Abundant campers adjacent to SVCF’s Mountain View office offer a reminder of the region’s housing crunch.
Residents of the Buena Vista Mobile Home Park in Palo Alto, California, celebrate the holidays in a scene from Elizabeth Lo’s documentary, Notes from Buena Vista. The film portrays the struggles of the residents to save their homes.

Strong communities are vibrant and diverse, with a range of housing and employment options.
INTRODUCTION

Silicon Valley Community Foundation was created 10 years ago to galvanize support for local issues, convene regional private and public sector leaders and initiate policy discussion at the county, state and national level. As we begin a comprehensive grantmaking review process to determine our new grantmaking strategies, to be announced in October 2017, it is important to assess what has been accomplished, what was not successful and what has been learned.

Since 2008, SVCF has made a total of $90 million in grants to over 500 organizations as part of our strategic grantmaking and community impact work in four key areas: economic security, education, immigration and building strong communities. In addition to these areas, SVCF also makes grants through its community opportunity fund, which focuses on time-sensitive issues and regional innovation.

This work is made possible by the generosity of donors who have chosen to support SVCF with gifts to our community endowment, including bequest gifts. We are especially grateful to the late Tom Ford, who established the Sand Hill Endowment Fund to support SVCF’s community impact work – and the region he loved – in perpetuity. We also have been fortunate to receive grants for our work from the Skoll Foundation, The David and Lucile Packard Foundation, The Dirk and Charlene Kabcenell Foundation, the Hurlbut-Johnson Fund and the Bernard A. Newcomb Foundation.

We are pleased to present this impact report to summarize the key successes related to our building strong communities strategy, as well as our learning over this period. The data presented in the report are based on an independent, third-party evaluation of our grantmaking conducted by LFA Group: Learning for Action.

THE JOBS-HOUSING IMBALANCE

Silicon Valley is a place with far more jobs than housing. This imbalance drives up an already high cost of living and pushes people who cannot afford homes into outlying areas many miles from their jobs. In fact, less than half (41 percent) of first-time homebuyers in Santa Clara County and just 27 percent in San Mateo County could afford to purchase a median priced home in 2015. Renters are in a more dire situation: As home prices have increased, so have Silicon Valley’s rental rates (up 27 percent for apartments and 25 percent for single-family homes)\(^1\).

\(^1\) 2016 Silicon Valley Index. Joint Venture Silicon Valley, Institute for Regional Studies, 2016.
Strong communities are vibrant and diverse, with a range of housing and employment options. But the shortage of affordable housing leads to exceptionally long commutes, more pollution and more people who lack a real connection to the communities where they work or live. Traffic congestion has become a worsening problem in Silicon Valley, with the average commuter losing 67 hours and $1,422 in income per year.\(^2\)

The Percentage of Households that can Afford to Purchase an Entry-Level Home in Silicon Valley and California

\(^2\) “Report: California’s Drivers are the Nation’s Most Stressed,” San Jose Mercury News, August 26, 2015.

While land-use planning is supposed to address these challenges and improve a community’s quality of life, local residents – particularly those who are low-income, immigrants or people of color – are often disengaged from the planning process. This lack of public participation can have significant and lasting impact because community development plans are typically set for 10 to 20 years. Those plans drive most, if not all, of a community’s public investments and physical growth.

Erica and her son Chris live in an affordable housing complex developed by MidPen Housing in Sunnyvale, CA. SVCF, along with our government and nonprofit partners, has worked on policies in communities throughout the peninsula that have paved the way for affordable housing opportunities.
OUR BUILDING STRONG COMMUNITIES STRATEGY

After careful research and an extensive community input process, SVCF decided to make strategic investments in programs that would help shape land use and transportation plans and would encourage residents to get involved in the design of their communities. These plans were intended to create communities that would be affordable, healthier and better connected, with jobs and homes closer to transit.

We recognized that to achieve any measurable difference in these areas, collaboration would be essential. To that end, SVCF has actively partnered with other foundations, corporations, nonprofit organizations, donors and government agencies to extend our reach and increase our impact. SVCF also has played a unique role in facilitating collaboration among its nonprofit partners. This has been done through quarterly cohort meetings during which nonprofit partners come together to learn from each other, engage in critical discussions and take collective action to move the needle on challenging social issues.

In addition, each of SVCF’s grantmaking strategies and sub-strategies has been guided by an expert advisory committee. The committee has worked closely with staff to discuss trends in the field, review proposals and ensure grantmaking investments have met our strategic goals. Committee members have provided expert involvement and advice as well as public accountability in our grantmaking decisions (see Acknowledgments section).

