



COUNCIL REPORT

DATE: June 23, 2026
CATEGORY: Consent
DEPT.: Finance and Administrative Services
TITLE: **Modifications to Council Policy D-13, Mountain View Employee Homebuyer and Relocation Assistance Program**

RECOMMENDATION

Adopt a Resolution of the City Council of the City of Mountain View Amending City Council Policy D-13, Mountain View Employee Homebuyer and Relocation Assistance Program, to be read in title only, further reading waived (Attachment 1 to the Council report).

BACKGROUND

City Council Policy D-13 (Policy D-13) was originally adopted on December 2, 2008, and was last modified on December 6, 2022. Policy D-13 establishes an employee homebuyer and relocation assistance program as a benefit for City employees.

Public and private-sector employers throughout the Bay Area continue to face challenges attracting and retaining employees due, in large part, to the high cost of housing. The City of Mountain View has maintained employee housing assistance programs since 1995, beginning with a housing assistance program for Council Appointees and department heads, followed by a homebuyer assistance program established in 2008 to provide employees with down payment and/or closing cost assistance. The intent of these programs has been to support employee recruitment and retention by helping employees secure housing closer to their workplaces.

On May 14, 2019, the City Council approved the consolidation and enhancement of these programs through adoption of the current version of Council Policy D-13.

Since then, two Council Appointees and several department heads have utilized the homebuyer assistance program. While the Policy has provided meaningful support for recruitment and retention, program administration has identified operational challenges and unintended barriers that limit the broader use of the homebuyer assistance component.

Recent administration of the Program, including the issuance of a homebuyer assistance loan under the current Policy, provided staff with an opportunity to evaluate the effectiveness of existing provisions and identify areas where additional clarification, flexibility, and modernization

would improve implementation. Staff also reviewed current housing market conditions and recruitment challenges and determined that updates to the Program would better align the Policy with its intended recruitment and retention objectives.

The proposed updates to Council Policy D-13 are intended to improve program administration, address implementation challenges identified through recent program use, and increase the amounts available as housing assistance benefits for eligible City employees. The proposed revisions are intended to strengthen the City's ability to recruit and retain employees in a highly competitive and high-cost housing market.

On May 20, 2026, staff presented the recommended modifications to the Council Finance Committee (CFC). The CFC supported the recommended modifications, along with two additional modifications added during the CFC meeting.

ANALYSIS

In administering both the employee homebuyer assistance program and the relocation assistance program, staff identified several opportunities to clarify, modernize, and expand the Policy to better support employee recruitment and retention in a highly competitive housing market. The proposed revisions are intended to improve usability of the Policy, address operational challenges identified through recent implementation of the program, and expand access and flexibility for eligible employees.

Major proposed updates include the following:

1. Clarify and Reorganize Available Assistance Programs

The current structure of Policy D-13 can make it difficult to clearly identify the various assistance programs, eligibility requirements, and loan provisions available to employees. Staff is proposing revisions to reorganize and clarify Policy D-13 by establishing three clearly defined program categories:

- a. General Employee Loan Program
- b. First Responder Loan Program
- c. Department Heads and Council Appointees Loan Program

The proposed revisions also reorganize loan terms, repayment provisions, relocation assistance, and program administration requirements into clearer sections for improved readability and administration.

2. Addition of a Definitions Section

Staff is proposing the addition of a Definitions section to provide greater clarity and consistency in administration of the Policy. Definitions are proposed for key terms, including:

- Eligible Participant
- First Responder
- Median Home Price
- Primary Residence
- Radius
- Separation from the City

The definition of “Median Home Price” has been further revised to specify that it is based on the median sales price of a detached single-family residence in Mountain View. This clarification provides a consistent and objective basis for calculating loan assistance limits under the Program. The Current Median Home Price is \$2,968,000.

The proposed definitions are intended to improve the interpretation and consistent application of Policy provisions.

3. Establish a Participation Window Following Hire Date

To better align the Program with its intended recruitment and retention purpose, staff is proposing the addition of a requirement that eligible employees notify the City of their intent to participate in the Program within three years of their hire date and complete the loan issuance process within ninety (90) days following such notification.

