



REGULAR MEETING MINUTES

Date: 9/12/2018
Time: 6:30 p.m.
Menlo Park Senior Center
110 Terminal Ave., Menlo Park, CA 94025

A. Chair McGraw-Scherer called the meeting to order at 6:40 p.m.

B. Roll Call

Present: Meg McGraw-Scherer, Julianna Dodick, Karen Grove, Nevada Merriman

Absent: Rachel Horst, Wendy McPherson, Michele Tate

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

C. Public Comment

No public comments were received.

D. Regular Business

D1. Approve minutes for the Housing Commission meeting of August 8, 2018 (Attachment)

ACTION: Motion and second (Grove/McGraw-Scherer) to approve the August 8, 2018, Housing Commission meeting minutes. The motion passed (4-0-3); Horst, McPherson and Tate absent.

D2. Update and quarterly report from Hello Housing (Attachment)

The Housing Commission reviewed the Hello Housing quarterly report with no further questions.

D3. Review and gather additional public comment on the draft ordinance establishing tenant relocation assistance (Staff Report #18-017-HC)

Interim Housing and Economic Development Manager Clay Curtin introduced the item and gave a presentation highlighting key provisions of the draft tenant relocation assistance ordinance.

- Dawson Coblin spoke about the financial impacts and legal burdens on landlords
- Luis Carrial, Redwood Landing Tenant Union, spoke about large rent increases and potential displacement in the future.
- Sandra Zamora, Redwood Landing Tenant Union, spoke about the hardships created by large rent increases and expresses support for the draft ordinance.
- Eisabel Coronel spoke about recent rent increases and her family's potential future displacement.
- Mark Nagales, Project Sentinel, shared information about services offered and reported 1,910

assistance requests from San Mateo County residents last year (51 from Menlo Park).

- Keith Ogden, Community Legal Services in East Palo Alto, spoke in support of the tenant relocation assistance ordinance. He reported that an average of 17% of families in the eviction process will become homeless as a result of their displacement.
- LaTrice Taylor, Samaritan House, spoke about tenant services offered, including emergency rent and security deposit assistance in addition to food services.
- Owen Lewis, California Apartments Association, expressed opposition to the draft ordinance.
- Courtney Pal, Friends of Caltrain, spoke in support of the draft ordinance and the urgency provision.
- Jeff Deng spoke in opposition to the ordinance.
- Shirley Gibson, Legal Aid Society of San Mateo County, made a presentation (Attachment) and shared data about the effects of the housing crisis on low income and minority populations. Gibson spoke in support of the draft ordinance and highlighted the importance of fair housing practices.
- Pastor Bains, Project We Hope and Saint Samuel Church, spoke in support of the draft ordinance.
- Dr. Nuriel Moghavam, neurologist at Stanford Hospital, spoke in support of the draft ordinance and described impacts of housing security on his patients, especially those with previously existing disabilities or illness.
- Lynn N. Huidekoper, Stop the Ban Coalition, spoke in support of the draft ordinance and additional rent stabilizing measures.
- Nina Woke, spoke in support of the draft ordinance.
- Meina Young expressed opposition to the draft ordinance and shared problems of rent control measures in San Francisco.
- Wendy Wong expressed opposition to the draft ordinance and shared problems of rent control measures in San Francisco, including related housing shortages.
- Penelope Huang expressed opposition to the draft ordinance.
- Pamela Jones spoke in support of the draft ordinance.
- Daniel Valverde, Housing Leadership Council of San Mateo County, spoke in support of the draft ordinance and reported that San Mateo County has added 19 jobs for every 1 unit of housing.
- Steven Jackson spoke in support of the draft ordinance.
- Cecilia Taylor spoke in support of the draft ordinance.

Chair Meg McGraw-Scherer invited members of the public to attend the next community meeting on Thursday, September 13, 2018 and the October 10, 2018, Housing Commission regular meeting.

D4. Update on the release of the 2018 Notice of Funding Availability (NOFA) (Attachment)

Interim Housing and Economic Development Manager Clay Curtin shared an updated timeline for the NOFA to receive City Council approval at one of the October City Council meetings.

