City Council actions, COAP Advisory Committee (COAPAC) engagement, and key milestones in the development of the Community Ownership Action Plan



Additionally, the COAP is a blueprint for action that can grow beyond the 50 units required by the Housing Element. Implementing the COAP is a significant effort that will require sustained, long-term actions by the City and other partners. The COAP seeks to create conditions under which mission-driven organizations and community partners can preserve housing through long-term stewardship models. If successful, these efforts will create the partnerships and capacity to support the acquisition and preservation of significantly more than 50 units. The ability to scale beyond 50 units is important, as the City has approximately 12,500 rental units fully covered under the CSFRA. Most of these units were built between 1950 and 1970, making them susceptible to redevelopment and tenant displacement.

Part of a Broader Effort

The COAP is intended to complement the City's broader housing preservation, anti-displacement, and affordable housing efforts while supporting new approaches that are not typically produced by the conventional housing market.

Key City housing initiatives include the following items in Table 1:

Table 1: Summary of Broad City Housing Efforts

Initiatives	Examples
Increasing affordable housing	<ul style="list-style-type: none"> • Five affordable housing projects to be completed or start construction in 2026, including Montecito, Lot 12, Terra Bella, 87 E. Evelyn, and 96 E. El Camino (553 units total) • Six additional pipeline projects (approximately 600 units in addition to the 553 units)
Facilitate BMR projects	<ul style="list-style-type: none"> • Review high volume of market-rate projects that include BMR requirements
Implement tenant displacement response strategy	<ul style="list-style-type: none"> • Multiple items in Housing Element Program 3.2, including COAP
Develop Low- and Middle-Income Homeownership Strategy	<ul style="list-style-type: none"> • Council Workplan Priority for FY 2025-27

Section 2: “People-Centered Housing”

Section 2 establishes the policy foundation for the COAP. Key takeaways include:

- ❖ Prioritize a people-centered approach instead of maximizing financial returns.
- ❖ Catalyze systems change across three levels—household, community, and system.
- ❖ Implement a vision for community well-being, health, connectedness, affordability, and stability, guided by six key principles.
- ❖ Work to ensure conditions for success, as informed by experiences in other communities, including flexible funding, organizational capacity, and partnership support.

Systems Change

The COAP seeks to catalyze change at three levels:

- Household level – Provide affordable, stable housing to address the instability that arises when tenants are displaced from their homes.
- Community level – Build local capacity, create community-owned housing projects, and create opportunities for neighbors, local organizations, or other community members to support or participate in community-owned projects.

- System level – Support new approaches, partnerships, and funding models to produce innovative housing options that meet community needs that are not typically produced by the existing housing system.

Six Guiding Principles

Section 2 defines six guiding principles for the COAP as approved by Council in September 2025. The first three principles define the core characteristics of community-owned housing. The remaining three principles guide how the City and its partners can build the capacity, systems, and partnerships needed for long-term success.

1. **Decommodification** – Housing and land are held and operated by mission-driven organizations that prioritize long-term affordability, resident stability, and public purpose over maximizing financial return.
2. **Resident roles in governance** – Residents have formal governance roles or a meaningful say in policies, oversight, and key decisions affecting their housing through board seats or other representative governance structures.
3. **Community stewardship** – Housing is managed with a long-term perspective that considers current and future residents, sound operations, asset preservation, and community integration.
4. **Capacity building** – Strengthen the capacity of mission-driven organizations to acquire, develop, own, govern, and manage community-owned housing, while also building the broader ecosystem of funders, technical partners, public agencies, and supporting institutions needed to sustain these models over time.
5. **Systems transformation** – Advance new ways of organizing partners, capital, expertise, and public support to deliver housing outcomes that the conventional system does not typically produce. Develop practical and repeatable community ownership models that can reach more households more effectively over time.
6. **Continuous improvement** – Use data and feedback for ongoing refinement of the COAP on an as-needed basis.

