



HOUSING COMMISSION MINUTES

Regular Meeting

April 6, 2005

5:30 pm

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

CALL TO ORDER

Chairperson Carol Louchheim called the meeting to order at 5:30 p.m. in the Administrative Building City Council Conference Room.

ROLL CALL

Housing Commission Members Present:

Patricia Boyle, John Donald, Vice-Chair; Carol Louchheim, Chair; Anne Moser, Jack O'Malley, Clarice O'Neal

Housing Commission Member Absent: Elza Keet

Staff Present: Gretchen Hillard, Housing and Redevelopment Manager

A. PUBLIC COMMENT - None.

B. REPORTS AND ANNOUNCEMENTS – Carol Louchheim distributed copies of “County Offers Proposal for Affordable-housing Policy”, a recent article from a Maui, Hawaii newspaper. Staff distributed copies of the revised Below Market Rate Housing Program Guidelines and a Peninsula Habitat for Humanity Memorandum announcing the availability of three condominiums for very low-income families who are currently tenants in East Palo Alto.

C. BUSINESS ITEMS

1. Approval of March 2, 2005 Minutes Carol Louchheim proposed that the first part of Item C.2. be changed to state, “Staff provided copies (by email) of Carol Louchheim’s and Elza Keet’s statements to the City Council on the BMR Fund on January 11, 2005. Carol Louchheim...” Jack O'Malley made the motion to approve the Minutes as amended. (M/S O'Malley/O'Neal, 6-0).

2. Recommendation to City Council concerning use of BMR Fund for PAL Loan Program

Carol Louchheim reported that once again, at the March 8 City Council meeting, she and other Commissioners and Housing supporters had waited over three hours and the BMR fund agenda item was not discussed. She thanked the Commissioners who had attended the meeting. She expressed her dismay that the item was continued to April 26. She stated that the City Manager had called her to apologize for the delays. She said she would present her prepared remarks on April 26 and hoped that other Commissioners would make the meeting.

3. Discussion of approaches to address the fact that housing developers mostly develop three and four bedroom units, and as a result one and two person households on the BMR Waiting List must wait much longer for an opportunity to purchase a BMR unit

Carol Louchheim stated the discussion would merge the Information Item and the Minutes with this Item. Patricia Boyle stated that the Minutes did not clearly represent the motion that had been made at the meeting. John Donald stated that an action taken at this meeting would supercede the March action.

Patricia Boyle reported her survey of three neighboring cities' BMR Programs. She asked each three questions: how they managed their Waiting List, the policy on household size and bedroom count and whether there is a shortage of one and two bedroom housing units. Cathy Siegel, Palo Alto Housing Coordinator, stated that that city has no ongoing Waiting List. Interested parties must reapply every year. Palo Alto has no maximum number of occupants for its BMR units. The minimum is one person per bedroom. Palo Alto has more one and two bedroom BMR units and not enough larger ones. Debbi Jones-Thomas, Redwood City Housing Coordinator, stated that Redwood City does not maintain a Waiting List, but formulates a list each time a new development with BMR units becomes available. Applicants must have prequalified for a loan. If there are more applicants than units they use a lottery to choose the buyer. Redwood City has no maximum number of persons for BMR units. The minimum is one person per bedroom. Redwood City has one and two bedroom BMR units, but not enough larger units. Redwood City is focusing on developing policy to meet the needs of disabled people, including wheelchair users and blind people. Laura Sneiderman, San Carlos Housing and Redevelopment Manager, said her city has about 100 households on its Waiting List. There is a minimum of one person per household for eligibility for BMR units. San Carlos has mostly one and two bedroom BMR units and a need for more larger units. There is a policy that applicants for a first-time homebuyer loan must be related, which is a requirement of the funding source. Patricia Boyle stated that the other cities' staff explained that the minimum number of persons per bedroom was required because the space in housing is so dear that they cannot rationalize a couple having a three bedroom housing unit. As a result she does not support removing the minimum requirement. Patricia Boyle offered to keep polling cities.

Carol Louchheim stated that the varying distribution of large and small BMR units in the three cities and Menlo Park was a good argument for regional housing solutions. She said that the Menlo Park Waiting List is not an accurate representation of who qualifies for housing. They discussed the idea that perhaps Menlo Park should reformulate the Waiting List every time there is a new development. Possibly this would take less staff time, be more economical and work within budget constraints. They noted that Menlo Park does require applicants for individual units to be prequalified for a loan to be considered to purchase.

Carol Louchheim summarized the Housing Commission's position on the preferences for the Hamilton Avenue Park and Housing development, which is that the people on the Waiting List should have highest preference. She suggested the idea that a preference be given to larger families for the larger units, but no requirement. The Housing Commission needs to return to the City Council with its position before the City Council acts on that development, but not on April 26, when the BMR Fund item will be discussed.

Patricia Boyle said that she was not ready to make a motion to remove the minimum number of persons per bedroom in BMR units from the Guidelines. Anne Moser stated that all the changes should be presented as a package, and talked through in May, before the DDA and approvals are considered by the City Council. John Donald stated that it was just too much to take on by June. Jack O'Malley stated that more study is needed. The Commission shouldn't be driven by a time limit, rather should take on the big picture first. The two Commissioners agreed and said that insufficient information will raise questions about the validity of the conclusions.

Patricia Boyle made a motion, that after considering the information in the survey of BMR programs in nearby cities, that it is appropriate to rescind the motion from last month to

approve the policy of removing a minimum number of persons per bedroom for BMR units, and to continue to study the BMR program. (M/S Boyle/O'Neal 6-0) Jack O'Malley volunteered to prepare a report from the BMR Waiting List on the length of time that different sizes of households have waited to purchase a BMR unit.

3. Monthly Report on the Housing Rehabilitation Loan Program for February 2005.

Gretchen Hillard reviewed the monthly report, stating that sufficient applications were in process to commit the available funds.

D. INFORMATION ITEM

1. City Council priorities and staff support for Housing Commission

Gretchen Hillard reviewed the history of tight budgets with staff layoffs resulting in limits on staff availability, the budgets' structural problem and the Council's plan to use a zero based budget approach to plan for Fiscal Year 0607. She reviewed the priority setting process, the priorities the City Council had set for Housing Commission work for this year and next year. She stated that staff did not have authority to work on projects for the Housing Commission that were not priority projects for the City Council. The Commission discussed its options for work considering the constraint of limited staff availability.

E. ADJOURNMENT The meeting was adjourned by consensus at 6:50 P.M.

Respectfully submitted,

Gretchen Hillard
Housing and Redevelopment Manager