



## HOUSING COMMISSION MINUTES

Regular Meeting

June 6, 2007

5:30 p.m.

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

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### CALL TO ORDER

Chairperson Boyle 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 (Chair); Don Brawner; Elza Keet (left at 6:45 p.m.); Elizabeth Lasensky (Vice Chair); Carol Louchheim; Anne Moser; Clarice O'Neal.

**Housing Commission Members Absent:** None.

**Staff Present:** Arlinda Heineck, Acting Assistant City Manager; Megan Norwood, Management Analyst.

**A. PUBLIC COMMENT** – None.

### B. BUSINESS ITEMS

1. Presentation on Peninsula Volunteers, by Michelle Knapik, CEO.

Michelle Knapik opened her presentation by saying that Peninsula Volunteers was started in 1947 and its mission is to guide and support seniors. She said that Peninsula Volunteers recognized the need to provide a continuum of services to seniors and so manages Menlo Park's Little House for seniors. Peninsula Volunteers received a HUD loan and built the Partridge Kennedy apartments that opened in 1961, she said. Ms. Knapik described how the organization later started Rosner House for the frail and cognitively impaired. Additionally, the organization built Crane Place, which opened in 1981. She said that it was quite an undertaking to build Crane Place, which has 93 affordable senior housing units and serves dinner five nights a week. She added that Peninsula Volunteers also provides meals for other places as well, such as the Menlo Park Senior Center. She said Peninsula Volunteers' goal is a "continuum of housing" that provides housing, services, activities, and meals as people age. She said that they are starting to call it "vital housing" instead of "aging in place."

Ms. Knapik said that this year Peninsula Volunteers has budgeted to conduct a feasibility study to look at building more low-income senior housing. They would like to build in Menlo Park, she said, and the feasibility study will help identify a possible site. Chair Boyle asked if this new housing could include moderate-income senior housing as well. Mr. Barry Cammer, Director of Asset Management for

Barcelon Associates, responded that yes it could. Mr. Cammer explained that Barcelon Associates provides property management services for Peninsula Volunteers and also specializes in facilitating development of senior housing. He added that Peninsula Volunteers is seeking partnerships to help make this new senior housing happen. Vice-Chair Lasensky asked who he partners with. Mr. Cammer responded that Barcelon can help organizations that want to build housing figure out what they want and develop the housing. He explained that most of Barcelon's clients are non-profits but some are cities. Ms. Knapik added that one thing Peninsula Volunteers would like to do is keep senior couples together. She said that often when one person deteriorates the couple is separated and they would like to prevent this from happening.

Chair Boyle asked what cities are starting to look at senior needs and assisted living, besides Pinol and Pleasanton. Mr. Cammer replied that almost all cities are starting to look at this through their Housing Elements and General Plans, and many have commissions that are also starting to examine these issues. Vice-Chair Lasensky asked Mr. Cammer how Menlo Park can start to do this. He responded that the process is started with a needs assessment and asking questions. He added that the questions are simple and the answers are complicated. There are a variety of funding sources and partnership is key, he said. He mentioned that possible funding sources include direct HUD loans or HUD insured loans. He said that HUD is one possible funding source but their funds are dwindling. Commissioner Keet asked if Peninsula Volunteers had approached Stanford and Ms. Knapik responded yes, they have been trying to figure out how to possibly work with Stanford. She said that some of their projects are already too far along so they would have to join them somehow.

Chair Boyle asked how much money Peninsula Volunteers raises each year from the private sector and Ms. Knapik said about one million dollars. Commissioner Louchheim said that she has always wondered why there is no housing above Little House and Ms. Knapik replied that the City of Menlo Park owns the land but Peninsula Volunteers thinks that would be a great idea. She mentioned that the City also owns the land at Rosner House (in both cases, Peninsula Volunteers leases the properties from the City). In response to a question from the Commission, Mr. Cammer said that Partridge Place and Crane Place now have default "open" waiting lists, rather than alternating open and closed waiting lists. He said that they don't want people on the waiting lists to have to wait for more than two years, however, so when it gets to that point they would close the lists again.

