



REGULAR MEETING AGENDA

Date: 12/12/2018

Time: 6:30 p.m.

**Arrillaga Family Recreation Center – Cypress Room
700 Alma St., Menlo Park, CA 94025**

A. Call To Order

B. Roll Call

C. Public Comment

Under “Public Comment,” the public may address the Commission on any subject not listed on the agenda. Each speaker may address the Commission once under Public Comment for a limit of three minutes. Please clearly state your name and address or political jurisdiction in which you live. The Commission cannot act on items not listed on the agenda and, therefore, the Commission cannot respond to non-agenda issues brought up under Public Comment other than to provide general information.

D. Regular Business

- D1. Approve minutes for the Housing Commission meeting of November 14, 2018 ([Attachment](#))
- D2. Discuss and review potential changes to the enhanced housing policies priority list ([Attachment](#))
- D3. Update on the three below market rate ownership units at 133 Encinal Ave. - Marquis by Pulte project

E. Reports and Announcements

- E1. Subcommittee reports (10 minutes):
 - Anti-Displacement Subcommittee (Grove/Horst/Merriman)
 - Below Market Rate Housing Guidelines Subcommittee (Dodick/Grove)
 - Housing Policy Subcommittee (McPherson/Merriman/Tate)
 - Marketing Subcommittee (McGraw-Scherer/Horst)
 - Notice of Funding Availability Subcommittee (McGraw-Scherer)
- E2. Commissioner reports
- E3. Staff updates and announcements

F. Adjournment

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REGULAR MEETING MINUTES - DRAFT

Date: 11/14/2018

Time: 6:30 p.m.

**Arrillaga Family Recreation Center – Cypress Room
700 Alma St., Menlo Park, CA 94025**

A. Chair McGraw-Scherer called the meeting to order at 6:36 p.m.

B. Roll Call

Present: Meg McGraw-Scherer, Karen Grove, Rachel Horst, Nevada Merriman
Wendy McPherson, Julianna Dodick, Michele Tate

Absent: None

Staff: Interim Housing and Economic Development Manager Clay Curtin,
Management Analyst II Mike Noce

C. Public Comment

- Lorena Cuffy spoke about a recent 12 percent rent increase she received on her two-bedroom, below market rate apartment at Anton Menlo.
- Cecilia Taylor spoke about housing policies and possible improvements to the operation of the City's below market rate waiting list.

D. Regular Business

D1. Approve the minutes for the October 10, 2018, Housing Commission regular meeting.

ACTION: Motion and second (Grove/Merriman) to approve the Housing Commission meeting minutes of October 10, 2018. The motion passed (5-0-2) with the condition of a change to item D2 a) striking "of the area median income"; Dodick and Tate abstain.

D2. Discuss and consider recommendations related to the San Mateo County Civil Grand Jury Report: "Smoke-Free Multiunit Housing: No Ifs, Ands, or Butts"

Interim Housing and Economic Development Manager Clay Curtin introduced the item.

- Lorena Cuffy shared that her apartment complex is already smoke-free by policy and did not support additional regulation at this time.

During the Commission's discussion, several commissioners spoke in support of the intent of such a policy to reduce health hazards from secondhand smoke and lower maintenance/repairs generated by in-unit smoking. However, many raised concerns about enforcement, specifically the use of eviction as an enforcement mechanism, which could cause an increase in displacement, homelessness and housing discrimination. Following its discussion, and by acclamation, the

Housing Commission determined that this was not a pressing issue for Menlo Park and that no further action was needed at this time.

D3. Review and consideration of updates to the enhanced housing policy priorities list and Housing Commission Work Plan.

Interim Housing and Economic Development Manager Clay Curtin introduced the item.

- Pamela Jones spoke in favor of increased communication between City commissions, avoiding overlapping commission meeting times and moving all commission meetings to the City Council Chambers so that they could be recorded.

