



## HOUSING COMMISSION MINUTES

Regular Meeting  
November 5, 2003  
5:30 pm

Administrative Building Conference Room, Second 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 Housing Conference Room.

### ROLL CALL

#### **Housing Commission Members Present:**

Steven Bliss, Chair; Elza Keet, Vice-Chair; Kirsten Keith;  
Carol Louchheim, Wendy McPherson, Clarice O'Neal

**Housing Commission Member Absent:** - John Donald

#### **Staff Present:**

Gretchen Hillard, Housing and Redevelopment Manager; Megan Norwood,  
Management Analyst

**PUBLIC COMMENT:** There was no public comment.

**REPORTS AND ANNOUNCEMENTS:** Staff reported that the City Council would send a Memorandum to the Commissions concerning the need for their comments on goals and priorities for the FY 200304 budget, their suggestions to assist the City Council to address the challenge of a reduction in expenditures, and ideas to streamlining the costs for their operation.

### BUSINESS ITEMS

1. **Approval of October 14, 2003 Minutes.** A motion was made to approve the Minutes (M/S McPherson/Keet 5-0) Kirsten Keith arrived at 5:45 p.m.
2. **Potential uses for Below Market Rate Housing Fund.** Steve Bliss introduced the discussion by describing the need to develop a proposal to the City Council for the work of developing an implementation program, including a work plan, timeline and cost. The proposal would be presented to the City Council for the work plan and funding to accomplish the work. Gretchen Hillard provided background information, reviewing a Memorandum titled, "Below market Rate Housing Fund FAQ's". She also made available an email message from Linda Mandolini, Executive Director of Eden Housing, in which Mandolini offered to describe the options for use of the BMR Fund to assist development of new rental or ownership housing on a new site.

The Commissioners discussed several program ideas. Elza Keet discussed the idea of increasing the PAL loan to make more Menlo Park homes financially available to families with moderate incomes. Gretchen Hillard suggested the idea of equity-sharing mortgages, if the PAL loan were doubled, or became a substantial percentage of the house price. John Donald raised the idea of purchasing additional BMR units in new developments in Menlo Park. Wendy McPherson suggested buying down the interest rate on loans, so that households with low or moderate incomes could afford the monthly payments for the size mortgages needed to purchase Menlo Park homes. Steve Bliss suggested giving loans to non-profits to buy existing rental buildings, then rent the units at prices low-income households could afford. There was a consensus that using funds for a land purchase associated with development of new housing is unlikely to be successful because of the scarcity of appropriately zoned, vacant land.

Clarice O'Neal initiated a motion to direct staff to research the process to develop options for uses of the BMR Fund. After discussion, the motion was converted into a request that staff return at the December Housing Commission meeting with a study outline that can be presented to the City Council for approval and for funding to hire a consultant to research the proposed options, so that the Housing Commission and staff can prioritize the approaches and recommend to the City Council a preferred approach to utilize the BMR funds. The recommendation would be for a work plan with timeline and budget, to evaluate a short list of possible programs to accomplish the purposes of the fund, and develop a program or programs to recommend to the City Council.

3. **Marketing the City's existing housing programs.** This item was held over for a future meeting.

#### **D. INFORMATION ITEMS**

1. **Update on State Programs Requiring a Certified Housing Element**  
This information was provided in the agenda packet.
2. **December meeting date.** The Commission directed staff to poll the Members and determine a new December meeting date.

#### **E. ADJOURNMENT** The meeting was adjourned at 7:00 p.m.

Respectfully submitted,

Gretchen Hillard  
Housing and Redevelopment Manager