The Commission asked how the City can help Peninsula Volunteers to build more affordable senior housing in Menlo Park. Mr. Cammer responded that the City could provide the land and lease it to the organization, or donate the land for a certain use. He added that we need to be creative with land use and can't just look at vacant land. Vice-Chair Lasensky asked Mr. Cammer if there are maximum incomes for the senior housing provided by Peninsula Volunteers and he said yes, they use HUD income limits. He said tenants pay thirty percent of their adjusted gross incomes in rent. Chair Boyle commented that mixed-income development is desirable because we have a situation here in Menlo Park where people want to downsize but have no place in which to do so. Commissioner Moser asked if you

can get HUD funds for mixed-income developments and Mr. Cammer replied that you can for the low-income units in such developments. He added, however, that HUD is not giving out a lot of money these days. He commented that Barceolon can put together the bits and pieces of different funding sources for development of affordable housing. Ms. Knapik and Mr. Cammer concluded their presentation and Chair Boyle commented that the Housing Commission may be asking them for help when it comes time to do the survey part of the Senior Needs Assessment. Ms. Knapik replied that they would be happy to help and can host meetings at Little House.

2. Consideration of Housing Commission Description on City's Website.

Chair Boyle distributed a handout summarizing the revised Housing Commission Description as it appears on the City's website. The Commission discussed the revised description and made four changes, as follows:

The Housing Commission initiates, recommends, and reviews housing policies and programs in order to advise the City Council, particularly in regards to affordable housing needs.

These key activities include:

- Review and recommend actions in reference to the BMR Housing Program.
- Review housing production in reference to specific economic and social needs.
- Review and recommend actions in reference to the Housing Element contained in the General Plan.
- Review and recommend action on State, Regional and County housing issues.
- Commissioners serve on the Loan Review Committee for the housing rehabilitation and first-time home buyers programs.

M/S Lasensky/Louchheim to approve the revised Housing Commission description on the City's website; 7-0.

3. Appointment of Representatives to Serve on Loan Committee.

There was consensus that the vacant appointments will be:

- July: Ann Moser as primary appointee and Patty Boyle as alternate appointee.
- August: Patty Boyle as primary appointee and Ann Moser as alternate appointee.
- September: Elza Keet.
- December: Don Brawner.

4. Approval of May 9, 2007 Minutes.

M/S Moser/O'Neal to approve the May 9, 2007 minutes as presented; 6-0-1 with Commissioner Keet abstaining.

## C. REPORTS AND ANNOUNCEMENTS

### 1. Update on Housing Activity (Report from staff).

Interim Assistant City Manager Heineck announced that Mr. Douglas Frederick has been hired as the new Housing Manager. She said that he has a wealth of experience, is currently working as a consultant developing housing plans for jurisdictions across the country and had previously worked for the City of Dallas, Texas. He will begin his position as Housing Manager on July 9<sup>th</sup>.

Interim Assistant City Manager Heineck said that the new fiscal year (FY 2007-2008) will begin on July 1<sup>st</sup>. She said that, with the start of the new fiscal year and the hiring of the new Housing Manager, the Commission will be able to start work on the 2007-2008 project priorities. Project priorities will include such items as the senior needs assesment, the housing element, possible updates to the BMR Guidelines and use of the BMR fund, she said. Regarding the BMR fund, she explained that for a number of years it has been approximately 4.5 million dollars but recently took a large jump with the payment of in-lieu fees for the Stanford Hotel Project. She said that starting in July the Housing Commission should begin a discussion on how to prioritize work on the project priorities. Following this, she said, the Housing Manager can work with the Commission to develop a work plan on how to move forward with the project priorities.