Note that Guiding Principle Six, “Continuous Improvement,” is an important part of this process. Community-owned housing is a novel model that does not yet exist in Mountain View. Neither the City nor any mission-driven organization in Mountain View has yet undertaken a community-owned housing project. Most of the ecosystem of potential partners, such as those who have participated in the COAP Advisory Committee, also have not implemented such projects.

Conditions for Success

A major theme in this section is that community ownership projects are inherently long-term and capacity-intensive. As a result, the COAP identifies several conditions that are needed for success which were identified through the project’s research and conversations with practitioners who have worked on community-owned housing in other communities:

Table 2. Conditions Needed for Success

Conditions	Summary
Investment and flexible capital	<ul style="list-style-type: none"> Community partners need access to funding that allows them to compete for property acquisitions, preserve housing, complete rehabilitation, and support long-term operations under community ownership models.
Organizational capacity	<ul style="list-style-type: none"> Mission-driven organizations may need support to build the skills, staffing, systems, and experience required to acquire, finance, govern, rehabilitate, and manage housing successfully. Capacity building is also needed among funders and supporting institutions.
Collaborative governance and coordination	<ul style="list-style-type: none"> Effective implementation requires clear decision-making, alignment with City policies, accountability, and structures that can guide continued learning and evolution of the COAP over time.
Strong partnerships and ecosystem support	<ul style="list-style-type: none"> Cross-sector and cross-agency partnerships are needed to share expertise, leverage resources, solve problems collaboratively, and strengthen the broader ecosystem for community-owned housing.
Resident education and participation	<ul style="list-style-type: none"> Residents need opportunities, training, and support to participate meaningfully in ownership structures, governance processes, and long-term stewardship.

Section 3: “Defining Community-Owned Housing”

Section 3 details the three core elements of community-owned housing, discusses the key entities that are typically involved with such housing, and provides illustrative examples of the most common types of community-owned housing. Key takeaways include:

- ❖ Community-owned housing can take different forms, but is defined by three core elements—decommodification, resident governance, and community stewardship.

- ❖ Community Land Trusts (CLTs) and Cooperatives (Co-ops) are two of the most common entities that undertake community-owned housing.
- ❖ While different entities can own the land, building, and individual units, supporting both rental and ownership opportunities, there are generally four common models.
- ❖ The COAP supports various models, as long as the project meets the definition of community-owned housing and the COAP’s vision and guiding principles.

Three Core Elements

The COAP expands on the three core elements – decommodification, resident roles in governance, and community stewardship – that define community-owned housing. In particular, since the September 2025 Council meeting, staff conducted additional research on different forms of resident governance and identified three broad approaches. The COAP also provides more specificity on the concept of community stewardship and what it entails.

Key Entities & Common Project Models

After the September 2025 Council meeting, staff also conducted additional research on the different models of community-owned housing projects and how they can be structured. In general, community land trusts (CLTs) and cooperatives (co-ops) are the predominant organizations involved with community-owned housing projects, although public agencies and traditional non-profit housing organizations may also undertake or support projects.¹

Additionally, while there are many project variations, there are generally four common models, as shown in Chart 2, along with typical use cases, key strengths, and implementation considerations. These models are illustrative rather than prescriptive and include both rental and ownership projects.²





¹ A CLT is a type of mission-driven organization focused on preserving affordability and community benefit. A CLT may own both the land and building or only the land. When it owns only the land, it typically leases it—often through a long-term ground lease—to another entity such as a cooperative, nonprofit housing provider, or individual homeowners. A co-op is a form of collective ownership in which residents jointly own housing through a member-based entity. The cooperative owns the property, and residents hold shares or membership interests that grant them the right to occupy a unit and participate in governance.

² It is useful to keep in mind the distinction between “community-owned” housing versus “rental” or “ownership” projects. In the context of the COAP, community-owned housing refers to mission-driven organizations owning the land and building, and operating the housing project in accordance with COAP requirements. The project may be operated so that residents rent individual units; in this case, the community-owned housing is a rental project (Chart 1, Model 1). Alternatively, the project may be operated so that residents own individual units or shares in the overall building; in this case, the community-owned housing is an ownership project (Chart 1, Models 2-4).

