



HOUSING COMMISSION MINUTES

Regular Meeting

January 3, 2007

5:30 p.m.

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

CALL TO ORDER

Chairperson Anne Moser 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 (Vice Chair); Elizabeth Lasensky; Carol Louchheim; Anne Moser (Chair); Clarice O'Neal.

Housing Commission Members Absent: Elza Keet.

Staff Present: Tracy Cramer, Housing Manager; Megan Norwood, Management Analyst.

A. PUBLIC COMMENT – None.

B. REPORTS AND ANNOUNCEMENTS

1. Announce City Council Liaisons to Housing Commission, Housing Endowment and Trust (HEART) of San Mateo County, Sub-Regional Housing Needs Allocation (SubRHNA) Policy Advisory Committee.

Manager Cramer announced that Council Member Richard Cline was appointed to be the City Council liaison to the Housing Commission. Chair Moser said that she had invited Council Member Cline to attend this evening's Housing Commission meeting and he indicated he would likely attend.

It was announced that Council Member Andy Cohen had resigned from HEART's board and would no longer be a member on HEART's board.

Manager Cramer stated that Council Member Heyward Robinson was appointed to be the City Council liaison to the SubRHNA Policy Advisory Committee.

2. Update on San Mateo County Sub-Regional Housing Needs Allocation Process.

Manager Cramer reported that at the last meeting, the Technical Advisory Committee (TAC) agreed to a change in the proposed methodology for allocating jurisdictions' housing production numbers. She explained that the new, proposed methodology will be different from that which was described at previous Commission meetings. The new proposed methodology will entail each jurisdiction being assigned a number similar to the ABAG number, then the jurisdictions will

enter into a structured negotiation for any potential trades. She said that the TAC had proposed that its methodology be based on the percentage of household growth, a number that comes from ABAG's Projections 2007.

Manager Cramer concluded that she will be presenting this as an information item to the City Council on January 23, 2007. She said that she will distribute copies of the staff report to the Housing Commission.

3. Vice Chair Boyle said that she and Commissioner Lasensky spoke at a recent City Council meeting. She said that she had spoken on the need to serve smaller households in affordable housing and Commissioner Lasensky had spoken to support the 75 Willow Road housing development proposal.
4. In response to a question from Commissioner Louchheim, Manager Cramer reported that a Linfield Oaks neighborhood group had filed a lawsuit against the City for its approval of the 75 Willow Road development proposal. She said that the lawsuit was filed on December 29, 2006. Manager Cramer noted that although a lawsuit has been filed, she had been informed by the City Attorney that SummerHill can proceed with its plans to present an alternative BMR housing plan. She said that SummerHill will present its new proposal to the Housing Commission at its February 2007 meeting.

Vice Chair Boyle proposed that for future development projects the Commission should visit the proposed development sites in order to get a sense for them. Chair Moser commented that she had spoken at the last City Council meeting and had pointed out that if the City reverses approvals for development projects it will send a negative message to the community and to developers.

5. Manager Cramer distributed copies of the Commission's year-end attendance report for the Commissioners' review. She explained that every year the City Council receives year-end attendance reports from staff for all commissions. The Commissioners reviewed the report and accepted it without changes.
6. Manager Cramer announced that the deadline for receipt of applications to fill the Housing Commission vacancy is January 8, 2007.

C. BUSINESS ITEMS

1. Formulation of Recommendation for Potential City Council Project Priorities for Fiscal Year 2007-2008.

Manager Cramer introduced the item and referred Commissioners to her memo dated January 3, 2007. The memo states that at its December 6, 2006 meeting, the Housing Commission agreed on a list of projects to forward to the City Council for the FY 2007-2008 Project Priorities process and that the proposed projects are as follows:

- A. Regional Housing Alternatives Study and Preliminary Housing Element Preparation

- B. Below Market Rate (BMR) Guidelines Update
- C. Study of the Use of BMR Housing Reserve Funds
- D. Senior Housing Needs Assessment

Manager Cramer also explained that the January 3rd memo includes an Attachment A, which provides detailed project descriptions, as well as an Attachment B, which is a proposed timeline of the project priorities. She said that the Commission should review and discuss the detailed information provided and then rank the projects in order of importance or priority. Staff will then prepare a final memo of the Commission's recommendation and forward it to the City Council for its consideration. Manager Cramer also said that staff can only set aside 20 percent of its time for special projects but noted that some of Housing and Redevelopment's regular time overlaps with special projects.

In regards to Project A, above, the Commissioners commented that they liked that a role was added for the Housing Commission, as well as including "Learning From" discussions with other communities/groups to share best practices, ideas and successes on addressing housing needs on a regional level.

The Commissioners discussed whether or not the final memo to the City Council should include detailed information on the recommended project priorities. Commissioner Louchheim commented that she thinks that staff is very interested in B and C, above, and that A is ongoing and will happen regardless of the priorities process. Manager Cramer said that she feels that all the proposed project priorities are reasonable and can be accomplished within the 2007-2008 fiscal year. She suggested that the memo to the City Council could emphasize that B and C would help to establish strong, effective policies and build a framework for programs and policies.