The Housing Commission reviewed the 15 items listed on the enhanced housing policies priority list. Multiple updates were discussed and will be presented in 2019 to the City Council for official changes to be approved and executed. Requests may include items 10 and 12 to reflect a higher priority level. Items 5 and 9 are to be listed as completed, but remain as part of the priority list to promote follow up of these items. Item 11 was recommended to be deleted, and items 13 and 15 recommended to be combined. One additional priority that may be requested is the review of housing density policies related to downtown Menlo Park with a focus on high density, transit oriented development.

Staff will return to the Housing Commission with an updated draft priority list for further review.

D4. Discuss and recommend future agenda items

- Lorena Cuffy spoke about her experience on the below market rate waiting list and the need for a centralized system to be in place citywide.

Items to be considered for future agenda items include:

1. Review a draft copy of the enhanced housing policies priority list.
2. Discussion on strategies for the tenant relocation assistance ordinance.
3. Updates on the 2018 Notice of Funding Availability (NOFA).
4. Update on three below market rate ownership units at 133 Encinal Ave.

E. Reports and Announcements

E1. Subcommittee reports (10 minutes):

- Pamela Jones spoke about the need for empty housing units throughout the city to be filled, possibly by tracking them as part of a comprehensive housing stock inventory.

Anti-Displacement Subcommittee (Grove/Horst/Merriman) – No report

Below Market Rate Housing Guidelines Subcommittee (Dodick/Grove) – Grove reported that the subcommittee is looking forward to the BAE study, which includes a closer look at the point of indifference for in-lieu fees versus the cost to build a below market rate unit.

Housing Policy Subcommittee (McPherson/Merriman/Tate) – No report

Marketing Subcommittee (McGraw-Scherer/Horst) – McGraw-Scherer shared the subcommittee's interest in organizing a community education session in January or February 2019. Horst reported on suggested updates to the City's housing webpages to increase the visibility of community resources.

Notice of Funding Availability (NOFA) Subcommittee (McGraw-Scherer) – McGraw-Scherer reported the 2018 NOFA has been released and can be found on the City's website. The deadline for applications is 5 p.m., Thursday, January 31, 2019. Several commissioners mentioned the NOFA should become an annual process with the next one released in fall 2019.

E2. Commissioner reports

Grove informed the housing commission of her attendance to a speaker session hosted by Congresswoman Jackie Speier featuring Matthew Desmond held on Friday, November 2. The presentation focused on a discussion about regional housing and displacement in the Bay Area.

E3. Staff updates and announcements

Interim Housing and Economic Development Manager Curtin provided the following updates:

- Staff was contacted by a tenant of the Stanford Inn, 115 El Camino Real, Menlo Park, whom received a 60-day notice to vacate their unit. Staff provided the tenant with legal and housing related resources.
- The City has contracted with BAE Economics to perform a development feasibility study, which should be completed in late January 2019.
- The Housing and Economic Development Division has hired a new fulltime permanent Management Analyst to fill a vacant position. That individual will start December 10, 2018.
- Interviews for the Deputy Community Development Director – Housing position will be held November 30, 2018.
- Invitation to the City Council Reorganization Meeting at 7 p.m., Tuesday, December 11, 2018, in the City Council Chambers, 701 Laurel St..

F. Adjournment

Chair McGraw-Scherer adjourned the meeting at 9:22 p.m.

Enhanced Housing Policies Priorities List – Red text indicates Housing Commission-requested changes from the November 14, 2018, meeting.