Chart 2.

FOUR COMMON COMMUNITY-OWNED HOUSING MODELS

How land may be owned and how the building(s) may be owned, with typical use cases and key considerations.

	1 CLT RENTAL	2 CLT + Individual Unit OWNERSHIP	3 CLT + Cooperative OWNERSHIP	4 Cooperative OWNERSHIP
Ownership	 Land and building: CLT (Community Land Trust)	 Land: CLT Building: Individual Unit Owners	 Land: CLT Building: Housing Co-op	 Land and building: Housing Co-op
Typical Use Case	Acquisition and preservation of rental housing where long-term affordability the primary near-term objective. Often used for early projects or where resident ownership capacity is still developing.	Communities seeking affordable homeownership opportunities while preserving affordability for future households. Often used for condominiums, townhomes, or similar unit-based ownership models.	Communities seeking strong resident governance and long-term affordability. Often used where resident participation and shared ownership are key goals. Residents collectively own building through shares or membership in the coop.	Residents seeking shared ownership and direct control through a single entity. Often arises when tenants organize to purchase their property, creating collective ownership through shares or membership in the cooperative.
Main Strengths	<ul style="list-style-type: none"> • Strong affordability control through a single stewardship entity. • Simpler to implement than multi-entity models. 	<ul style="list-style-type: none"> • Creates pathways to ownership while maintaining long-term affordability through ground leases, resale restrictions, or related tools. 	<ul style="list-style-type: none"> • Separates long-term land stewardship from resident control of the housing. • Can combine affordability protections with meaningful resident governance. 	<ul style="list-style-type: none"> • Strong resident ownership, autonomy, and shared decision-making. • Can build community control and resident leadership.
Key Challenges/ Considerations	<ul style="list-style-type: none"> • Residents may have less direct ownership than in coop models. • Success depends on quality and responsiveness of stewarding organization. 	<ul style="list-style-type: none"> • Requires homeowner education, resale administration, and clear affordability controls over time. 	<ul style="list-style-type: none"> • More complex to structure and administer. • Requires clear legal agreements, coordination between entities, and strong governance capacity. 	<ul style="list-style-type: none"> • Long-term affordability, capital planning, and governance depend largely on the cooperative's internal strength and discipline.

The COAP supports rental or ownership projects that meet any one of these four common types or variations of these models, as long as the project meets the COAP’s vision, guiding principles, and definition of community-owned housing. At the same time, throughout the development of the COAP, staff have primarily heard that the highest interest in Mountain View is to begin with a community-owned housing project that provides rental units. Therefore, staff anticipates that the first project funded will be a rental project.

Section 4: “Making Community-Owned Housing Work”

Section 4 focuses on implementation realities and the ecosystem required to support successful projects. Key takeaways include:

- ❖ Community-owned housing projects are complex and require coordinated action between multiple partners at every stage of a project’s lifecycle.

- ❖ The ecosystem needed to deliver and sustain these projects is still developing and requires sustained, long-term investment.
- ❖ City roles in the ecosystem include serving as convener, funder, capacity builder, and policy leader.
- ❖ Initial City funding commitments include the Community Owned Housing Fund (a flexible loan program) and a Technical Assistance Grant Program for capacity building.

Lifecycle of Community-Owned Housing Projects

Community-owned housing projects are complex and require coordination across the entire project lifecycle. Section 4 identifies major stages over the life of a project, including:

- Acquisition and Financing: site identification, underwriting, capital structuring, and competitive acquisition.
- Rehabilitation and Development: procurement, construction oversight, and cost management.
- Lease-Up and Stabilization: Application process, tenant selection, and getting the units filled.
- Operations and Property Management: ongoing management and maintenance.
- Governance and Long-Term Stewardship: resident governance, asset management, and long-term affordability.
- Monitoring and Compliance: adherence to funding requirements, organizational business plans, and applicable State and federal regulations including fair housing.