Current employees employed as of the effective date of the updated Policy would similarly have three years from the effective date of the revised Policy to notify the City of their intent to participate.

Staff believes that establishing a participation window better aligns the Program with its primary purpose as a recruitment and retention tool. Without such a requirement, employees may delay participation until many years after hire, reducing the Program's effectiveness in supporting recruitment decisions and early employee retention.

4. Expand and Modernize Loan Program Provisions

Staff is proposing several revisions intended to improve program flexibility and usability, including:

- Transitioning loan maximums to percentages of the Mountain View median home price for certain employee categories;
- Establishing different loan assistance levels based on employee classification and geographic proximity to Mountain View;
- Clarifying eligible property types and occupancy requirements;
- Allowing additional flexibility for subordinate lien positions, subject to City Manager approval and appropriate protections for the City's financial interests;
- Increasing allowable interest-only payment periods; and
- Establishing a formal process for transferring an existing Program loan to a replacement eligible property.

These changes recognize that housing costs have increased significantly since the Policy was last comprehensively updated and are intended to improve the Program's usefulness while continuing to protect the City's financial interests through underwriting requirements, repayment provisions, and collateral protections.

5. Clarify Relocation Assistance Provisions

The proposed revisions clarify eligibility requirements, allowable reimbursement types, temporary housing provisions, and administrative requirements associated with the relocation assistance component of the Policy.

The proposed revisions also increase certain relocation assistance benefit amounts to better reflect current housing and moving costs in the Bay Area. In addition, the revisions establish a new relocation assistance provision for employees relocating from within 10 miles of Mountain View, expanding eligibility for partial moving expense reimbursement.

The revisions further clarify that relocation assistance is limited to an employee's initial qualifying relocation associated with accepting employment with the City, must be utilized within one year of the employee's appointment date, and may only be utilized one time during the employee's tenure with the City.

6. Administrative and Operational Updates

Additional revisions are proposed to improve administration of the Program, including:

- Clarification regarding funding availability and Council appropriations;
- Incorporation of GIS-based program boundary maps as the controlling reference for geographic eligibility;
- Clarification of repayment requirements following separation from the City; and
- Consolidation of administrative authority and implementation guidelines under City Manager-approved procedures.

Additional modifications proposed during the CFC meeting include the following:

1. Adding "Rowhouse" back into Section 3.e, "Eligible Property Types"

The CFC proposed adding back "rowhouse" as a specific property type to provide additional clarity that this type of property is eligible.

2. Keep designations for authorizing officials of housing and/or relocation assistance

The CFC proposed to keep the designations of authorized officials for housing and/or relocation assistance to specify that the City Council will authorize housing and/or relocation assistance for Council Appointees, and the City Manager will authorize housing and/or relocation assistance for all other employees.

The proposed revisions are intended to improve the administration and usability of Policy D-13 while expanding housing assistance opportunities and maintaining appropriate financial safeguards for the City. The revisions are also intended to strengthen the City's ability to recruit and retain employees in a highly competitive and high-cost housing market.

All proposed revisions are identified by underline and strikeout in the attached redline version of Council Policy D-13 (Attachment 2).

FISCAL IMPACT

The recommended modifications to Council Policy D-13 do not require an appropriation and have no immediate fiscal impact. Homebuyer assistance loans and relocation assistance benefits are subject to available funding and future City Council appropriations.

The proposed revisions may increase participation in the Program and the amount of assistance available to eligible employees. Any future loans issued under the Program would continue to be secured by real property and are expected to be repaid in accordance with the terms of the Policy. Staff will continue to administer the Program within available appropriations and return to the City Council for additional funding authority as necessary.

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 adopt the resolution modifying Council Policy D-13.
2. Provide other direction.

PUBLIC NOTICING—Agenda posting.

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- Attachments:
1. Resolution
 2. Council Policy D-13, Mountain View Employee Homebuyer and Relocation Assistance Program (redline)
 3. [CFC Memo, May 20, 2026](#)