#	Policy	Benefit	Required resources	Estimated completion	Unit type	Notes	Priority 1-3
1	Reduced parking requirements for affordable housing projects	Reduces the cost of development	This action could be addressed as part of the biennial Specific Plan review in 2017	18 months	All but most likely multifamily units of 4 or more	City Council gave direction that this should be for downtown only and properties within close proximity to transit.	1
2	Amend BMR Guidelines to allow BMR homeowners to sublet rooms to BMR renters	Makes more efficient use of existing housing stock and provides a revenue source for BMR property owners and renters	This action could be incorporated into the planned 2017 BMR guideline revisions	12 months	All BMR units		1
3	Amend BMR Guidelines to expand list eligibility for displaced residents	This action would allow displaced residents to maintain their position on the City's BMR list for up to three years	This action can likely be addressed within current resources	12 months	All BMR Units		1
4	Tenant relocation assistance ordinance	Renters are provided with assistance in seeking housing and it creates a financial disincentive to landlords from displacing residents	Additional staffing for administration and enforcement	6 months	Multifamily units of 4 or more with exemptions	Housing Commission recommends expanding triggers of rental relocation to include renovation along with sale.	1
5	Adopt the Home for All resolution	Shows the City's commitment to Housing	Can be accommodated with current staffing	Complete		Completed. Approved by the City Council March 28, 2018	1
6	Promote home sharing programs	Makes more efficient use of existing housing stock	The City would need to work with an organization that has this kind of program.	12 months	All, but primarily aimed at underutilized single-family homes	Housing Commission recommends that the City promotes programs through website and banners, possible water bill or other inserts neighborhood newsletters and at events. Housing Commission heard from a representative from HIP regarding ways to further enhance our working relationship.	1

Enhanced Housing Policies Priorities List – Red text indicates Housing Commission-requested changes from the November 14, 2018, meeting.

7	Preservation of market affordable units	Allows the City to leverage existing BMR funds to assist affordable housing providers to purchase market properties and restrict tenancy to renters who qualify for affordable housing	This can be done now and has been through the City's partnership with HIP Housing as an example. It may require a clarification of how the BMR guidelines have been administered.	18 months	All	Referred to Housing Commission for rec. on prioritization Housing Commission recommends looking at possibility of "tenants first right of refusal" and including projects like this in the NOFA similar to the Oakland and SF NOFA's for small projects.	1
8	Secondary dwelling units	Jan. 24, 2017, City Council approved zoning changes in order to comply with new State legislation, regarding the conversion of accessory structures to SDU's.	Staff is considering additional outreach for the current program. Recommendations for additional incentives will require reprioritization of staffing and possible additional staffing.	24 months depending on direction	Single Family detached homes	The Housing Commission voiced interest in adjustments to the minimum lot size to allow more properties to qualify for SDU's.	2
9	First Hire program	This is a local hire program that may require businesses to hire a portion of their workforce from the local community. This is more an Economic Development strategy than a housing strategy and may result in employees moving into a community in order for the business to comply.	This will require reprioritization of staffing resources and likely require additional staffing to administer.	36 months	N/A	Completed. Language was included in the 2018 NOFA.	2
10	Displacement Fund	Provides assistance to residents facing displacement	Linkage Fee Nexus Study	36 months	Any	Due to the need of a nexus study the Housing Commission recommends prioritizing tenant relocation assistance before developing a new displacement fund.	2 (Consider moving to Priority 1)

Enhanced Housing Policies Priorities List – Red text indicates Housing Commission-requested changes from the November 14, 2018, meeting.

11	Mandatory nonbinding mediation	Provides renters and landlords the opportunity to address disputes before displacement	Contract Mediation Services and additional Staffing for administration and enforcement	12 months	All	Housing Commission received feedback that mediation can set false expectations and is ultimately not the most effective protection for renters.	3
12	Review and draft policy on Airbnb	This is related to item 3, but would be for all subletting in the City. There are resources becoming available through 21 Elements and other Cities	Prioritization of staff time	24 months	All		3 (Consider moving to Priority 1 or 2)
13 / (15)	Rental housing best practices, including anti-retaliation protections	This provides guidance to landlords and sets up a certification for compliance with operational standards. It is a voluntary program and would include items such as anti-retaliation protections.	This would require reprioritization of staffing resources and likely require additional staffing to enforce if desired.	6-12 months	All		3
14	Rental housing rehabilitation loans/grants	Provides funding to property owners for improvements. Landlords agree to fix rents for a period of time in return. It is often tied to fire/seismic upgrades.	This will require additional staffing to administer, an ongoing funding source and is similar to homeowner loan programs that the City has found problematic.	36 months	TBD		3
15	Rental housing best practices	This provides guidance to landlords and sets up a certification for compliance with operational standards. It is a voluntary program.	This will require reprioritization of staffing resources and likely require additional staffing to administer.	36 months	All	(combined into 13)	3