Capacity gaps at any stage can undermine project success. Discussions about community-owned projects often emphasize the acquisition stage of the process without sufficient attention to an organization's ability to successfully implement and operate a project over the long term, i.e., the project's lifecycle, once a building has been acquired. **Mission-driven organizations requesting City funding must demonstrate that they have sufficient capacity and expertise to successfully deliver a project and/or provide a clear plan for acquiring the necessary skills, such as partnering with experienced developers, procuring consultants, hiring skilled staff over time, or other methods.**

Community-Based and Community-Oriented Organizations

The COAP also notes the importance of working with mission-driven organizations that may be community-based or community-oriented.

“Community-based” organizations are typically founded in the same community in which they seek to operate projects. In the context of the COAP, an organization can be considered community-based if it has deep local knowledge, even if it is technically based outside of Mountain View. Community-based organizations bring local knowledge, relationships, trust with tenants, and accountability, which are important for successful projects.

“Community-oriented” organizations may not have been founded or developed in Mountain View but have experience operating projects according to the COAP’s values as well as some or all of the guiding principles. These mission-driven organizations have the skills to provide valuable specialized development, financing, governance, or operational expertise that can support the local ecosystem and newly formed community-based organizations.

The COAP supports working with both types of organizations to maximize the likelihood of successful community-owned housing projects and to create a strong ecosystem of organizations in Mountain View.

Community Ownership Ecosystem

A strong ecosystem is necessary for the success of community-owned housing projects, and includes not just mission-driven organizations seeking to undertake projects, but also funders, governmental agencies, technical experts, and community partners. **The COAP includes recommended actions in Section 5 to grow and strengthen this ecosystem in Mountain View and the region.**

City Roles

The City is critical component of the community ownership ecosystem, and the COAP establishes four key roles for the City: **convener, funder, capacity builder, and policy leader**. At the same time, the City cannot undertake this work alone and will require a broad and strong ecosystem as discussed above.

Funding

Achieving the goal of acquiring and rehabilitating at least 50 community-owned housing units will require substantial new, flexible capital. Additional resources will also be needed over time to preserve more units beyond the initial 50 and to build the capacity of mission-driven

organizations to develop, own, and manage these projects. The City cannot fund this work alone, but it can play an important catalytic role by committing seed funding for projects, leveraging outside investment, and supporting capacity-building efforts.

- **Community-Owned Project Funding** – In March 2024, the City Council supported the commitment of \$4 million in City housing funds toward community-owned housing projects, with the goal to leverage another \$16 million from outside sources, using a 4-to-1 leveraging ratio to create a Community-Owned Housing Fund of \$20 million. This was the estimated funding needed to support the acquisition and preservation of at least 50 units of community-owned housing. In October 2024, the City Council appropriated \$4.0 million, which is referenced in the draft COAP document as the Community-Owned Housing Fund in Attachment 1.

Since then, the estimated total funding need has increased to \$25 million. **Staff recommends increasing the City funding previously appropriated from \$4.0 million to \$5.0 million to maintain a target leveraging ratio of 4-to-1 (Recommendation 2).**³ If Council approves this recommendation, the draft COAP document will be updated to reflect the increased City funding commitment. The City will continue to seek external funding partnerships over the course of implementing the COAP (See COAP Section 5, Goal 2).

As discussed in the September 2025 Council meeting, the funding will be structured as a flexible loan program. Depending on the specific needs and proposed structure of a community-owned project, a City loan may be provided with low or no interest and based on defined criteria repayment of the loan may be deferred or forgiven. **Staff have received input that the City's funding is the most flexible of its kind for community-owned housing by any public agency and is aligned with the City's goal to support innovative housing models.**

As noted above, given the interest in rental projects as the initial community-owned housing project in Mountain View, staff has drafted underwriting guidelines for a rental project. After the rental underwriting guidelines are completed, staff will develop underwriting guidelines for ownership projects.

- **Technical Assistance Grants** – As discussed, increasing the capacity of mission-driven organizations and the overall ecosystem is critical for the success of community-owned housing projects in Mountain View.

