



HOUSING COMMISSION MINUTES

**Regular Meeting
September 1, 2004
5:30 pm**

**City Council Conference Room, First Floor
701 Laurel Street, Menlo Park, CA 94025-3483**

CALL TO ORDER

Elza Keet called the meeting to order at 5:30 p.m. in the Administrative Building City Council Conference Room.

ROLL CALL

Housing Commission Members Present:

Elza Keet, Chair; Carol Louchheim, Vice-Chair; John Donald; Anne Moser; Clarice O'Neal

Housing Commission Member Absent: - None

Staff Present: Arlinda Heineck, Community Development Director, Stephen O'Connell, Planning Division; Gretchen Hillard, Housing and Redevelopment

A. PUBLIC COMMENT: None

B. REPORTS AND ANNOUNCEMENTS –

Congratulations to Kirsten Keith on her appointment to the Planning Commission.

The Commissioners thanked Kirsten Keith for her service and expressed their pleasure at her appointment to the Planning Commission, and said that they were looking forward to working with her in her new capacity. Kirsten Keith stated that she has very much enjoyed working with the Housing Commissioners and that she too looked forward to working with them.

C. BUSINESS ITEMS

1. 507 – 555 Hamilton Avenue development (Clarum Homes) - Study Session

Jon Bassman introduced himself and Richard Hanlon of EDI Architects. Gretchen Hillard gave a brief description of the background of the project, referring to the memo in the agenda packet, including stating that the Agency Board had approved a list of preferences for the BMR units at the Hamilton Avenue site in May, and that the Housing Commission had sent the City Council a memo expressing its recommendation that the preferences include a first priority preference for households on the Waiting List who had waited at least five years. The Council discussed the Housing Commission memo at its August 24 meeting, and will considerate at the time it reviews the entitlements and the Disposition and Development Agreement (DDA).

Elza Keet stated that she spoke on the item at the August 24 meeting, and that she was impressed with the difference in the Council attention to an item when someone speaks on it. Carol Louchheim stated that Elza Keet's presentation had been very well thought out and effective.

Jon Bassman described the changes to the concept for the site plan for the Hamilton Avenue development since he last discussed it with the Housing Commission a year ago. He said that the concept had changed from over two acres to one acre for the park, that there were still 47 houses, but that the "eyes on the park" concept had been dropped for a road around the park with some parking. The new arrangement allows for better house designs, with all houses having a window that faces the road and 2/3 have first floor bedroom. There are three basic plans, each with an alternate. Also all houses have a front porches or a porch on the street side, and a long driveway, with a capacity for parking four cars. The style is craftsman with mixed materials. The building concept is very "green". There are on demand water heaters.

Elza Keet said that she is troubled with the porches on all the houses. The columns are thick and short and the dimensions of the capitals are too thick. She likes the columns without the brick bases better. Richard Hanlon said that these columns are typical of craftsman homes. Jon Bassman explained that there were a variety of porch treatments to break up the street scene, some full columns, some with brick bases, some with fences.

Elza Keet also stated that she wanted the strategy for the BMR Plan to be approval to allow BMR units to be adapted to the needs of the people on the Waiting List, such as converting a two bedroom unit into a one bedroom unit or a three bedroom unit, as needed.

Anne Moser said that she thought the design was good, and would make a fabulous addition to the community. Clarice O'Neal asked about size of backyards. Jon Bassman said they were at least 12 feet by 15 feet. Would Clarum pay for the landscaping? Jon Bassman said that Clarum would definitely landscape in front, and provide visible side yard landscaping, as well as trees and significant shrubs in internal and rear yards. It is still under review. Steve O'Connell said that the trees and shrubs needed to be placed so that they didn't block solar collectors. Richard Hanlon said that some yards would be left up to the homeowners. The trees and landscaping would be chosen for low water demand, such as California natives or Mediterranean species.

Elza Keet asked what the square foot cost would be for market rate units. Jon Bassman said, originally Clarum estimated \$525,000 to \$595,000, but those numbers are old, from early 2003. Anne Moser asked about handicapped units. Jon Bassman said there were no handicapped units. Eleven of the 20 BMR units have a bedroom downstairs, which can accommodate in-laws. He said that they were close to updating the proforma, which provides the estimates of costs, so they can negotiate the DDA and determine the sale prices. On the park he said that there was no non-pool water feature, at the direction of the Parks and Recreation Commission. They were looking at several alternatives for the feature, including concrete. A water feature is a major attraction, so not appropriate for a small park, and expensive. There are two play areas and no rest rooms. Anne Moser described a water feature at Flood Park that allows children to turn on the water, the water turns off automatically, and there's a natural stream effect, which is controllable and fun for children.

