



## HOUSING COMMISSION MINUTES

Regular Meeting  
December 10, 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

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

**B. REPORTS AND ANNOUNCEMENTS:** Staff reported that the City Council would hold its Council Budget and Goal Setting Workshop on January 31. To prepare for the Workshop, the Council will send a Memorandum to the Commissions requesting need comments on goals and priorities for the FY 2004-05 budget, suggestions to assist the City Council to address the challenge of a reduction in expenditures, and ideas to streamline the costs for the Commissions' operations.

### C. BUSINESS ITEMS

- 1. Approval of November 5, 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.** Gretchen Hillard introduced the topic by distributing a draft Memorandum to the City Council describing the proposal. She explained that funds were not available to retain a consultant. One option is to work on the alternatives over time. The Commissioners discussed ideas that they would like to consider. Wendy McPherson suggested that funds could be used to buy down the interest rate on a first mortgage, and discussed an example of how that would work. Elza Keet suggested that the Housing Commission set a goal of a number of households to assist, such as 15 households.

Alternative ideas that were discussed included increasing the maximum amount of PAL loans, a joint venture with a non-profit housing developer to purchase and rehabilitate an apartment building, or as program to purchase additional BMR units. One Commissioner asked if PAL loans could be funded with redevelopment money. Steve Bliss stated that the Housing Commission memo is to request the City Council to approve a process for developing a recommendation for use of the BMR fund moneys, not to select the project now. He said that the Commission has a clear agenda in February, and suggested a study session to look at the options for agenda. This would be Phase 1 of the work: Listen to the Experts. The Commissioners discussed inviting specialists in each of the main options to address the Commission. In February, a lender who understands the possibilities for first-time homebuyer programs could be invited. Then in March the Commission could talk with a non-profit that had purchase and rehabilitated apartment buildings, which were then rented at assisted prices.

**3. Approval of Annual Housing Report including Affordable Housing Action Plan and Below Market Rate Housing Program and Redevelopment Annual Report to the State for Fiscal Year 2002-2003**

- (1) Megan Norwood provided a summary of the BMR Housing Report for 2003. The Commissioners discussed the fact that it had not been available in their packets, so they had not had time to read it. Elza Keet stated that it is not acceptable that the report came this late, and that she needed to see reports ahead of time. She cannot read them at the meeting and then act upon them. The Commissioners agreed to read the report, and took about ten minutes to do so. They agreed that they were familiar with most of the information in the BMR Housing Report, and then discussed the Affordable Housing Action Plan Annual Report. Clarice O'Neal made the motion to approve the annual reports as presented, with the changes listed below to the staff report and to the Affordable Housing Action Plan Annual Report for 2003. (O'Neal/McPherson 5-0, with Keet abstaining because, as she stated, it is not acceptable that the report was only provided at the meeting, which was too late for review.)
- (2) In the staff report section entitled, Affordable Housing Action Plan Annual Report for 2003, insert at the end of the second sentence, "due to public objection by the surrounding properties."
- (3) In the same section, in the sixth line from the bottom, substitute "could" for "can".
- (4) In the Affordable Housing Action Plan Annual Report for 2003, add a new sentence after the first sentence in the paragraph following Step 1. Initiate work program for the Hamilton Avenue Park and Housing site. to read, "The Housing Commission and Las Pulgas Committee discussed the Below Market Rate and market rate mix of homes at the site."
- (5) Add, a second sentence following Step 2. Initiate work program for the Oak Grove site. that reads, "The Housing Commission, with City Council concurrence, may wish to consider the designation of a third project as a part of its Annual Work Program in January 2004."
- (6) In the first sentence following Step 4. City to revise the BMR Housing Program, including the Commercial Linkage Fee., substitute "second" for "third".

- (7) In the second sentence following Step 5. Housing Commission to work with Planning Commission in revising the City's Housing Element, including review of zoning to encourage desired housing development., substitute "initiated" for "conducted", and substitute "a revised list of sites created by the City Council" for "those sites".
- (8) Insert a sentence after the first sentence in the paragraph following Step 7. City to research/assess additional funding sources that can be used for housing programs and projects., San Mateo County Housing Endowment and Trust (HEAT) is currently seeking matching funds to the Proposition 46 pool of funds as well.

**4. Changes Relating BMR Guidelines to preference for first-time homebuyers on the Waiting List and**

- **setting house prices and rent rates to maximize affordability**

The Housing Commission tabled this item for a future meeting.

**5. Housing Loan Advisory Committee Minutes for November 20, 2003.**

The Commissioners acknowledged receipt of the Minutes.

**6. Monthly Report on the Housing Rehabilitation Loan Program for October 2003**

Commissioners acknowledged receipt of the Minutes.

**D. INFORMATION ITEM**

Clarice O'Neal stated that she had not received an agenda packet.

**E. ADJOURNMENT** The meeting was adjourned at 7:30 p.m.

Respectfully submitted,

Gretchen Hillard  
Housing and Redevelopment Manager