



HOUSING COMMISSION MINUTES

Regular Meeting
January 7, 2004
5:30 pm

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

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; John Donald; Elza Keet, Vice-Chair; Kirsten Keith; Carol Louchheim, Wendy McPherson

Housing Commission Member Absent: - Clarice O'Neal

Staff Present:

Gretchen Hillard, Housing and Redevelopment Manager; Arlinda Heineck, Community Development Director

A. PUBLIC COMMENT: There was no public comment.

B. REPORTS AND ANNOUNCEMENTS:

C. BUSINESS ITEMS

- 1. Approval of December 10, 2003 Minutes.** A motion was made to approve the Minutes (M/S McPherson/Louchheim, 5-0-1, Donald abstained)
- 2. City Council goals, budget advice, and Annual Commission Work plan**

Steve Bliss stated that the Housing Commission now has so little staff time that there is not any space for cuts. Gretchen Hillard suggested that the Commission could save staff time by meeting in subcommittees, take on more work, such as summarizing the results of the interviews, and maintain the focus on the work plan. Steve Bliss asked the value of cutting a couple of hours a month of staff time. The Commissioners agreed it was insignificant. John Donald reviewed the priorities set in September, supported finding a use for the BMR funds, and then implementing the uses. John Donald then stated that the current staff support level should be maintained. There is no opportunity for cutting staff time to the Housing Commission, which has already experienced reduced staff levels. The Commission can look at streamlining and working more productively and efficiently using current reduced staff levels. He stated that housing is a priority

for the City. Funds dedicated to housing will go unspent if staff time is further reduced. Staff support is needed to operate the programs.

3. Review and Consideration of Annual Community Development Block Grant application to San Mateo County for funds for the City of Menlo Park Housing Rehabilitation Loan Program

After a brief discussion, Wendy McPherson made the motion to approve the application. (M/S McPherson/Keith 6-0)

4. Potential uses for Below Market Rate Housing Fund (Draft Memorandum to City Council)

Gretchen Hillard summarized the draft Memorandum. Elza Keet asked if the number of PAL loans could be increased.

Elza Keet asked how long it would take to do the housing study, and referred to the memo she'd emailed to the Commissioners. She suggested goals of 15 new housing units, purchasing a minimum of two BMR units, rehabbing 15 homes and 41 percent affordable housing at the Hamilton Avenue Park and Housing site as goals. Carol Louchheim said that the goal is to use the BMR funds more effectively, keep rehab program at least 12 or more units if you can. Steve Bliss supported the goal of 12 rehabbed homes and added 7 or 8 PAL loans. Also he added, to look into increasing the size of the PAL loan, not the number due to staff resources. Elza Keet supported increasing the maximum amount of PAL loans or making other changes, purchasing additional BMR units, and providing fund to non-profits to buy and refurbish apartment buildings. Steve Bliss stated that the Commission would develop the specifics of the recommendation over the next several meetings.

The Commissioners discussed the schedule of speakers on the areas they would be addressing. In February Anne Griffin, a private mortgage lender who works with first-time homebuyers, and Scott Coe, the County's staff for first-time homebuyer programs would be asked to address the Commission to provide insights to make the PAL program more effective. In March Linda Mandolini, Executive Director of Eden Housing and former Chair of the Housing Commission would be invited to address the possibilities of purchase rehab of apartment buildings for affordable housing. Gretchen Hillard volunteered to email the members about potentially moving the February meeting to the 11th or 12th.

John Donald pointed out that the Commission is discussing work that will use existing staff time. Elza Keet suggested using subcommittees to expedite the work., particularly to analyze subsidy financing. Gretchen Hillard suggested that the Commission first pick the program it would focus on, and then refine the effectiveness of the financing. She noted that if a BMR Agreement came to the Commission for review, the BMR Fund review timeline could have to be extended.

Elza Keet suggested that the PAL program could be expanded by increasing the number of loans or the amount of each loan, to assist more people on the Waiting List. Wendy McPherson suggested that the loans might be restructured in other ways to make them more broadly acceptable. Elza Keet stated that the overall goal was to find a way to use undesignated funds more effectively.

The Commissioners suggested minor changes to the draft Memorandum:

Steve Bliss recommended inserting "create new affordable housing opportunities" after will in the third line of the first paragraph and deleting "Other possible programs" from the beginning of the last paragraph. Carol Louchheim suggested deleting "commit" in the first sentence of the Memorandum and replacing it with "use". She also suggested adding the interview timeline to the end of that paragraph, but there was no consensus to make that change. Kirsten Keith stated that there is a need for information on the program suggestion to buy down points.

Elza Keet expressed concern that Linda Mandolini would address land purchase and new construction, which the Housing Commission had deleted from its list. A general discussion on what Linda Mandolini will talk about followed, with a consensus that she'd focus on refurbishing apartment buildings for affordable housing. Steve Bliss suggested that the Commission let the experts tell the Commission what the options are out there.

Elza Keet suggested changes to the third paragraph, inserting "from existing housing stock" after "development" in the third line and inserting "loan" after the second "housing" in that same line. Wendy McPherson suggested that last word in the first bulleted sentence be changed from "usable" to "broadly accessible". She also stated that the purpose of the work is to determine how to best use the funds to assist people to buy housing. A consensus was expressed to concentrate on ownership housing rather than rental. (John Donald left at 7:25 PM.)

5. BMR Guidelines changes relating to

- **preference for first-time homebuyers on the Waiting List**
- **setting house prices and rent rates to maximize affordability**

Steve Bliss stated that the BMR Guidelines changes would be carried over to the next meeting.

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

Gretchen Hillard summarized the report, which the Commissioners accepted.

7. Election of Officers

Kirsten Keith nominated Elza Keet to be the Chair and Steve Bliss seconded. (M/S 5-0) Wendy McPherson nominated Carol Louchheim to be the Vice-Chair and Kirsten Keith seconded. (M/S McPherson/Louchheim 5-0) Carol Louchheim led the Commissioners in thanking Steve Bliss for his excellent work as Chair.

D. INFORMATION ITEM

New Handbook. The Commissioners all stated that they had handbooks already.

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

Respectfully submitted,

Gretchen Hillard
Housing and Redevelopment Manager