



## SPECIAL MEETING MINUTES

**Date:** 1/8/2020  
**Time:** 6:30 p.m.  
**Arrillaga Family Recreation Center – Cypress Room**  
**700 Alma St., Menlo Park, CA 94025**

**A.** Chair Merriman called the meeting to order at 6:36 p.m.

**B. Roll Call**

**Present:** Bigelow, Conroy, Grove, Horst, McGraw-Scherer (arrived 6:42 p.m.), Merriman  
**Absent:** McPherson  
**Staff:** Deputy Community Development Director Rhonda Coffman,  
Management Analyst II Mike Noce, Associate Planner Matthew Pruter

**C. Public Comment**

- Pamela Jones requested a report be provided on the status of the teacher housing units located in apartment complexes on Haven Avenue.

**D. Regular Business**

D1. Approve minutes for the Housing Commission regular meeting of November 6, 2019

**ACTION:** Motion and second (Grove/Horst) to approve the Housing Commission meeting minutes of November 6, 2019 passed 5-0-2 (McGraw-Scherer and McPherson absent).

D2. Recommendation of a below market rate housing agreement term sheet with HuHanTwo, LLC for 201 El Camino Real and 612 Cambridge Avenue

Associate Planner Matthew Pruter introduced the item. HuHanTwo, LLC legal representative, Steve Atkinson, answered project related questions.

**ACTION:** Motion and second (Grove/Conroy) to approve the recommendation of a below market rate housing agreement term sheet with the condition that the bedroom count of each BMR unit be included in the term sheet and subsequent BMR agreement with HuHanTwo, LLC for 201 El Camino Real and 612 Cambridge Avenue passed 6-0-1 (McPherson absent).

D3. Information update on potential short term rental regulations

Deputy Community Development Director Rhonda Coffman introduced the item and provided updates on potential short term rental regulations.

D4. Information update on 2016-2018 Housing Commission work plan status

Deputy Community Development Director Rhonda Coffman introduced the item and reviewed a handout (attached) of the 2016-2018 Housing Commission work plan.

**E. Reports and Announcements**

E1. Subcommittee reports (10 minutes):

Below Market Rate (BMR) Housing Guidelines Subcommittee (Bigelow/Grove) – Plans to reconvene after City Council goal setting and Housing Commission work plan development.

Housing Policy Subcommittee (Conroy/Grove/Horst) – Will continue to work with staff on potential short term rental regulations.

Marketing Subcommittee (Bigelow/Horst/McGraw-Scherer) – None.

Notice of Funding Availability (NOFA) Subcommittee (Grove/McGraw-Scherer) – None.

Secondary Dwelling Unit Subcommittee (McPherson/Merriman) – Recent state laws taking effect on January 1, 2020 are being evaluated by the City and members of the Housing Commission.

E2. Commissioner reports

None.

E3. Recommended future agenda items.

Commissioner suggested future agenda items:

- Presentation regarding Tenant Opportunity to Purchase Act (TOPA) and/or similar laws
- Information on the City of San Jose's accessory dwelling unit programs

E4. Staff updates and announcements

Deputy Community Development Director Rhonda Coffman provided a memorandum handout from Assistant City Manager, Nick Pegueros, Re: 2020-21 capital improvement plan (CIP) budget development (Attachment).

Management Analyst II Mike Noce announced the February 5, 2020 Housing Commission meeting location is to be determined.

**F. Adjournment**

Chair Merriman adjourned the meeting at 8:35 p.m.

Mike Noce, Management Analyst II, Community Development

Approved by the Housing Commission on March 4, 2020

## HOUSING COMMISSION WORK PLAN 2016-2018

Goals, projects or priorities of the Commission	Benefit, if completed	Resources needed for completion Staff or creation of subcommittees	Estimated Completion Time	Measurement Criteria How will we know how we are doing?	STATUS OF PROGRESS
<b>BMR Housing</b>	Oversight of compliance with guidelines	Staff time and Commission meetings	24 Months	Approved BMR Agreements	Complete and ongoing
<b>Housing Element Implementation</b>	In compliance with State requirements	Funding and Staff time	24 Months	Staff will present actions outlined in the Housing Element's Implementation program	Complete and ongoing
<b>Housing Projects</b>	Continued awareness of upcoming projects	Staff time (briefs from planning staff on pending projects)	24 Months	Commission knowledge of projects	Complete and ongoing
<b>Community Advocacy for Affordable Housing</b>	More awareness of the need to provide a range of housing opportunities	Subcommittee	24 Months	More acceptance of affordable housing by the community	In progress
<b>Collaborate with area Housing Agencies and Advocates</b>	Access to more resources and ideas	Subcommittee	24 Months	More communication with area housing agencies and advocates	In progress and ongoing
<b>Housing outreach and support</b>	Explore more effective ways to get housing information to the community		24 Months		In progress
<b>Become more involved in educational opportunities</b>	Housing Commission will continue to develop subject matter expertise and enhance the HC's ability to advise the City Council with regard to funding affordable housing and housing policy.		24 Months	Join Housing Leadership Council of San Mateo County Attend housing conferences	Complete and ongoing
<b>Become involved in the NOFAs (Have Housing Commission give feedback on language)</b>	Solicit a greater number of applications for funding and affordable units	Subcommittee	12 Months	Review and recommend changes for the 2017 NOFA	Complete and ongoing
<b>Review Annual BMR Report</b>	Advise City Council	Staff time and Commission meetings	Ongoing	Review and recommend action to Council	Complete and ongoing

