



HOUSING COMMISSION MINUTES

Regular Meeting

January 5, 2005

5:30 pm

City Council Conference Room, First Floor
701 Laurel Street, Menlo Park, CA

CALL TO ORDER

Chairperson 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:

John Donald, Elza Keet, Chair; Carol Louchheim, Vice-Chair; Anne Moser

Housing Commission Member Absent: Patricia Boyle, Clarice O'Neal

Staff Present: Gretchen Hillard, Housing and Redevelopment Manager;
Jennifer Williams, Housing Loan Portfolios Administrator

A. PUBLIC COMMENT - None.

B. REPORTS AND ANNOUNCEMENTS – Anne Moser distributed “Higher profile for housing needs?”, by Marian Softkey, *The Almanac*, January 5, 2005. Staff distributed a letter announcing the Housing Endowment and Regional Trust (HEART) Notice of Funding Availability, “Summary and Analysis of Impediments to Fair Housing Choice” prepared July 2004 by Project Sentinel, and “Housing Leadership Council of San Mateo County Fact Sheet” from Patricia Boyle.

C. BUSINESS ITEMS

1. Recommendation to City Council of Community Development Block Grant application to San Mateo County for FY 2005-06 Jennifer Williams distributed the draft Community Development Block Grant application for FY 2005-06. She said the proposal is to request an additional \$200,000 grant to supplement the Program’s projected program income from loan payments and pay offs. She explained that the amount the City has been granted has varied over recent years, but that the County has supported the City’s goal to maintain the Program at the current service level, providing 9 to 11 loans. The discussion covered the budget, the City’s role in the Program and the application process, including the extremely short time period provided for preparation of the application. A Commissioner expressed discomfort that the proposed application was not available to read before the meeting. (M/S Keet/Donald, 4 - 0).
2. Discussion of presentation on Housing Fund recommendation at the January 11, 2005 City Council meeting The Commissioners discussed the possibility that the City Council would consider dedicating a lower funding level for the Purchase Assistance Loan (PAL) Program that the Housing Commission had recommended. They acknowledged that HEART could assist the City to develop affordable housing in the transportation corridors, but also pointed out that Menlo Park is not eligible because it does not have an approved Housing Element. They also discussed the controversial nature of proposing development in the area between El Camino Real and the railroad tracks as well as resistance in Belle Haven to future affordable housing

development, as likely to cause long delays to any affordable housing development in the transportation corridors.

Anne Moser expressed reluctance to see any less of the funds committed to PAL loans because it would be very hard to get the funds recommitted later. John Donald said that he was not as concerned because the Housing Commission could return again for more funds as soon as the PAL Loan funds were all lent. If a new affordable housing development were seriously proposed in the meantime, which is unlikely, it would be a better use for the funds because it would create additional permanently affordable housing. Elza Keet and Carol Louchheim volunteered to attend the Council meeting. Elza Keet stated that she would urge the Council to insist on an equal number of affordable units to be assisted by any other use than the PAL Program. Carol Louchheim would state the importance for PAL loans to buy down the income level needed for households buy their first homes in Menlo Park, and to make BMR units more salable, because it would increase the number of households on the Waiting List who can actually afford to purchase BMR units, because BMR units' prices are set to be affordable to the highest eligible incomes.

3. Report by Anne Moser regarding assignment from November meeting concerning survey of schools and churches in Menlo Park and a letter to be written for the survey Anne Moser reminded the Commissioners of her proposal to draft a letter to the local schools, churches and Stanford, to inquire about their plans for affordable housing. She distributed the draft letter. With a few edits, the Commissioners approved the letter for distribution. She distributed lists of churches and schools and asked for assistance obtaining an appropriate contact at Stanford, and for churches in Belle Haven. She also asked if the letter could be put on City letterhead.
 4. Approval of December 1, 2004 Minutes The Commissioners approved the Minutes with two changes: (1) In Item C.1., lines 10 and 11, delete the words, "and asked his chances to buy a BMR unit." And in line 17, add the words, "which she understood to be the policy adopted in the Affordable Housing Action Plan." (M/S Moser/Donald, 4-0)
 5. Election of officers Elza Keet made the motion to nominate Carol Louchheim as the Chair and John Donald as the Vice Chair. The motion was approved. (M/S Keet/Moser 4-0)
- D. INFORMATION ITEM** Requirement that short-listed BMR purchasers for BMR units in the sale process be prequalified for a mortgage. Gretchen Hillard distributed BMR Guidelines Section 7., The BMR Unit Purchase Process: Buyer Selection, Sale and Resale, and explained that this requirement, which appears in Section 7.1.11, was a result of the Menlo Square sale process experience. It will assist potential purchasers to know early if they can qualify, and substantially speed up the sale process.
- E. ADJOURNMENT** The meeting was adjourned by consensus at 6:50 P.M.

Respectfully submitted,

Gretchen Hillard
Housing and Redevelopment Manager