In September 2025, the City Council adopted Resolution No. 19023, which appropriated \$75,000 for a technical assistance grants. The funding is intended to help mission-driven organizations working to acquire, rehabilitate, and manage community-owned housing

³ During the March 19, 2024 meeting, Council allocated \$4 million in project funding but that amount has not yet been appropriated. Therefore, Recommendation 2 includes appropriating the originally allocated \$4 million plus an additional \$1 million.

access specialized expertise to support project-specific needs and the organization's development capacity.

After the September 2025 Council meeting, staff conducted more research and received input regarding additional methods to support mission-driven organizations. Overall, there are four primary methods identified to increase the capacity of mission-driven organizations:

- **Technical Assistance Funding (already discussed)** - Provide targeted funding to help mission-driven organizations strengthen internal capacity and access specialized expertise.
- **Partnership-Based Development (new option)** - Support project approaches in which emerging community-based organizations seek out and partner with experienced community-oriented organizations to advance projects.
- **Structured Pairing (new option)** - Require or incentivize experienced developers to mentor emerging mission-driven organizations through structured learning partnerships, or for the experienced developer to take on lead responsibilities for delivering a project.
- **Regional Technical Assistance Bench (new option)** - Develop a shared pool of consultants and practitioners accessible across organizations and jurisdictions to reduce duplication, lower costs, expand access to expertise, and support consistent best practices.

The Partnership-Based Development and Structured Pairing options appear to be particularly impactful because they bring the mission-driven organization into close contact with an experienced developer over a longer period. Both options provide the most “learning by doing” opportunities for new mission-driven organizations, and “doing” is the most impactful way for such organizations to acquire knowledge and experience.⁴

However, the Partnership-Based Development and Structured Pairing options require an experienced developer to have the capacity and willingness to work with a new mission-driven organization in this manner and will require substantially more funding than \$75,000 for an experienced developer to participate.

⁴ Example of activities between a new mission-driven organization and experienced developer could include: being in project planning meetings together to discuss strategies to acquire and finance a project; jointly procuring a general contractor to perform renovation work; the mission-driven organization learning how the experienced developer conducts tenant selection and lease-up of units, in accordance with fair housing regulations, or how to conduct compliance and monitoring of units; the experienced organization providing document templates or provide advice on how to draft, review, and execute complex transaction documents such as lease, loan, and regulatory agreements; etc.

Therefore, staff recommends increasing the initial \$75,000 that Council has already appropriated by an additional \$425,000, for a total of \$500,000 to support the four types of capacity-building methods over the COAP 5-year implementation period (Recommendation 3).

Section 5: “Five-Year Goals and Action Plan”

Section 5 establishes a five-year implementation framework for the COAP from July 2026 through June 2031, setting out five goals and related actions to advance each goal.

- ❖ The implementation framework is intended to provide clear direction and actionable items while preserving flexibility.
- ❖ However, community-owned housing remains an emerging field and is entirely new in Mountain View.
- ❖ Therefore, the City should monitor progress, remain adaptive, and refine the actions as needed over time.

Summary of the Five Goals

- **Goal 1 – Achieve at least 50 Community-Owned Housing Units:** The COAP seeks to move from planning into implementation by facilitating the acquisition and preservation of at least 50 community-owned housing units while establishing a foundation for more units in the future.
- **Goal 2 – Continue to Build the Community-Owned Housing Fund:** The COAP recommends continued expansion of the Community-Owned Housing Fund through outside partnerships and ongoing outreach to public, private, corporate, and philanthropic funding partners.
- **Goal 3 – Build Capacity Within Organizations and the Broader Ecosystem:** The COAP includes various actions to build the capacity of 1) mission-driven organizations seeking to undertake community-owned housing projects and 2) the broader ecosystem. Capacity-building at both levels will be vital to maximize the success of community-owned housing projects.
- **Goal 4 – Transition from City-Led Catalyst to Shared and Regional Leadership:** The COAP envisions that the City will continue to serve as a primary catalyst and convener during the initial phase of the Five-Year implementation period. However, it is not sustainable for City staff to lead this process over the longer-term. The COAP proposes that the initial City-led process transition towards a broader, regional process with shared leadership, with the City remaining an integral part of the process.