## HOUSING COMMISSION WORK PLAN 2016-2018

<b>Propose a new regular meeting schedule</b>	Facilitate addressing Menlo Park housing needs	Staff time and Commission meetings	Complete	Schedule and hold monthly meetings	Complete
<b>Review quarterly reports from Hello Housing</b>	Improve communication of BMR program, provide oversight of contractor	Staff time	Ongoing	The Commission will review quarterly reports from Hello Housing	Complete and ongoing
<b>Prioritization of Enhanced Housing Program Policies</b>	Allow for public input on prioritization and provide advice Council	Staff time and Commission meetings	6 Months	Presentation to City Council on recommended prioritization	Complete and ongoing
<b>Review and recommend housing policy action</b>	Allow for public input on policy initiatives and recommend action to Council	Staff time and Commission meetings	24 months	Presentation to City Council on actions to address residential displacement	Complete and ongoing

**Enhanced Housing Policies Priorities List – Housing Commission final review of updated priorities, May 1, 2019**

#	Policy	Benefit	Required resources	Estimated completion	Unit type	Notes	Priority 1-3
1	Research and recommend reduced parking requirements and impact fee waivers for affordable housing developments	Reduces the cost of development	This action will require staff resources and a fee study for analysis.	18 months	All affordable units/developments	City Council gave direction that this should be for downtown only and properties within close proximity to transit. The Housing Commission requests all affordable housing developments be included	1
2	Amend BMR Guidelines to 1) allow BMR homeowners to sublet rooms to BMR renters, 2) expand list eligibility for displaced residents	1) Makes more efficient use of existing housing stock and provides a revenue source for BMR property owners and renters, 2) allows displaced residents to maintain their position on the City's BMR list for up to 3 years	This action could be incorporated into the next round of BMR guideline revisions	12 months	All BMR units		2
3	Adopt a tenant relocation assistance ordinance	Renters are provided with assistance in seeking housing and it creates a financial disincentive to landlords from displacing residents	Additional staff time for administration and enforcement	Completed	All housing units	Housing Commission made its recommendations to the City Council in early 2019 and Council adopted a new ordinance in March 2019.	Move to completed
4	Adopt the Home for All resolution	Shows the City's commitment to Housing	Can be accommodated with current staffing	Completed		Approved by the City Council March 28, 2018	Move to completed
5	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 promote programs through website and banners, possible water bill or other inserts in neighborhood newsletters and at events.  Housing Commission heard from a representative from HIP regarding	3

**Enhanced Housing Policies Priorities List – Housing Commission final review of updated priorities, May 1, 2019**

						ways to further enhance our working relationship.	
6	<p>Preserve “naturally affordable” units through conversion to BMR deed restricted units</p> <p><i>(Item formerly named “Market affordable housing preservation”)</i></p>	<p>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</p>	<p>This can be done now and has been through the City’s partnership with HIP Housing as an example.</p>	18 months	All	<p>Referred to Housing Commission for rec. on prioritization</p> <p>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.</p>	2
7	<p>Promote secondary dwelling units</p> <p><i>(also known as “accessory dwelling units or ADU’s)</i></p>	<p>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.</p>	<p>Staff is considering additional outreach for the current program. Recommendations for additional incentives will require reprioritization of staffing and possible additional staffing.</p>	24 months depending on direction	Single Family detached homes	<p>The Housing Commission voiced interest in adjustments to the minimum lot size to allow more properties to qualify for SDUs. The Housing Commission requests a joint meeting with the Planning Commission to discuss possible changes to SDU zoning requirements.</p>	1

**Enhanced Housing Policies Priorities List – Housing Commission final review of updated priorities, May 1, 2019**

9	Promote “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.	Completed	N/A	Language was included in the 2018 NOFA.	Move to completed
10	Review and draft policy on short-term rentals	There are resources becoming available through 21 Elements and other Cities and sources	Prioritization of staff time	24 months	All	The Housing Commission will consider reviewing information, resources and local ordinances related to short term rental regulations	1
11	Rental housing operational/management standards	This provides guidance to landlords and sets up a certification for compliance with operational standards.	This would require reprioritization of staffing resources and likely require additional staffing to enforce if desired.	6-12 months	All	Work with local tenant landlord support services agencies (e.g. Project Sentinel, Community Legal Services of East Palo Alto)	3
12	Right to return ordinance	Policy or ordinance to reduce displacement by giving tenants the right to return to a new unit developed in a location where their previous unit was removed or property redeveloped.	This would require reprioritization of staffing resources and likely require additional staffing to enforce (e.g. development agreements, legal, CD staff)	24 months	All		3
13	Consider recommendation of a just cause eviction ordinance	Tenant protections to reduce displacement	This would require reprioritization of staffing resources and likely require additional staffing to enforce	18 month	All	Housing Commissioners have heard many requests from community members requesting a just cause ordinance.	3