ACTION: Motion and second (Grove/Merriman) to delegate Commission approval of the draft NOFA document to the NOFA subcommittee to review and approve for recommendation to the City Council. The motion passed (4-0-3); Horst, McPherson and Tate absent.

D6. Discuss and recommend future agenda items

Items suggest for future Housing Commission agendas included:

1. Additional anti-displacement measures

2. BMR fees

E. Reports and Announcements

E1. Subcommittee reports (10 minutes):

Anti-Displacement Subcommittee (Grove/Horst/Merriman) – The committee had one meeting over the last month to discuss possible measures the commission the Housing Commission may want to discuss and explore in the future months.

Below Market Rate Housing Guidelines Subcommittee (Dodick/Grove) – The committee has an upcoming meeting on Friday, September 13, 2018, with City staff and employees from 21 Elements.

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

Marketing Subcommittee (McGraw-Scherer/Horst) – No report

Notice of Funding Availability Subcommittee (McGraw-Scherer) – Chair Meg McGraw-Scherer reported work on the NOFA is in progress with the goal of sending to City Council in October.

E2. Commissioner reports

Commissioner Grove shared there will be a Habitat for Humanity breakfast and presentation on Friday, November 2, 2018 from 7:30–9:30 a.m. at the Sharon Heights Golf and Country Club. Tickets available on the Habitat for Humanity, Greater San Francisco website.

Commissioner Merriman will be a speaker at the 2018 NPH Affordable Housing Conference on Friday, September 21, 2018, at the San Francisco Marriott Marquis.

E3. Staff updates and announcements

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

- Recruitment will begin for the Deputy Community Development Director-Housing. This new position was part of City Council's approval of adding additional job titles to the City's salary schedule. The position will replace the Housing and Economic Development Manager position.
- Two management analyst positions in the Housing and Economic Development Division are currently in the recruitment progress.
- There have been multiple transitions in the Public Works Department. Assistant Public Works Director Nikki Nagaya and City Engineer Azalea Mitch have recently left the organization. Staff does expect some project timelines will require adjustments.

F. Adjournment

Chair McGraw-Scherer adjourned the meeting at 9:27 p.m.



TENANT RELOCATION ASSISTANCE

Draft ordinance

ARMSTRONG FAMILY
GYMNASIUM

BACKGROUND

- January 10, 2017 City Council study session on displacement
- August 22, 2017 City Council approves housing policy prioritization list
- July 11, 2018 Housing Commission review
- August 8, 2018 Housing Commission review
- September 12, 2018 Community Meeting
- September 13, 2018 Community Meeting
- Learn more at menlopark.org/relocationassistance



PURPOSE

- Safety net for those who are suddenly displaced
 - Reduces short-term homelessness
 - Minimizes household disruption
- Reduces the short-term financial burden on displaced tenants
 - Can be used for first and last month's rent, security deposit
 - Related expenses (moving costs, utility deposits, etc.)
- Helps preserve community continuity
 - Neighborhoods
 - Schools



KEY PROVISIONS FROM THE CURRENT DRAFT ORDINANCE



- Urgency ordinance
 - Takes effect immediately; rather than typical two readings and 30-day delay
 - Used to preserve public peace, health or safety
 - Requires the adoption of a declaration of facts constituting the urgency
 - Requires a vote of four-fifths of the City Council
 - Can still be challenged

KEY PROVISION: ELIGIBLE TENANT

- Length of tenancy
 - 12 months or more (aligned with the City's 12-month lease ordinance)
- Means test (income limit)
 - 200% of the Area Median Income

Household size	Extremely low-income	Very low-income (50% AMI)	Low-income (80% AMI)	Area Median Income (100% AMI)	Moderate income (120% AMI)	150% AMI	200% AMI
1-Person	\$30,800	\$51,350	\$82,200	\$82,900	\$99,450	\$124,350	\$165,800
2-Persons	\$35,200	\$58,650	\$93,950	\$94,700	\$113,700	\$142,050	\$189,400
4-Persons	\$44,000	\$73,300	\$117,400	\$118,400	\$142,100	\$177,600	\$236,800

