

PUBLIC HEARINGS/GENERAL BUSINESS

2. RTC 13-274 Discussion and Possible Action Regarding Revised Request from Sunnyvale Community Services for Modification of 2003 Community Development Block Grant (CDBG) Loan Terms

Housing Officer Suzanne Ise presented the staff report.

Public Hearing opened at 7:37 p.m.

Shane Jacksteit, member of the Executive Board of Directors of Sunnyvale Community Services, provided information regarding the services of the agency and requested forgiveness of the loan.

Chris Richardson, Downtown Streets Team, spoke in support of the proposal.

Marie Bernard, Executive Director of Sunnyvale Community Services, spoke regarding the mission of the agency and stated the board has voted to pledge to budget 100% of the loan forgiveness for financial aid that would go directly to help low income Sunnyvale residents.

Public Hearing closed at 7:44 p.m.

MOTION: Councilmember Whittum moved to approve Alternative 1: Approve the Draft Agreement as provided in Attachment C to the report.
Motion died due to lack of second.

MOTION: Councilmember Moylan moved and Councilmember Davis seconded the motion to approve the piece of the agreement that defers payments to the end of term.

VOTE: 7 - 0

MOTION: Councilmember Moylan moved and Councilmember Davis seconded the motion for recommended actions 2 and 3, to forgive the interest and reduce the rate to 0% and to forgive the balance in term, refer to the Housing and Services Commission to specifically ask staff and the commission to consider all the implications of whether the recommended action would evade or invalidate our policy of trying not to put all our eggs in one basket and the likely precedent.

RESTATED MOTION: Councilmember Moylan moved and Councilmember Davis seconded the motion to refer the proposed action on Options two and three on page 4 of the RTC to the Housing and Human Services Commission and to specifically staff and the commission to consider the precedent issue and the issue of whether this action would essentially evade our normal process and take funds that would normally be available to all the other agencies and give them to one, and if it would also evade our policy on capping what fraction of these funds we can give to any one agency.

AMENDMENT: Councilmember Meyering moved to amend the motion to reduce the loan interest rate to 0% starting immediately, until this matter comes back before the City Council.
Motion died due to lack of a second.

VOTE ON MAIN MOTION: 6 - 1 (Mayor Spitaleri dissented)