- **Goal 5 – Monitor Housing Quality, Resident Stability, and Resident Governance:** The COAP emphasizes the importance of monitoring outcomes, evaluating lessons learned, and refining implementation strategies over time to ensure projects remain financially sustainable and aligned with the COAP’s goals and guiding principles. While mission-driven organizations that own, operate, or support projects will be primarily responsible for achieving these outcomes, the City can play an important to advance these objectives.

OPTIONS FOR STREAMLINED PROJECT FUNDING APPROVALS

At the September 9, 2025, Council meeting, staff noted that it would begin the process to procure a third-party fiscal agent to help disburse funds faster and enable a mission-driven organization to close on an acquisition opportunity more quickly. A more streamlined funding process is necessary for a mission-driven organization to acquire properties listed on the market and compete with experienced developers who can close more quickly.

However, currently, no organization in the South Bay has been identified as having the capacity and experience to accept funding requests, conduct due diligence, underwrite a project, and make a funding recommendation on behalf of the City. Staff will continue to research potential third-party fiscal agents that may be able to provide this service.

Additionally, staff is evaluating potential options for a more streamlined City funding process if a third-party fiscal agent cannot be identified. The typical City process for project funding recommendations involves bringing a funding request to the Notice of Funding Availability Committee, which then makes a recommendation to the City Council. Staff then brings the item to the Council for consideration. If funding is approved, staff works with the organization/developer to execute a funding agreement. This entire process may take several months, making it infeasible to disburse funding in a timely manner for a mission-driven organization to acquire a property that comes to market.

An example of a potential streamlined City process is for the Council to appropriate the recommended \$5.0 million (Recommendation 2) and to delegate authority to the City Manager or designee to enter into project funding agreements with mission-driven organizations without returning to the Council. Another option may be to allow the City Manager to authorize funding for an organization before it identifies a specific property.

For either potential streamlined City processes, transparency measures and timely updates to Council and the public will be necessary to maintain appropriate safeguards. Staff recommends providing a report to Council with the relevant funding information, and publicly publishing the report on the Housing Department’s website.

Staff recommends that the City Council authorize the City Manager or designee to establish and implement a process, including appropriate safeguards and eligibility criteria, for evaluating and selecting Community-Owned Housing Projects for funding, and to approve and execute all funding agreements and related documents for selected projects, without returning to City Council, and direct the City Manager or designee to provide notice to City Council and the public of funding decisions within 30 days of executing all project-related funding documents. (Recommendation 4).

Staff intends to issue a Notice of Funding Availability (NOFA) for the Community-Owned Housing Fund after the underwriting guidelines and project funding approval process have been finalized. Issuing a NOFA beforehand would be impractical, as the City must first establish the framework for administering and approving funding prior to soliciting applications.

NEXT STEPS

The draft COAP will be updated and finalized as needed based on Council’s input and direction, such as increasing the City funding amounts referenced in the draft document. Once finalized, staff will begin implementing the adopted COAP and the actions outlined in Section 5 to advance the five goals.

FISCAL IMPACT

The recommended actions have no impact on the City’s General Fund. The proposed appropriations of \$1.0 million from the Below-Market-Rate Housing Fund to support community-owned housing projects and the increase in appropriations of \$425,000 from the General Housing Fund for technical assistance, capacity-building, and implementation activities are supported by available Housing Department fund balances. No additional funding source or appropriation is required beyond the actions recommended in this report.

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

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 approve staff’s recommendations for additional City funding to support projects and capacity-building efforts.
2. Do not adopt the Community Ownership Action Plan.
3. Provide other direction.

PUBLIC NOTICING

Agenda posting and a copy of the report emailed to the COAP Advisory Committee members.

Prepared by:

Wayne Chen
Housing Director

Approved by:

Kimbra McCarthy
City Manager

- Attachments:
1. Draft Community Ownership Action Plan
 2. Resolution for Additional City Funding for Projects
 3. Resolution for Additional City Funding for Capacity-Building Efforts