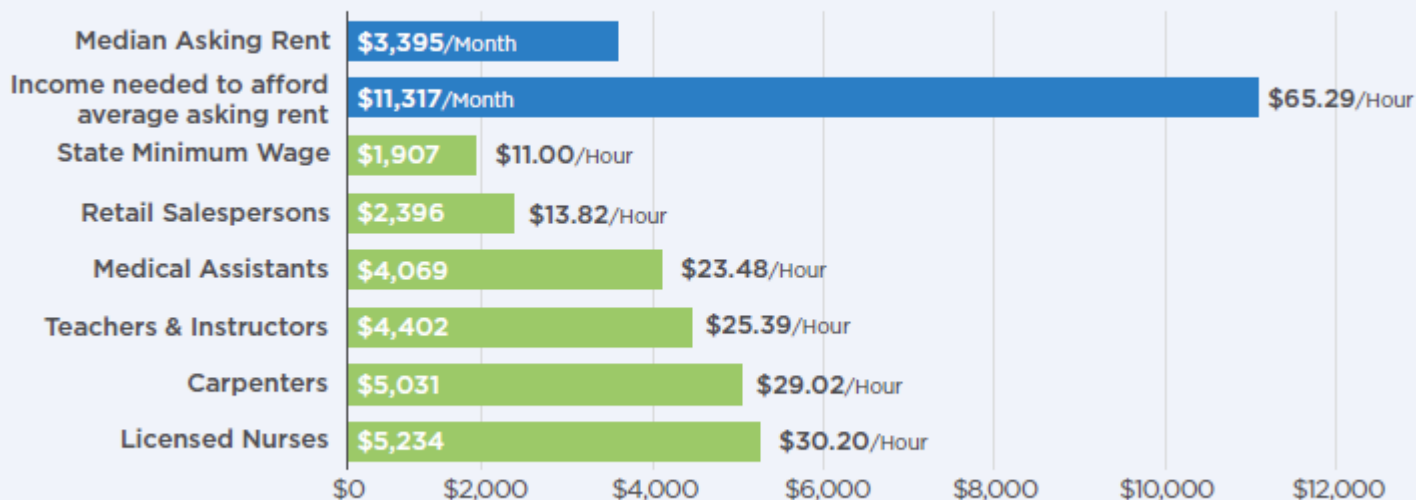
KEY PROVISION: ELIGIBLE TENANT

- Federal rent burden guideline
 - No more than 30% of household income

	Extremely low-income	Very low-income (50% AMI)	Low-income (80% AMI)	Area Median Income (100% AMI)	Moderate income (120% AMI)	150% AMI	200% AMI
Rent burden amount	\$1,100	\$1,833	\$2,935	\$2,960	\$3,553	\$4,440	\$5,920
Average monthly Menlo Park rent (2 bd)	\$3,685	\$3,685	\$3,685	\$3,685	\$3,685	\$3,685	\$3,685
Difference	(\$2,585)	(\$1,853)	(\$750)	(\$725)	(\$133)	\$755	\$2,235

KEY PROVISION: ELIGIBLE TENANT

RENTERS NEED TO EARN 5.9 TIMES MINIMUM WAGE TO AFFORD MEDIAN ASKING RENTS



Source: Paul Waddell, Urban Analytics Lab, University of California, Berkeley, retrieved from analysis of online Craigslist listings in April 2018.
CHPC analysis of Bureau of Labor Statistics Median Annual Wage Data for CA Occupations for 2017.



KEY PROVISION: LANDLORD-CAUSED TERMINATION



- Significant rent increase
 - Defined as any rent increase or proposed multiple rent increases that cumulatively raise the rent during any 12-month period, to an amount more than the last year's annual consumer price index (CPI) adjustment + 5%
 - Currently this would be about 8-9%
- Other landlord-caused terminations
- Exceptions:
 - Failure to pay rent
 - Breach of rental agreement
 - Committing or expressly permitting a continued nuisance
 - Owner move-in/use (longer than 12 months)



KEY PROVISION: RENTAL UNIT



- Defined as any housing unit in Menlo Park
- Includes, but not limited to:
 - Multifamily housing, apartments
 - Condos
 - Duplexes
 - Single-family homes
- Does not apply to:
 - Affordable housing units that are already deed restricted or limited by income
 - Secondary dwelling units (granny units, backyard units, etc)
 - Rooms rented in an owner-occupied, single-family home

WHAT DOES RELOCATION ASSISTANCE INCLUDE?