WHAT WE ACHIEVED

Through the work of our government and nonprofit partners, we have influenced regional and local plans to provide more affordable housing, more acres of parks and walking trails and more public transit options, among other benefits for residents. We have engaged thousands of residents across the Bay Area in these planning processes and have created meaningful ways for them to provide input on the design of their communities. And we have successfully advocated for greater public investments to improve transit and increase the supply of affordable housing. Key successes in each of these areas are briefly described on the following pages, and three feature stories showcase notable achievements in greater detail.

We Helped Create a New $50-Million Financing Tool to Support Affordable Housing Development near Transit

Limited financial resources are available to support transit-oriented development, despite the benefits they can offer communities. SVCF, along with several other foundations, regional agencies and lending institutions3, provided start-up funding to support the launch of a $50-million, public-private financing resource called the Transit-Oriented Affordable Housing Fund to meet this need (TOAH). TOAH provides low-interest loans to developers of affordable housing in locations near transit. Since its launch in 2011, developers have planned for close to 900 affordable units in communities throughout the Bay Area region. More than 350 of these units have received building permits, with construction scheduled to begin at the end of 2016. In addition to these local victories, TOAH was among seven projects across the country to be recognized by the U.S. Environmental Protection Agency with the 2012 National Award for Smart Growth Achievement.

3 Initial investors in the Transit-Oriented Affordable Housing Fund included East Bay Community Foundation, the San Francisco Foundation, Ford Foundation, Living Cities, Metropolitan Transportation Commission, Association of Bay Area Governments, Bay Area LISC, Corporation for Supportive Housing, the Enterprise Community Loan Fund, the Low-Income Investment Fund, Northern California Community Loan Fund, Citibank and Morgan Stanley.
We Have Led Regional Collaboration to Create Great Communities

Until about a decade ago, few Silicon Valley leaders held much hope that the tangled web of jurisdictions and entities overseeing transit, development, social justice and environmental concerns would ever find common ground. One of SVCF’s first and most impactful grantmaking investments in the building strong communities strategy was to the Great Communities Collaborative (GCC), a cooperative effort of government, philanthropy and nonprofit organizations working together on regional land use and transportation plans. SVCF has co-led the GCC since 2008 with The San Francisco Foundation and a network of state and national funders who support it.

The goal of the GCC has been to coordinate investments and projects within designated “priority development areas” adjacent to transit stations, to ensure residents can live in vibrant neighborhoods with affordable housing, jobs and services all within convenient access to quality public transit. Many important victories have been achieved during the GCC’s first eight years, including helping 32 communities work with their local governments and residents – particularly those who are low-income and people of color – to draft or complete station-area plans. Eight of these plans include more than 20,000 new units of housing – including more than 2,500 designated affordable units – and forecasts for 27,000 new jobs.

Collectively, GCC funders have pooled $14 million to support more than 30 nonprofit organizations in shaping these plans. Regional agencies such as the Metropolitan Transportation Commission and Association of Bay Area Governments have also tripled their financial commitments to local planning efforts, recognizing the sites where GCC has worked as examples of best practices.

The GCC also has been an important voice on regional policies that advance equitable transit-oriented development. This collaborative effort has been replicated in other regions, such as Denver and Los Angeles, and won an award from the American Planning Association’s Northern California Section for “Outstanding Planning.”
State to Local Communities

In 2012, California cities lost their largest and most significant sources of affordable housing funding when the state dissolved its redevelopment agencies during a budget crisis. Across the state, redevelopment agencies were responsible for over $1 billion in direct funding for affordable housing. These local funds often served as the “first in” money that could be leveraged to garner additional sources of funding. A portion of the funds relinquished by local jurisdictions were “boomeranged” back to them from the state.

That same year, SVCF partners Non-Profit Housing Association of Northern California, Silicon Valley Leadership Group Foundation, Housing Leadership Council, Faith in Action, San Mateo County Union Community Alliance and Greenbelt Alliance seized the opportunity to help influence the allocation of this one-time funding. Working with the cities of Campbell, Foster City, Los Gatos, Mountain View, San Mateo, and Santa Clara, these nonprofit partners successfully advocated for more than $30 million in boomerang funds to be allocated for affordable housing development.

We Created Affordable Housing Options in the City of Menlo Park for the First Time in Almost 20 Years

California law requires that local governments plan to meet the existing and projected housing needs of all economic segments of the community. The City of Menlo Park had historically done a poor job of meeting its community’s affordable housing needs. In fact, from 1999 to 2007, it did not grant a single building permit for lower-income housing and was thereby out of compliance with the state’s Housing Element law for almost 20 years.