Chair Boyle asked if the Commission can get a balance sheet of BMR funds at the next meeting. Interim Assistant City Manager Heineck responded yes. She said that at the next meeting she will also include an excerpt from the BMR Guidelines that states the eligible uses of the BMR fund.

Interim Assistant City Manager Heineck also described the new "Focusing Our Vision" initiative, or "Focus" for short. She said the goal is to create a vision of where we can/should focus smart growth development with an emphasis on housing and affordable housing. She explained that communities/cities must apply by the end of June for designation as one of the initiative's "priority areas." In order to be considered for funding. She said that City staff intends to file the initial application for designation of the El Camino Real and Downtown area as a priority area to preserve the City's option to pursue the funding. In order to proceed with the application, the City Council will need to also approve a resolution supporting the application. She said that the idea is that Focus would at some point in the future create incentives for cities, however such incentives have not been identified yet.

Commissioner Moser asked if the Focus initiative would mesh with the Grand Boulevard initiative and Interim Assistant City Manager Heineck replied yes. She said that the same agencies are working on both endeavors. City Council Member Richard Cline said that regarding El Camino Real Visioning process, the Council is currently trying to agree on a process and are working on defining parameters for developers and creating a vision, he said. Vice-Chair Lasensky asked Council Member Cline if the process will create design standards and he responded that they are not sure yet. There may be standards on set-backs, he said. He explained

that the current phase of the initiative, Phase I, is a public process and very important to him. Interim Assistant City Manager Arlinda Heineck commented that there will be a City Council study session on the subject on June 19<sup>th</sup>. Commissioner Moser asked if development on El Camino Real can continue in the meantime and Council Member Cline replied that that will probably be discussed at the June 19<sup>th</sup> meeting. He said that upcoming phases of the project will very likely include a Phase II on land use and a Phase III on architecture and design.

Council Member Cline asked the Commission if it would be possible for the Housing Commission to make regular reports to the City Council. Chair Boyle responded that she is planning to go to the Council on June 19<sup>th</sup> to report on the success of the Hamilton Park development.

Management Analyst Norwood gave a brief report on the sales of Hamilton Park BMR homes. She said that of the twenty BMR homes at the development, one home is still available. She explained that staff is working with potential buyers for the home. Management Analyst Norwood said that Phase I of Hamilton Park includes eight BMR homes and that sale of these homes is almost complete. Seven of the BMR homes in Phase I have closed escrow, she said, with the final eighth BMR home closing escrow June 8<sup>th</sup>. Seven of the homebuyers received PAL loans. She explained that there are six BMR homes in Phase II, which are projected to close in the mid-to-latter part of July. There are also six BMR homes in Phase III, which are projected to close in the mid-to-latter part of September. She concluded that of the six Phase II BMR homes, five will be receiving PAL loans and it is anticipated that a Loan Committee will be needed in the latter part of June or early July. In response to a question from the Commission, Management Analyst Norwood reported that of the twenty-seven market rate homes at Hamilton Park, between nineteen and twenty have been sold.

Interim Assistant City Manager Heineck reported that the BMR Waiting List update letters had been sent out.

2. Report from the Chair.

Chair Boyle distributed handouts for FOCUS on Bay Area Housing, a one-day conference being held in Berkeley on June 28<sup>th</sup>. She said that she is going so if anyone would like to carpool to let her know.

**D. INFORMATION ITEMS:**

1. Monthly Report on the Housing Rehabilitation Loan Program for April 2007.

The Commissioners accepted the report.

2. The Commissioners discussed whether or not to hold an August meeting. Interim Assistant City Manager Heineck said that not much activity is anticipated for August. The Commission decided that it will make a final determination as to whether or not to hold an August meeting at the July Housing Commission meeting.

3. Vice-Chair Lasensky said that she recently went on a bus tour of affordable housing in Palo Alto and it was great.

**E. ADJOURNMENT:** The meeting was adjourned by consensus at 7:15 pm.

Respectfully submitted,

Megan Norwood  
Management Analyst