- 3-months of market rate rent
- 60-day subscription to a rental agency service
- 1 extra month of assistance for special circumstance households
 - Defined as those with at least one household member who qualifies as:
 - Elderly (over 62 years of age)
 - Minor child (under 18 years of age)
 - Disabled



QUESTIONS



Menlo Park Tenant Relocation Assistance

**September 12, 2018
Housing Commission Meeting**

Shirley Gibson, Legal Aid Society of San Mateo County



What happens now

Month-to-month tenancies can be changed QUICKLY.

- Termination Notice: 30 or 60 days to vacate (Civil Code §§ 1946, 1946.1)
- Rent Increase Notice: 30 or 60 days in advance (Civil Code § 827)

Tenants are frequently unable to comply with termination demand or higher payment obligation within the time given.

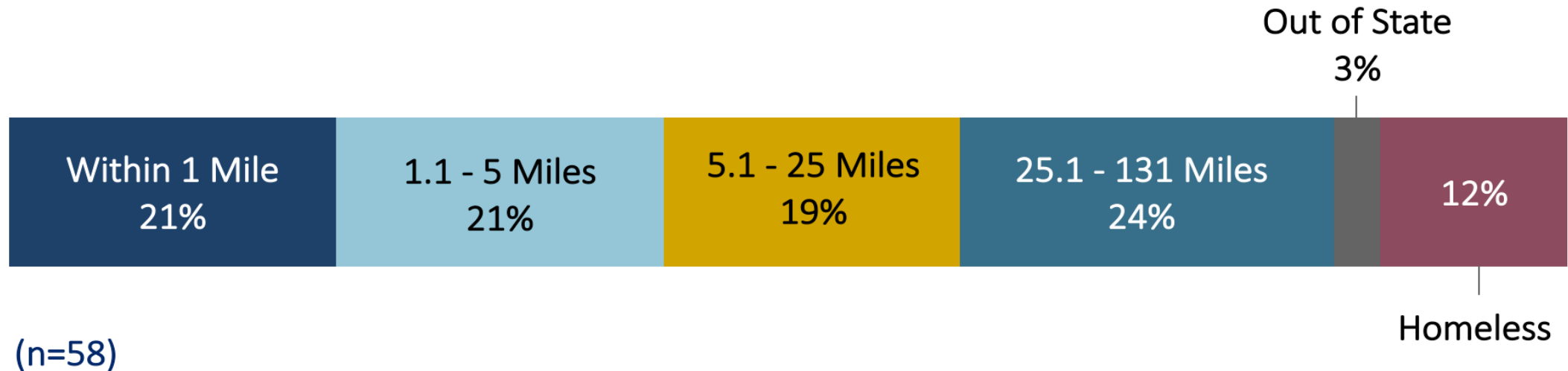
- Landlord files eviction lawsuit (unlawful detainer) with the court
 - Expense to landlord typically ranges from \$400 to \$1800
- 35% of tenants fail to respond, default judgment is entered
 - Fast eviction; judgment can create public record, poor credit
- 65% of tenants respond to unlawful detainer in court
 - Most settle by agreement to move, typically between one and eight weeks

Displacement Impacts

Where do tenants go?

Only 21% of displaced tenants lived in the same neighborhood (within one mile) as before they were displaced. One in four were living more than 25 miles from their original neighborhood.

http://www.urbandisplacement.org/sites/default/files/images/impacts_of_displacement_in_san_mateo_county.pdf



Displacement Impacts

- Limited choices force tenants to make difficult compromises:
 - substandard housing conditions, crowding, moving far away
- Less access to opportunity:
 - move to neighborhoods with environmental and safety concerns, fewer healthcare resources, poorer performing schools, limited transit options
- Disruption and trauma:
 - two out of three children in displaced households had to change schools
 - families experience depression, poorer health and higher levels of stress – effects can persist for years

<https://scholar.harvard.edu/files/mdesmond/files/desmondkimbro.socialforces.2015.pdf>

Rent Burdens

- Fifty-two percent (52%) of all renters in San Mateo County spend more than 30% of income on housing costs.
- In the Bay Area, the median lower-income household would have to spend 99.8% of their income for the median low-end rental