In 2012, SVCF nonprofit partners Faith in Action, Youth United for Community Action and Urban Habitat, with legal representation provided by Public Advocates, brought a lawsuit against the City of Menlo Park that resulted in a settlement and commitment to a variety of affordable housing activities and policy initiatives. The actions have led to the development and preservation of affordable housing in the community, including plans for 1,000 new affordable homes and local funding for nonprofit housing developers.

We Have Shaped Plans to Revitalize El Camino Real

In 2009, SVCF began providing support to a number of cities and public agencies engaged in the Grand Boulevard Initiative, a cross-sector and cross-jurisdictional effort to revitalize El Camino Real. In addition to jurisdictions in Santa Clara and San Mateo counties, the effort included partners such as San Mateo County Transit District (SamTrans), Santa Clara Transportation Authority (VTA), Joint Venture: Silicon Valley Network, San Mateo City/County Association of Governments (C/CAG) and San Mateo Economic Development Association (SAMCEDA). Stretching from Daly City to San Jose, El Camino Real is the spine that connects 19 cities, counties and local and regional agencies. It has transitioned from the pathway of the region’s original Spanish settlers to a busy thoroughfare that links the downtown centers of Silicon Valley’s major cities. Despite its high volume of traffic, however, El Camino Real in many stretches is underutilized and could benefit from redevelopment.

The Grand Boulevard Initiative’s planned revitalization efforts include bus rapid transit, high-speed rail, and Caltrain electrification along the corridor, while planning for more transit-oriented development, including affordable housing, to accommodate the region’s projected population and job growth.
We Supported One of the Region’s First Bus Rapid Transit Lines

Bus rapid transit is recognized in several cities throughout the world for its convenience, efficiency and low cost. In 2014, SVCF supported the Alum Rock Bus Rapid Transit (BRT) line, which provides just over seven miles of limited-stop rapid transit service from the Eastridge Transit Center to the Arena Station in downtown San Jose. Thanks to dedicated bus-only lanes, efficiently timed traffic lights and rapid boarding, many commuters’ travel time can be reduced. This new BRT line will also include state-of-the-art buses and enhanced stations with attractive shelters and weather protection, live schedule displays and other passenger amenities – and at a fraction of the cost of a new rail project. When fully operational, the line will serve an estimated 17,000 passengers daily, up from about 6,660 who could be served by a normal bus line.4

We Successfully Advocated for $500 Million in Transportation Funding

The Santa Clara County Valley Transportation Authority (VTA) board voted unanimously in 2016 to approve a half-cent, 30-year sales tax measure on the November 2016 ballot. If passed by voters, the measure would result in an estimated $6.5 billion to fund major transit and transportation infrastructure projects. Those projects could include expansion of BART service to the City of Santa Clara, more frequent bus service along high-ridership corridors, Caltrain improvements and new service models to address first-/last-mile connections.

Because of the hard work of an SVCF-funded coalition of five nonprofit agencies known as the Transportation Justice Alliance, the ballot measure calls for $500 million of the potential $6.5 billion to be allocated to address the transit challenges experienced by vulnerable populations, including students, seniors, disabled and low-income residents.

Our Support Led to Groundbreaking Policies for Affordable Housing on Transit-Agency-Owned Land

The region’s public transit agencies have an extensive portfolio of real estate assets. Over the past two years, a number of SVCF’s partners, including Working Partnerships USA, Silicon Valley @Home, and Silicon Valley Leadership Group Foundation, have been working hard to promote and advance policies to support affordable housing development on transit-agency-owned land. In April 2016, the Santa Clara County Valley Transportation Authority Board unanimously voted to adopt one of the strongest affordable housing policies of any transit agency in the country.

The policy includes a requirement that 35 percent of all housing units built on VTA land must be affordable to low-income residents, and 20 percent of units in individual projects must be designated as affordable units. Of the affordable units, 50 percent must be targeted to very low- or extremely low-income residents.

SVCF’s partners have also achieved success with a similar policy requiring that developments include 20 percent affordable units for low- and very-low income households near each station on BART-owned land. This policy will be a precedent for other transit agencies in California that hope to increase ridership on public transit systems by developing more affordable housing along transit corridors.

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4 Santa Clara-Alum Rock Transit Improvement Project Final Environmental Impact Review, Santa Clara Valley Transportation Authority.
We Helped Pass One of the Most Progressive Plans to Increase Regional Housing in California

In 2008, the California State Legislature passed Senate Bill 375, which for the first time required regional transportation funding to be tied to land-use decisions through the development of “sustainable” regional growth plans in each of the state's 18 major metropolitan areas. SVCF recognized it had a unique opportunity to help residents and community leaders make informed decisions about the growth and development that would shape their future environment, the economy and everyday life in their communities.

