



## HOUSING COMMISSION MINUTES

Regular Meeting  
May 7, 2003  
5:30 pm

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

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### CALL TO ORDER

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

### ROLL CALL

Members Present: Steve Bliss, Chairperson; John Donald; Elza Keet;  
Carol Louchheim; Clarice O'Neal;  
Jane West, Vice-Chairperson

Members Absent: Wendy McPherson

Staff Present: Gretchen Hillard, Housing and Redevelopment Manager;  
George Starmer, Housing Rehabilitation/Finance Technician;  
Silvia Ponte, City Clerk

### A. PUBLIC COMMENTS None

### B. REPORTS AND ANNOUNCEMENTS

Gretchen Hillard briefly described the two or three community meetings that will be held in Belle Haven to discuss the Hamilton Avenue Park and Housing development proposal. They are tentatively scheduled on Wed., May 28, Saturday, June 14, and if needed a date during the last week in June.

### C. BUSINESS ITEMS

#### 1. Approval April 2, 2003 Minutes

Elza Keet made the motion and Carol Louchheim seconded to approve the minutes with the following changes: Carol Louchheim was absent, not present as shown, and to change "Lee Duboc" to "Mickie Winkler" in the fourth line in the second paragraph under D. 1., line 4, and in the same line, to replace "a Planning Commissioner" with "Patti Fry, the Chair of the Planning Commission". (M/S Keet/Louchheim 6-0)

#### 2. Discussion of Multi-family Housing Rehabilitation Program and its priority for Housing Rehabilitation funds (Discussion and possible guidelines change)

George Starmer introduced the discussion of the Multi-Family Housing Rehabilitation Loan Program and its priority for housing funds. He gave a brief summary of the program's history from when it was originated in the County of San Mateo and stated that its goal was to benefit low income renter families. He said that the most effective outreach is by word of mouth rather than flyers, and that 10 to 12 major rehabilitation

jobs, both single family and multi-family, are funded each year. The Commissioners asked many questions. What is the rental vacancy rate now? (Higher than in the past few years, but no one knew the exact rate.) Do vacancy rates affect landlords' interest in taking the loans? (Program experience doesn't demonstrate that this would be true.) What happens when tenants live in the apartment during the rehabilitation work? (The loan can fund relocation, if needed.)

George Starmer proposed the idea of writing into the promissory note that the borrower would owe the amount of 12% interest calculated over one year if the property were sold before the end of one year. One Commissioner observed that that would not be a great enough penalty to deter the sale. A penalty should relate to the action it addresses. Another Commissioner stated that it is illegal to charge a percent of the sale price in a loan. A Commissioner asked that the City Attorney be queried on that question.

Elza Keet made a motion to table the discussion. Steve Bliss seconded. The motion did not carry. Carol Louchheim made the motion that the Commission approved Item #2, the minimum of one-year interest at 12% as a penalty if the home is sold within a year. Clarice O'Neal seconded. One Commissioner observed that there is no way to know if that will be a deterrent to quick sale. Another said that the program has a small amount of activity, so there is no way to test the question. George Starmer supported that, stating that this had only happened with one loan, where the family sold the unit to one of its members. Another said he was OK with the penalty anyway. A more onerous penalty would deter applications. This penalty will make them think about whether to sell quickly, if it is their intention. The motion carried. (M/S 4-2, with Keet and Bliss opposed. Keet felt that she had insufficient information to decide on the issue.)

Clarice O'Neal then made the motion to approve Item No. 1, which was to set no preference for funding single-family loans over rental rehabilitation single family and multi-family rehabilitation loans. Jane West seconded. (M/S 5-1, with Keet opposed)

3. Topics for Joint Meeting with Las Pulgas Committee

Steve Bliss introduced the topic stating that he had met Sheryl Bims, Vice-Chair of the Las Pulgas Committee at the Mayor and Mayor Pro tem's Meeting for the Chairs and Vice Chairs of the Boards and Commissions. They had discussed subjects that their Commissions covered in common, and suggested jointly meeting. Gretchen Hillard suggested that possible topics would be the Belle Haven Park and Housing development and the Habitat housing proposal. The Park and Housing proposal may be ready for review in early to mid-July. One Commissioner commented that she would be on vacation in August. Another stated a strong preference to hold the meeting at the City Administration Building rather than the Belle Haven Senior Center, where the Las Pulgas Committee meets.

4. Minutes of Loan Advisory Meetings of February 13, 2003 and February 18, 2003

The Commissioners accepted the minutes.

5. Report on the Housing Rehabilitation Loan Program for February 2003.

Gretchen Hillard stated that the one loan had been funded and another approved since the statement date.

**D. INFORMATION ITEMS**

Update on Peninsula Habitat for Humanity housing proposal for property behind Terminal Avenue. Gretchen Hillard reported that the City Council directed that the EIR for the Habitat site be prepared as a part of the EIR for the Housing Element on April 29, and that the Exclusive Negotiating Rights Agreement between Habitat and the Redevelopment Agency would be proposed for extension at the May 20 City Council meeting. Environmental testing of the soil is continuing.

2. "The Housing Agenda", San Mateo County Housing Leadership Council Spring 2003 newsletter.

3. Belle Haven Community Needs process. Audrey Seymour led a discussion of this process at the April 29 meeting. The Council decided to use a Committee made up of representatives of existing groups to assess the Belle Haven community's needs.

4. League of Women Voters Housing Element. Carol Louchheim attended. She reported that Duane Bay ran most of the meeting. He outlined the State requirements and proposed a Housing element review process. He introduced the Housing Trust of San Mateo County and state that cities without certified Housing elements could not be represented on the Board or receive funds from the Trust.

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

Respectfully submitted,

Gretchen Hillard  
Housing and Redevelopment Manager

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