

'Gorgeous,' 'splendid' Mountain View affordable housing project moves forward

By Diana Samuels

Despite concerns from one council member that the project was too expensive, the Mountain View City Council on Tuesday approved spending about \$7 million of city affordable housing funds on a new 51-unit apartment complex downtown.

Council members used words such as "gorgeous" and "splendid" to describe the proposed affordable housing complex, designed by the ROEM Development Corp. for a city-owned property at the southeast corner of West Evelyn Avenue and Franklin Street that is currently used as a parking lot.

The project — a three- to four-story building in a Mediterranean architectural style — will include apartments as well as features such as a community room, fitness center, and underground parking garage. The apartments will be available to people earning between 30 and 60 percent of the area's median income, or between \$31,850 and \$63,660 for a household of four.

The council voted 5-2, with council members John Inks and Margaret Abe-Koga voting no, to approve permits, funding and a ground lease for the complex.

The project costs about \$23 million total, and ROEM plans to fund it through a combination of a city

subsidy, conventional loan, and about \$11 million from a federal tax credit program that it will apply for next month. While city staff said the project would have a competitive chance at the tax credit, Inks said it was a "gamble" and the project is "very, very pricey."

"I would favor a housing policy that actually provided more economical units instead of fewer gold-plated units for a limited number of people who happen to win the housing lottery," Inks said.

Most council members, though, said they liked that the building would be high-quality.

"I think this is going to be a magnificent project," Vice Mayor Jac Siegel said. "Mountain View is first-class, and that what's we deserve here and that's what we wanted here."

After some debate, the council also voted 5-2 not to pay the construction workers on the project prevailing wage. It would add about \$1 million to the city's costs, and most council members said they would rather save the money for other affordable housing projects.

Doug DeLong, of Advocates for Affordable Housing, said his organization didn't see the need for prevailing wage. The city has limited affordable housing funds, he said, and

shouldn't "throw them away on a feel-good thing like prevailing wage."

But Neil Struthers, CEO of the Building & Construction Trades Council for Santa Clara and San Benito Counties, urged the council to pay prevailing wage, saying low-paying jobs are the "root of the problem" that results in a need for affordable housing.

"The need for affordable housing in the first place is based on the fact that we don't have good jobs," he said.

Council Members Laura Macias and Margaret Abe-Koga supported prevailing wage, and Abe-Koga voted no on the project as a whole when it wasn't included.

"If we're helping people out, I think we should be helping them out both with jobs, and with housing," Macias said.

The council also approved the city's fiscal year 2010-11 budget Tuesday by a 6-1 vote, with Inks dissenting. The council had the bulk of its discussion at a meeting last week but the city was still negotiating with its firefighters union. City Manager Kevin Duggan announced Tuesday that negotiations had saved the city another \$253,000, and two employee positions — a police department community service officer and a parks maintenance worker — were spared because of the savings.