



HOUSING COMMISSION MINUTES

Regular Meeting

January 15, 2003

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 5:35 p.m. in the Administrative Building Main Conference Room.

ROLL CALL

Members Present: Steve Bliss; Carol Louchheim; Wendy McPherson, Chairperson; Jane West

Members Absent: Elza Keet; Clarice O'Neal

Staff Present: Gretchen Hillard, Housing and Redevelopment Manager;
George Starmer, Rehabilitation/Finance Specialist;
Megan Norwood, Management Analyst

- A. PUBLIC COMMENTS** Carol Louchheim introduced Judy Ortung, who is a member of the League of Women Voters and is considering submitting an application to fill the vacancy on the Housing Commission.

B. REPORTS AND ANNOUNCEMENTS

1. There is still one vacancy on the Housing Commission. Housing and Redevelopment staff has received an application to fill this vacancy from John Donald.
2. The revised BMR Guidelines were approved by the City Council on December 17, 2002. At the December 4, 2002 Housing Commission meeting, the Commission voted to remove the section in the revised BMR Guidelines regarding in-lieu fees for five to nine units because a new State law requires that the adoption of in-lieu fees is subject to a noticing and public hearing process. The fee structure for five to nine units is new to the BMR Program and will have to be adopted by way of ordinance or resolution after a public hearing process. The revised BMR Guidelines were adopted on December 17th with a reference to the fee structure for five to nine units. This fee structure is expected to go before City Council on March 4, 2003 following the public noticing and hearing process.

C. BUSINESS ITEMS

1. Approval of December 4, 2002 Minutes

The December 4, 2002 Minutes were approved as written.
(M/S West/McPherson, 4-0)

2. Appointment of member for Belle Haven Community Park and Housing Developer Selection Committee

Staff has received five developer applications for the Belle Haven Community Park and Housing project. Staff reported that the Housing and Redevelopment Department mailed a flyer to Belle Haven residents in order to solicit interest in serving on the Developer Selection Committee. The Developer Selection Committee will consist of the following: one member of

City Council, one member of the Planning Commission, one member of the Parks Commission, one member of the Las Pulgas Committee, one member of the Housing Commission, and five to nine Belle Haven neighborhood residents. Resident members of the Developer Selection Committee will be appointed by the City Council on January 28, 2003. Staff reported that it will also contract with someone to conduct an economic analysis of the development proposals. In addition, there will be a Staff Review Committee and City staff will be present at Developer Selection Committee meetings. In March 2003 the Committee will present its recommendation for a developer to City Council.

Housing Commission members discussed the Housing Commissioner appointment to the Developer Selection Committee. It was decided that Clarice O'Neal would be an ideal candidate for the Committee. Wendy McPherson agreed to speak to Clarice about her interest in serving on the Developer Selection Committee. Wendy also said that she will volunteer for the position if Clarice is not interested. Several Housing Commissioners also expressed an interest in "auditing" the Developer Selection Committee meetings.

3. Community Development Block Grant application to San Mateo County for FY 2003-2004

George Starmer, Housing Rehabilitation/Finance Specialist, discussed the Housing Rehab Loan Program's application for Community Development Block Grant (CDBG) funds for FY 2003-2004. Housing and Redevelopment staff requested that the Housing Commission recommend that the City Council adopt a resolution to request \$400,000 in CDBG funding from the County of San Mateo for the upcoming program year, 2003-2004.

George discussed handouts provided by staff, which detailed Housing Rehabilitation Loan Program actual and projected income/expenditures for the current program year (2002-2003) and proposed income/expenditures for fiscal year 2003-2004. It was shown that in order to maintain the program's current level of service in 2003-2004, the City of Menlo Park will need to request \$400,000 in new CDBG funding for next year. This amount is needed because the program has historically received little new CDBG funding, including zero new funding last year, and because average loan funding and administration costs increase annually. In addition, program income from loan payoffs is expected to be slightly less next year than in previous years. The Housing Commission voted to recommend the application for CDBG funds in the amount of \$400,000 from the County of San Mateo for FY 2003-2004. (M/S West/Louchheim, 4-0). The application will be presented to City Council on February 11, 2003.

4. Monthly report on Housing Rehabilitation Loan Program for December 2002

Staff summarized the report and stated that one loan is in process (not yet committed by the Loan Committee).

5. Election of Officers for 2003 calendar year

Steve Bliss was appointed Chair and Jane West was appointed Vice Chair.
(M/S McPherson/Louchheim, 4-0)

D. INFORMATION ITEM

1. Menlo Square BMR Units

Staff reported that the City Council had approved the City purchase of the two vacant BMR units at Menlo Square. However, the two-bedroom unit at Menlo Square will be

sold to a family on the BMR Waiting List before the end of this month. The buyer is expected to close on the unit on January 22, 2003. Therefore, the City of Menlo Park will only have to purchase the one bedroom unit. The City will close on its purchase of the one bedroom unit on January 31, 2003.

After the most recent person on the BMR Waiting List who was offered the one bedroom unit declined purchase, staff went back to a previous applicant who was unable to secure financing, but may now be able to do so with the State's approval of the BMR Program. The California Housing Finance Agency (Cal-HFA) recently approved the BMR Program for use with its affordable home loan programs. Cal-HFA requires an agreement with the City for use of its programs with the BMR Program. On January 14, 2003 the City Council approved the agreement. It is hoped that the ability to use CHFA loans with the BMR and PAL programs will enhance the affordability of the one bedroom unit.

2. Habitat/Terminal Avenue Project

Staff reported that Habitat for Humanity received \$200,000 in CDBG funding for this project last year. The receipt of the CDBG funds triggered Federal environmental review requirements. It has recently been learned that Habitat will have to conduct an environmental review, including a traffic mitigation study. They may be required to construct a sound-wall because the adjacent rail line is expected to become a commuter line. The environmental review will result in an Environmental Impact Report (EIR), which is a State requirement. This will take about six to nine months and Habitat is expected to apply to the City for funding of the EIR.

Additionally, Staff reported that some homeowners on Terminal Avenue have expressed concern over potential traffic and flooding impacts (the project site is in the flood plain). Staff will meet with homeowners on Terminal Avenue on January 16, 2003 at the Belle Haven Senior Center to discuss both traffic and flood mitigation strategies.

E. ADJOURNMENT The meeting was adjourned at 6:30 p.m.

Respectfully submitted,

Megan Norwood
Management Analyst