SVCF launched a two-year strategic initiative, Envision Bay Area (EBA), which used digital technology, community dialogue and news media in a cohesive strategy to equip policymakers and the public with information to make better decisions. The initiative was launched with funding from the John S. and James L. Knight Foundation. It involved nonprofit partners Greenbelt Alliance and TransForm, government partners the Metropolitan Transportation Commission and Association of Bay Area Governments, Northern California Public Broadcasting and the urban planning firm Calthorpe Associates.

EBA achieved many successes, which were documented through two independent evaluations. More than 800 residents participated in 10 public forums throughout the Bay Area. Close to 25 percent had never attended a meeting on regional planning. Thousands more people accessed EBA's online simulation tool, YouChooseBayArea.org, which provided information on regional planning in understandable and engaging ways.

In addition to EBA, SVCF provided seed funding to the 6 Wins for Social Equity Network, a network of 20 social justice, faith, public health and environmental organizations. This group works together to ensure that the Bay Area's transit, housing, jobs and sustainability policies break the patterns of segregation, sprawl and pollution that have disadvantaged low-income communities and communities of color for generations.

Both of these efforts resulted in one of California’s most progressive regional plans, Plan Bay Area, which was approved by the Association of Bay Area Governments and the Metropolitan Transportation Commission in 2013. It calls for all of the region’s future housing production to be accommodated within priority development areas in close proximity to transit. The plan also includes One Bay Area Grants, a grant program that ties regional funding for transit-oriented development to the adoption of local anti-displacement measures and affordable housing production.
We Brought the Region’s Homelessness and Housing Crisis to Light through the Power of Film

SVCF teamed up with award-winning filmmaker Elizabeth Lo in 2015 to showcase her powerful film, “Hotel 22.” The Santa Clara Valley Transportation Authority (VTA) #22 bus line is a 24-hour, seven-day-a-week bus line that runs from Palo Alto to San Jose and serves as an ad hoc homeless shelter at night. Ever since a 2013 San Jose Mercury News article about the bus line, it has been known as “Hotel 22” by riders and Bay Area transit advocates. It is one of the last resorts for the region’s homeless residents to find a safe, warm and affordable respite for the night.

The screening of Lo’s film “Hotel 22,” in partnership with the City of San José, led to a joint project in 2016 by the Valley Transportation Authority and the County of Santa Clara to provide vital case management services and housing vouchers to support homeless individuals who depend on the VTA transit system.

SVCF worked with Elizabeth Lo again beginning in 2015 to produce her second Silicon Valley-based documentary, “Notes from Buena Vista.” This documentary features the moving stories of families living in the Buena Vista Mobile Home Park in Palo Alto; all are under threat of eviction, as the land on which the mobile homes sit is for sale and worth tens of millions in Silicon Valley’s skyrocketing real estate market. The film premiered in May 2016 to an audience of elected officials, Palo Alto residents and affordable housing advocates.

“Notes from Buena Vista” provides a rare opportunity to move beyond a theoretical discussion about affordable housing and witness real examples of working families struggling to find housing they can afford. After the film was released, the County of Santa Clara, City of Palo Alto and Housing Authority of the County of Santa Clara announced a plan to purchase the Buena Vista Mobile Home Park and improve the condition of the mobile homes. We are optimistic that the park’s residents will be able to continue living in the Palo Alto community.
We Have Led Efforts to Generate New Sources of Affordable Housing Funding in Local Communities

The Bay Area market is simply not producing enough housing to meet the full range of needs in most communities. San Mateo County responded to this challenge through a collaborative effort of 15 jurisdictions to study housing impact fees as an option to generate a source of affordable housing. A housing impact fee is a per-square-foot fee levied on market-rate housing that can be used to build affordable homes. A 2015 analysis found that if participating jurisdictions had imposed affordable housing impact fees on all of the recently approved development, those fees would have generated approximately $400 million for affordable housing in San Mateo County.

Recognizing the importance of impact fees as a potential source of funding, SVCF nonprofit partners Housing Leadership Council and Faith in Action have worked with 10 jurisdictions in San Mateo County to adopt these fees. We have also provided support for a similar study in partnership with Santa Clara County, Santa Clara (city), Milpitas, Los Altos, Campbell, Saratoga, Alameda County, San Leandro, Union City, Hayward, Fremont, and Albany. This study could result in impact fees for affordable housing in 12 jurisdictions across two counties.

