



## HOUSING COMMISSION MINUTES

Regular Meeting

December 5, 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, Elizabeth Lasensky (Vice Chair), Carol Louchheim, Anne Moser, Clarice O'Neal.

**Housing Commission Members Absent:** None.

**Staff Present:** Douglas Frederick, Housing Manager.

**A. PUBLIC COMMENT** – None.

### B. BUSINESS ITEMS

1. Discussion of Election of Commission Chair and Vice-Chair

Chairperson Boyle led a discussion of the City ordinance governing the election of the Commission Chair and Vice-Chair in preparation for January's meeting. She outlined the limited direction given in the ordinance and discussed the tradition of electing the sitting Vice-Chair to take over as Chair. Seniority was also discussed with respect to the election of the Vice-Chair. Commissioners were given an opportunity to offer their views on the coming election and its process. General consensus was that tradition would be continued.

2. Loan Committee Assignments for 2008

Commissioners volunteered to fill the Commission seat on loan committee meetings for activity in 2008. The results are:

January – Commissioner Moser  
February – Commissioner Louchheim  
March – Commissioner Keet  
April – Commissioner O'Neal  
May – Chairperson Boyle  
June – Vice- Chairperson Lasensky  
July – Commissioner Brawner  
August – Commissioner Louchheim

September – Chairperson Boyle  
October – Vice-Chairperson Lasensky  
November – Commissioner O’Neal  
December – Commissioner Moser

3. January and 2008 Meeting Dates

The January Commission meeting was pushed back January 9<sup>th</sup>, in consideration of the New Year’s Day holiday. The possibility of a second meeting in January was discussed and if it is determined that a second meeting is needed it will be held on either January 23<sup>rd</sup> or 30<sup>th</sup>. The July meeting date will be the 9<sup>th</sup>. The October meeting will be on the 1<sup>st</sup>.

4. Consideration of BMR Guideline Update Issues.

The remainder of the Housing Commission meeting for December 5, 2007 involved discussion of BMR Guideline Update issues that have been identified over the past couple of years. These issues have been identified by Council Members, City Staff, residents, program applicants, and Commissioners. A complete list of issues was distributed to Commissioners prior to the meeting. Issues were considered one by one, with only about half of the items being covered during the meeting. Individual items considered during the meeting, and the consensus of the Commissioners, were as follows:

- A. Require a nominal fee for applications to the waiting list, to be credited to the purchase price of the home.

Commissioners were against the idea. Felt that wait listers should be required to affirm their spot on the list yearly.

- B. Should households who already own homes be allowed to apply for BMR units?

Commissioners would like the City to follow the County’s example and not allow homeowners onto the BMR wait list.

- C. Should the BMR guidelines specify that households must have lived together for a year prior to home purchases? Currently, the application specifies this, though it is not in the ordinance.

Commissioners were in favor of putting it in the guidelines and specifying that both parties be on the wait list and mortgage together.

- D. Exempt dedicated education funds from asset limit test for households applying to purchase BMR limits.

Commissioners were in favor of exempting education funds for children.

- E. Clarify and possibly amend the provisions regarding rights of first refusal, deed transfers, and inheritance as identified in the BMR Deed Restrictions and add to BMR guidelines.

This issue relates to what happens to a BMR unit in the event of the death of the BMR owner. Does the unit transfer to an heir, who will own and occupy the unit? Commissioners were in favor of clarifying the guidelines and Deed Restrictions to specify that heirs were only allowed to occupy the BMR unit if they meet the income restrictions at the time of their inheritance. Otherwise the sale of the unit will be required to maintain the home for eligible households.

- F. Increase the time allowed for the resale of a BMR unit from the current 90 days.

Commissioners accepted an increase to 180 days.

- G. Change wait list maintenance procedures to keep it current.

Commissioners supported a yearly reenlistment process.

- H. Creation of an annual audit program for BMR ownership units.

Commissioners rejected this proposal.

- I. Explore legal issues and amend the formula for setting BMR rental rates so that they are more truly affordable.

Commissioners wanted more information about what rental rates would be if based on 80 percent of MFI.

- J. Review eligible uses of BMR funds for clarification and possible expansion.

Commissioners were in favor of this proposal.

- K. Increase the loan amount for the PAL program.

Increase to \$100,000 or 20 percent.

- L. Reduce the interest rate on the PAL program.

Commissioners rejected this proposal.

- M. Increase/extend the deferral period on the PAL program.

Commissioners rejected this proposal.

- N. Increase the maximum allowable household income for the PAL program.

Commissioners rejected this proposal.

- O. Create a system for identifying potential applicants/buyers early on and provide more one-on-one homebuyer support to create qualified applicants (homebuyer education and counseling).

Commissioners supported the proposal.

5. October 3, 2007 and November 7, 2007 Minutes.

Minutes from October and November were approved by the Commission.

**C. REPORTS AND ANNOUNCEMENTS**

Chair Boyle announced that Housing Finance Day will be December 17<sup>th</sup> at 2:00 pm in the San Mateo County Commission Chambers and the Housing Element and Housing Preservation meeting will be held on January 24<sup>th</sup> at the Silicon Valley Community Foundation Conference Center in San Mateo at 11:00 am.

**D. INFORMATION ITEMS:**

None.

**E. ADJOURNMENT:** The meeting was adjourned at 7:16 PM.

Respectfully submitted,

Douglas Frederick, Ph.D.  
Housing Manager