



## **HOUSING COMMISSION MINUTES**

**Regular Meeting  
June 5, 2002  
5:30 pm**

**Administrative Building Conference Room, First Floor  
701 Laurel Street, Menlo Park, CA 94025-3483**

### **CALL TO ORDER**

Wendy McPherson called the meeting to order at 5:30 p.m. in the Administrative Building Main Conference Room.

### **ROLL CALL**

Members Present: Steve Bliss; Elza Keet; Wendy McPherson, Chairperson;  
Jane West

Member Absent: Clarice O'Neal; Mickie Winkler, Vice-Chairperson;

Staff Present: Don de la Pena, Gretchen Hillard, Housing and  
Redevelopment

### **A. PUBLIC COMMENTS** None.

### **B. REPORTS AND ANNOUNCEMENTS**

1. Housing Commission vacancy. Wendy McPherson suggested that an announcement of the vacancy be sent to areas of Menlo Park where no Housing Commissioners live. Looking at the addresses of the members, she suggested Linfield Oaks, and offered to supply the mailing labels. The time period for receiving applications closes July 2.

### **C. BUSINESS ITEMS**

1. Approval of May 21, 2002 Minutes

The May 21, 2002 Minutes were approved as written.  
(M/S West/Bliss 4-0)

2. Peninsula Habitat for Humanity proposal for housing on site on Terminal

Ed Hayes, Mark Moulton and David Crabbe introduced themselves, and described the Peninsula Habitat proposal for 22 new single-family housing units on a site adjacent to Terminal Avenue. Using a large site map they showed 2, 3, and 4 bedroom houses with a community building. The community building will have a meeting room and a computer room and a kitchenette. The community building at their Rollison Road project is already well booked, even though it's not completed. A homeowners association will charge fees to maintain common areas, and perhaps exterior painting and roofs. Although the houses all have very similar construction details, they will have different finishes, porches and paint colors.

Habitat builds houses for low and very low-income families who partner with Habitat long-term. The houses are built by volunteers, plus 500 hours from each purchasing family. The houses cost about \$170,000 maximum, about 35% of the family's income, and Habitat offers a 0% mortgage. The payments go into the Fund for Humanity, which is dedicated to build more houses. Peninsula Habitat is now working with 60 families and has had no defaults. Habitat understands Menlo Park's specific preferences for the program, that applicants must live or work in the City, and there may be some preference for teachers. Households on the BMR Waiting List will be notified and can apply. Ultimately there is a lottery.

The biggest issue that Habitat anticipates is responding to the need to be careful and considerate with the neighbors, especially concerning traffic. Garage or carport design is still under discussion. Jane West said she preferred garages, as they provide security. Couldn't there be a requirement that garages not be converted to living space. Garages look better too. David Crabbe responded that there already is a rule, and that it is often ignored, which is a point of contention with some neighborhood residents. Steve Bliss asked if the City had looked into the number of trips the new houses will generate. Ed Hayes responded that that will be studied in the EIR for the Housing Element. That EIR will look at trip generation for all housing contemplated in the Housing Element. He also said that Habitat would bring their proposal back to the neighborhood before taking it to the Planning Commission, possibly later this summer.

Ed Hayes said that they hoped to break ground by the spring. They are still dealing with title issues and will be working through the approval process. He described their Raise the Roofs program, a two-week event that raises funds and 110 to 130 volunteers who will build eight houses at Rollison Road between June 19 and June 29. The volunteers will work on Wed. through Sat., and staff and core volunteers use other days to stage the supplies and work for the large number of volunteers.

The Commissioners thanked Ed Hayes, Mark Moulton and David Crabbe for their presentation and work.

3. Additional housing projects in process

Gretchen Hillard and Don de la Pena described the progress with acquisition of land at the Hamilton Avenue park and housing site, stating that there are four properties yet to acquire, three in negotiations, with trial dates at various times until December, and City-owned property, which the Agency will acquire. Also Gretchen Hillard stated that 27 applications had been received for the BMR units at Menlo Square. San Mateo County staff will notify the top three applicants (with the lowest numbers) tomorrow and Friday, and notify the others of their rank among the applications, by letter, this week.

4. Draft Below Market Rate Housing Program Guidelines

The Commissioners reviewed the draft Below Market Rate Housing Program Guidelines, which were previously reviewed at the April and May meetings. Staff distributed a draft memorandum stating the Housing Commission's recommendation to the City Council. The BMR Guidelines still require Planning Division review. That is likely to result in some reorganization and examples being added, to make the document more user friendly, but no change in policy. The Housing Commission will have an opportunity to review the final Guidelines document and its memorandum containing its recommendation before these go to the City Council. The tentative Council review date is July 16.

Elza Keet presented a chart showing the likely number of BMR units that the in lieu fees in Alternative A-1 would produce, and the differences in production rates for the requirements for 5 to 9 units, for 10 to 19 units and for 20 units and more. She showed that developments with the larger number of units with greater requirements would potentially produce more units, but that looking at past production, very few units would result. She estimated that only one additional BMR unit would be produced by the addition of the in lieu fee for developments of 5 to 9 units, in a similar four year timeframe.

5. First-time Homebuyer Second Mortgage PAL Loan Program

Commissioners discussed the terms of the First-time Homebuyer PAL Loan Program that they had drawn up at the last meeting. They reviewed a memorandum to the Commission, and agreed that the terms should change to deferred for year 0 to 5, and amortized for years 6 to 35, to be acceptable to FreddieMac and FannieMae. They voted to approve the program with the new terms. (M/S McPherson/West 4-0) Steve Bliss suggested that reference be made to the other programs in San Mateo County which have been more successful with similar terms, and that the chart of other San Mateo County programs be attached to the memorandum to the Council concerning the changes to the PAL program.

6. Set new date for next meeting. Because the next regular meeting date is July 3, the day before a major national holiday, the Commissioners decided to set their

next meeting for Wednesday, July 17. They noted that this would push back the date that the BMR Guidelines would be reviewed by the City Council, but also observed that no major action is riding on that approval.

**D. WRITTEN COMMUNICATIONS/CORRESPONDENCE**

1. Written Communications

*300 vie for 3 condos*, Palo Alto Daily News, Julie O'Shea, May 30, 2002  
*Bay Area Real Estate Prices Too Hot for Some to Touch*, New York Times, May 29, 2002.

**E. ADJOURNMENT** The meeting was adjourned at 7:20 p.m. by acclamation.

Respectfully submitted,

Gretchen Hillard  
Housing and Redevelopment Manager