Vice Chair Boyle commented that she is concerned about the accumulating BMR in-lieu fees and the current lack of direction on the expenditure of these funds. She said that projects B and C provide the foundation for building and growth. Vice Chair Boyle also said that project C relates to project A in that the City may have to be creative in order to build the housing called for in project A. Manager Cramer commented that the projects are very intertwined and she said that, for example, if the City Council turns down project D, the Senior Housing Needs Assessment, the Commission will still have a vehicle to discuss the issue in project A.

Manager Cramer summarized the Commission's direction so far regarding the nature of the proposed projects: project "A" is ongoing; project "B" is an update to facilitate staff's work and improve program/policy effectiveness; project "C" is a critical discussion about housing policy; and project "D" is a first step to start addressing an important issue.

Commissioner Louchheim suggested combining projects B and C together and ranking them as the number one recommended project priority. She suggested that project D become number two and project A number three (because it is a continuing concern). She said that projects B and C are similar in that they are both updates on existing programs/policy, while the other two projects are different.

Manager Cramer commented that when she outlined the project timelines, projects B and C happen one after the other such that it would be possible to call a combined project the BMR Program Update with two components. Several Housing Commissioners responded that this was a good idea.

M/S O'Neal/Lasensky to direct staff to take the Commission's comments and revise the proposed project priorities for inclusion in a final memo of the Commission's recommendation to the City Council, which memo will first be reviewed and approved by Chair Moser and Vice-Chair Boyle; 5-0 with Commissioner Keet absent.

Manager Cramer said that the final memo will need to be ready to forward to the City Council by the end of the month, January 2007. Per the motion above, the proposed project priorities, to be included in the final memo to the City Council, will be revised and prioritized as follows:

New Projects for 2007-08

1. BMR Program Updates
2. Senior Housing Needs Assessment

Ongoing/Continuing Projects:

1. Regional Housing Alternatives Study and Preliminary Housing Element Preparation

Chair Moser announced that in regard to the recommended Senior Housing Needs Assessment, the Peninsula Volunteers has already offered Little House as a venue for a public forum.

Manager Cramer reported that Mayor Fergusson had previously suggested holding a study meeting to familiarize the new City Council with the City's housing programs, policies, and issues. She also reported that the City Council retreat will be held this Saturday, January 6th and that one of the things they will be discussing as a common theme is "affordable housing." Manager Cramer said that she will be attending the retreat and will report back to the Housing Commission on the Council's discussion of affordable housing. Chair Moser noted that the meeting is open to the public and she would like to attend to hear the discussion also. Manager Cramer said that she will look into when housing may be discussed on the meeting's agenda.

2. Community Development Block Grant (CDBG) Application Update.

Manager Cramer reported that the City will not apply to San Mateo County this year for additional CDBG funds for the Housing Rehabilitation Loan Program. She said the decision not to apply was due largely to the fact that County staff told her that the City of Menlo Park is unlikely to receive funding approval because the County has prioritized the funding for non-profit organizations. Chair Moser asked about the senior housing study and if for example the City could apply to rehab a project

with a non-profit. Manager Cramer clarified that the City has been applying for CDBG money to fund the Housing Rehab Loan Program, not particular projects, but that money is available for specific projects that meet certain criteria. She said that staff will continue to work with the with County staff on the funding options for the city's program.

3. Monthly Report on the Housing Rehabilitation Loan Program for November 2006.

The Commissioners accepted the report.

4. Approval of December 6, 2006 Minutes.

M/S Louchheim/Lasensky to approve the December 6, 2006 minutes as amended; 5-0.

5. Election of Chair and Vice-Chair.

M/S Lasensky/Louchheim to nominate Vice Chair Patricia Boyle as Chair; 5-0.

M/S Louchheim/Boyle to nominate Commissioner Elizabeth Lasensky as Vice Chair; 5-0.

Incoming Vice Chair Lasensky advised the Housing Commission that she is on the BMR Waiting List and works for Stanford University. Manager Cramer responded that she will check with City Attorney Bill McClure about this, and to confirm that Commissioner Lasensky may be required to recuse herself at times.

The Commission thanked Outgoing Chair Anne Moser for her very good work and service as Chair during 2006.

D. INFORMATION ITEMS:

1. Letter from Commissioner Lasensky to Provost John Etchemendy, Provost's Office, Stanford University, December 13, 2006.

Incoming Vice Chair Lasensky reported that she had not yet received a response to her letter because the school is currently on Winter break. She said that she will pursue the matter as a member of the community and not a member of the Housing Commission due to the fact that the Commission does not have a policy on the issue. She said that she will share any response to her letter with the Housing Commission.

2. Next Housing Commission Meeting.

It was decided that the next meeting would be held as scheduled on February 7, 2007.

3. Incoming Chair Boyle reported that Jerry Hill had written an opinion piece in the Almanac about housing being unaffordable. She said that she has one copy of the article with her now and will forward copies of it to the Commissioners.
4. Incoming Chair Boyle distributed hand-outs for Bay Area League Day: Vision for the Future of the Bay Area, Focus on Housing. The event is sponsored by the League of Women Voters and the Keynote speaker will be John King, urban design writer for the San Francisco Chronicle. It will be held at the San Mateo City Library on Saturday, January 27, 2007.

E. ADJOURNMENT: The meeting was adjourned by consensus at 7:00 pm.

Respectfully submitted,

Megan Norwood
Management Analyst