Jon Bassman said that the Tyco electronics fabrication plant across the tracks has no significant air quality impact. There is urbanized noise, including freeway noise. Clarum will include some mitigation in the buildings' construction, such as thicker walls and smaller, acoustically resistant windows with tighter seals that can be operable. There is a 100 foot right of way, and the houses will be raised above it. Six trains a day are anticipated, a number of years from now. Anne Moser said that it is inevitable that the trains will run because of the need. A wall would protect children from access to the rail line. Elza Keet said that she'd heard that Samtrans doesn't have to mitigate because they were there first. Jon Bassman said that Samtrans hasn't built the commuter line yet, so they will probably have to do some

mitigation. Clarice O'Neal asked about the floodplain, to which Jon Bassman said yes, it was there. Anne Moser asked how much it would add to the cost of a unit to make it handicap accessible. Jon Bassman said it could be done if it was a priority. The Commissioners remembered that it had been difficult to sell the handicap one bedroom unit at Menlo Square, and discussed the need for handicapped accessibility, including remodels they had approved loans for through the Housing Rehabilitation Loan program.

Elza Keet thanked Jon Bassman and Richard Hanlon for their presentation and closed the discussion.

2. Discussion of potential new policy or program: Commission establishes how to proceed to get the appropriate distribution of number of bedrooms for BMR units in new developments. Stock must serve the whole spectrum of need from 1 to 3 bedrooms and families of two, three and four members, as well as earners of below, median and above median incomes.

Gretchen Hillard briefly described the steps for obtaining City Council approval of a Housing Commission study to develop a proposal to meet the need for housing for the group identified in Elza Keet's email. The Commissioners discussed the numbers on two handouts that staff circulated to them, "Housing That is Not Market Rate in Menlo Park" and "Estimated Number of BMR Units in Proposed Developments in the Application Process". Elsa Keet said that she was concerned about the households on the Waiting List who were underserved. The City will be doubling the number of BMR units very soon, but most of the BMR ownership units will be large units, so households of one or two persons still will not have much opportunity for ownership BMR units. In addition the Housing Commission proposed housing for teachers and city workers, but most of the units will be large, and the majority of teachers have small families. So she asked how to distribute the BMRs so they better reflect the demand on the Waiting List. She proposed that future BMR units be targeted at least 30% for small and 70% for larger families. Could we start now, and just say to the Linfield developers, just take a wall out of some of the units to obtain some units with a smaller number of bedrooms?

Carol Louchheim pointed out that it could cost more to build smaller freestanding homes, especially per square foot. Elza Keet said that the City is not serving 50% of the Waiting List. John Donald said that no one would build one or two bedroom homes because the financial incentives aren't right. Linfield market rate homes are the same size as some existing BMR condominiums. You'd have to change the BMR Guidelines to change the requirements for Linfield. Carol Louchheim said that we can't change the criteria on the developers in the pipeline, and she questioned whether it would be wise to make another change to the program so soon. Elza Keet said that maybe it's early enough to make the change for the developments in the pipeline.

Gretchen Hillard agreed with Elza Keet that small households were underserved by the BMR Program, but expressed concern that requiring developers to build smaller units would make it difficult to obtain typical units in the future, because each BMR Agreement is considered a precedent by the next developer. She suggested that the Housing Commission look for another way to serve the group that the market wasn't serving; also, that a new professional survey be undertaken to better determine the kind and cost of housing that new teachers need. Arlinda Heineck explained that to make the change would require at least a change in the BMR Guidelines, which would require significant staff time. The best approach is to put this discussion on the agenda for November, to make a recommendation for the City Council goal setting session in January, to be considered as a priority item for next year. Then the needed staff resources would be made available. The Commissioners agreed to place this item on the agenda for the November meeting, and requested staff to provide an outline of the work that would potentially be required.

3. Approval of July 27, 2004 Minutes

John Donald noted that in Item C. 1. Recommendation to City Council to adopt State Density Bonus Ordinance, last paragraph, eighth line on page 3, "Ordinance" should be changed to "State law", and that there were lots of typos that need correcting. Anne Moser made the motion to approve the minutes of July 27, 2004 with the changes.
(M/S Moser/Louchheim. 5-0)

Approval of August 4, 2004 Minutes

Elza Keet noted that in Item C. 1. Consideration of recommendation for Below Market Rate Housing Agreement for 110 and 175 Linfield Drive – Study Session, in the last paragraph on page 2, last line, "Kevin" should be replaced by "There". Also in the same item, first sentence on page 3, "Elza Keet" should be changed to "A point was made that". Also in Item C. 2. Recommendation to raise the preference for households already on the BMR Waiting List to a higher priority for BMR housing at the Hamilton Avenue Park and Housing development, in the third line, "1200" should be changed to "100". Elza Keet made the motion to approve the minutes of August 4, 2004 with the changes, and with typos corrected. (M/S Keet/Donald, 5-0).

D. INFORMATION ITEM

1. Monthly Report on the Housing Rehabilitation Loan Program for March 2004

The Commissioners reviewed the monthly report.

ADJOURNMENT The meeting was adjourned at 7:45 p.m.

Respectfully submitted,

Gretchen Hillard
Housing and Redevelopment Manager