WHAT WE LEARNED

While there are many wins to celebrate as a result of our building strong communities grantmaking strategy, it is equally important that we reflect on the lessons SVCF has learned from work that fell short of our expectations.

For example, our investments in transit-oriented development have led to unintended consequences. Real estate prices have increased as new development has been built around transit and communities have been improved with additional services and amenities. These improvements have tended to favor higher-income residents while making it difficult for lower-income residents to afford life in booming communities. According to recent research from the University of California at Berkeley, gentrifying neighborhoods tend to gain wealthier, less diverse residents while negatively impacting existing residents who are predominantly lower-income renters and people of color. Given this reality, we quickly realized that transit-oriented development efforts on their own were insufficient and had to include advocacy for strong, inclusive affordable housing policies to increase the supply of new affordable housing and preserve existing affordable housing.

We also learned that the magnitude of the region’s transportation and housing challenges cannot be solved by a single city/county alone; the challenges require collaboration across jurisdictions and across different sectors. Our experiences with the Great Communities Collaborative, Envision Bay Area and the Grand Boulevard Initiative have proven that it is not always easy to bring government, social justice and environmental groups together. However, all these stakeholders’ perspectives are needed, so that our regional development patterns of the future do not follow the bad patterns of the past, which have forced too many people to live in homes at huge distances from their jobs.

“It’s a material thing, but I feel safe. I feel safe here. It means more to me than just a house, it means my life.”

– Amanda S., resident of the Buena Vista Mobile Home Park in Palo Alto, California
And, finally, we know that housing and transportation problems are affecting low-income communities right now, and that these problems cannot wait until lengthy planning processes are complete. Therefore it has been important to engage in both long-term strategies to influence these plans, as well as in short-term strategies to address more immediate needs, including legal assistance for residents facing rent increases and eviction.

We are both appreciative of what we have learned and proud of what we have achieved. We have successfully advocated for greater public investments to improve transit and increase the supply of affordable housing, and we have influenced cities’ plans to provide more affordable housing, parks and public transit options. We have also engaged thousands of residents across the Bay Area in these planning processes.

As we begin a two-year review of our grantmaking strategies, we are eager to discover the possibilities that will emerge and to begin a new chapter in our efforts to improve life for residents of Silicon Valley.

Residents hear about public transportation issues from Chris Lepe of TransForm, a member of the Transportation Justice Alliance, during a “Speak Up for Great Transportation!” workshop at the Mexican Heritage Plaza in San Jose, California, 2015. Photo credit: Working Partnerships USA.
Acknowledgments

SVCF would like to express its deepest appreciation to the many organizations involved in helping us to create vibrant communities with affordable housing and transit for individuals and families in Silicon Valley, and to the expert advisors who have helped SVCF frame and refine our building strong communities strategy.

Nonprofit Partners Who Helped Make it Happen
California Center for Public Health Advocacy
California Walks
ChangeLab Solutions (formerly Public Health Law & Policy)
Community Initiatives (for Threshold 2009)
Enterprise Community Partners, Inc.
Faith in Action (formerly San Francisco Organizing Project/Peninsula Interfaith Action)
Funders’ Network for Smart Growth and Livable Communities
Greenbelt Alliance
Housing Endowment & Regional Trust of San Mateo County
Housing Leadership Council of San Mateo County
Housing Trust of Santa Clara County
Law Foundation of Silicon Valley
Lawyers’ Committee for Civil Rights of the San Francisco Bay Area
Legal Aid Society of San Mateo County
Low Income Investment Fund
San Francisco Mayor’s Office of Housing
Movement Strategy Center
Non-Profit Housing Association of Northern California
Pacific Institute
People Acting in Community Together, Inc.
Public Advocates, Inc.
Redwood City 2020
Sacred Heart Community Services
San Mateo County Transit District
San Mateo County Union Community Alliance
Sierra Club Foundation
Sierra Club - Loma Prieta Chapter
Silicon Valley De-Bug
Silicon Valley Leadership Group Foundation (formerly Silicon Valley Manufacturing Group
Sustainable Valley Foundation)
SPUR
The Local Government Commission
The San Francisco Foundation (for the Great Communities Collaborative)
TransForm
Urban Habitat
Urban Land Institute
Working Partnerships USA
Yes for Open Space
Youth Leadership Institute
Youth United for Community Action

Total Investments
$6,904,183
# ADVISORY COMMITTEE

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<td>Wayne Chen</td>
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Note: advisors are listed along with the organizations with which they were affiliated at the time they served on the committee.
SVCF has engaged thousands of Bay Area residents in planning processes for affordable housing and public transit.