<http://www.gethealthysmc.org/healthy-housing-data>

<https://www.zillow.com/research/q2-2018-affordability-21286/>

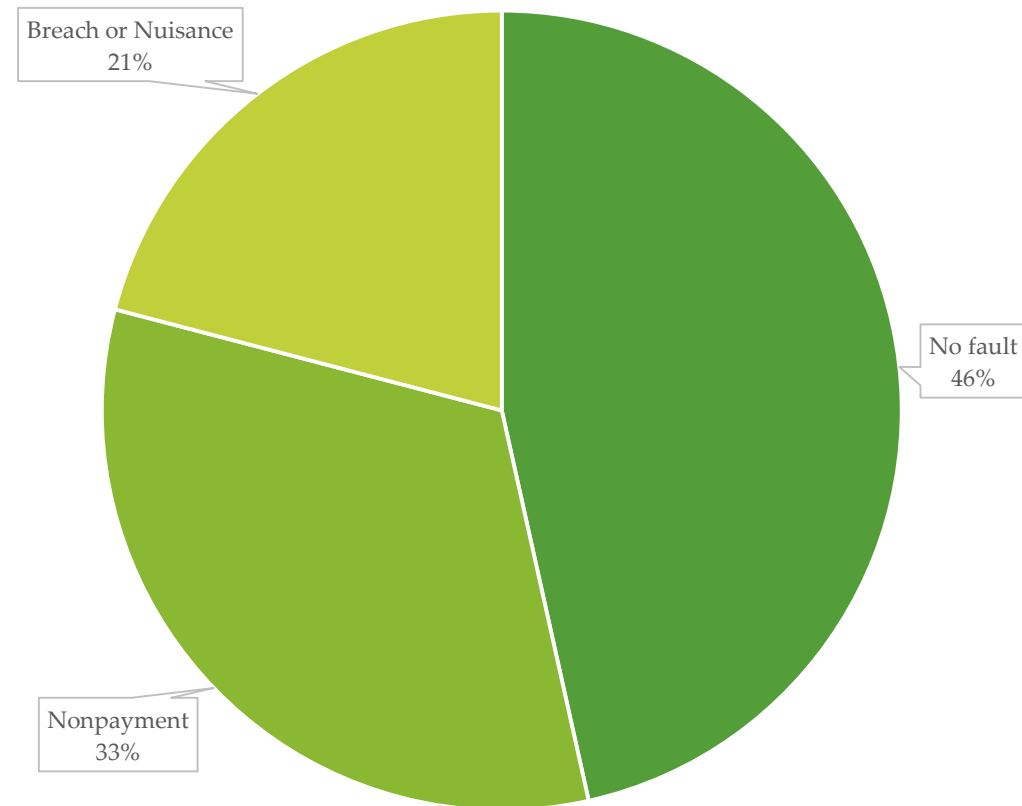
High rent burdens mean that:

- Tenants do not have savings or financial capacity to absorb the costs of a move.
- Prospective landlords are unlikely to accept these tenants for identically-priced units due to high risk of default.

No Fault Evictions

Evictions based on “no fault” terminations of tenancy are the most common documented cause of involuntary displacement in Menlo Park.

Evictions in Menlo Park (n=43)
1/1/16 - 8/1/18



Who Is Impacted?

Tenants who receive “no fault” evictions in Menlo Park:

- 49% are households with children
- 48% have a female head of household
- 40% identify as Hispanic or Latino
- 25% have a head of household over the age of 62
- 11% have a disabled head of household

Urgency Factors

- Lead time before an ordinance become effective provides window of time in which tenants may be harmed.
- Evidence to support immediate or retroactive implementation:
 - Likelihood that tenants will receive rent increase notices or evictions that would not otherwise have occurred but for the publication of proposed ordinance
 - Actual increase in evictions and/or rent increases apparently responsive to publication of proposed ordinance
 - Current magnitude of problem that ordinance is designed to address presents crisis of sufficient urgency

Affirmatively Furthering Fair Housing

The San Mateo County Assessment of Fair Housing found significant inequality in access to opportunity for low-income households.

In Menlo Park:

- Steady loss of low-income households since 2000
- Steep decline in African American population since 2000
- Disproportionate impact of displacement on families with children, African American, and Hispanic/Latino tenants