**Enhanced Housing Policies Priorities List – Housing Commission final review of updated priorities, May 1, 2019**

14	Identify housing rehabilitation loan and grant programs and other similar resources	Provide referral to resources to property owners for housing rehabilitation to preserve affordability and sustainability. Landlords agree to fix rents for a period of time in return. It is often tied to fire/seismic upgrades.	This will require a minor amount of staff time.	36 months	Rental and Ownership	Identify funding source/s that may be available to support this housing preservation activity, including resources to administer the program. Identify other existing similar housing preservation programs as referrals (outreach and marketing)	2
15	Review of housing density policies related to downtown Menlo Park with a focus on high-density, transit-oriented development. Lobbying / advocacy work on producing affordable housing in downtown Menlo Park	Increase housing stock near transit to decrease vehicle congestion and to ensure equitable distribution of affordable housing citywide.	This will require prioritization of staff resources (Housing, Planning and consultants)	12-24 months	All	Identify opportunity sites, review and evaluation of current zoning and potential for increasing density and distribution of affordable housing citywide  Surface parking lot conversion/development potential  This item would require a joint study session with the Housing Commission and Planning Commission.	1
16	Create and implement a community engagement plan related to increased density	Modify zoning to increase density to allow for housing production			All	Citywide excluding Belle Haven  Consider using available resources to assist with community engagement such as the Home for All Pilot Program and others.	2





MEMORANDUM

**Date:** 1/2/2020  
**To:** Commissioners and Committee Members  
**From:** Nick Pegueros, Assistant City Manager  
**Re:** 2020-21 Capital Improvement Plan (CIP) Budget Development

Happy New Year!

As with previous years, the City Manager's Office is transmitting this memorandum to advise the Commissions and Committees of the CIP budget development process for the upcoming year.

Before a discussion of the 2020 process, I want to commend our staff and dedicated volunteers comprising the Commissions and Committees for a very productive 2019. Several highlights include:

- New energy reach codes
- Transportation impact fee update
- New Nealon Park nature playground
- Parks and recreation facilities master plan
- Heritage tree ordinance update
- Green stormwater infrastructure plan adoption
- Citywide street resurfacing

And work continues on a number of projects! Staff continues to work diligently to complete the City Council's adopted priorities and work plan for 2019-20 as well as several CIP projects approved by the current city council and previous city councils. For more information on the City Council's adopted priorities and work plan, please visit [menlopark.org/goalsetting](http://menlopark.org/goalsetting).

The development of this year's CIP will differ from previous years in light of the proposal from Facebook to partner on the construction of a new Multigenerational Community Center and Library (MGCCL) in the Belle Haven neighborhood. The MGCCL proposal is an exciting opportunity to develop a state of the art facility for the community. If the City Council accepts the proposal and directs staff to move forward, staff expects that the MGCCL will require a great deal of interdepartmental collaboration in 2020. Specifically, the proposal outlines an aggressive construction schedule that results in the facility opening in July 2022.

At the City Council's January 28 meeting, staff will present a project plan for the MGCCL project plan, which outlines the resources necessary to entitle the project by June 2020 and begin construction in January 2021. Staff expects that the ambitious timeline for the MGCCL project will require adjustments to business as usual. Such adjustments are likely to include clear roles for the Planning Commission in the project's review and how City Council advisory bodies participate in the project.

Additionally, if the City Council accepts the Facebook proposal, staff anticipates that

the MGCCL project will be the highest priority for 2020 and require resources that have previously been committed to other projects. At their goal-setting session, tentatively scheduled for January 30, the City Council will consider recommendations from staff to suspend or cancel projects so that resources are available to meet deliverable deadlines for the MGCCL project.

Staff liaisons to the Commissions and Committees will include this memorandum for discussion at your next commission/committee meeting. At that time, I anticipate that there will be an update following the scheduled meetings below:

- January 9 – Budget process informational workshop  
5:30–7 p.m.; City Council Chambers
- January 11 – Community meeting on the MGCCL  
10 a.m.–Noon; Menlo Park Senior Center
- January 14 – City Council meeting  
5:30 p.m.; City Council Chambers  
Study session: Resource capacity analysis for anticipated projects  
Informational item: MGCCL proposal
- January 28 – City Council meeting  
7 p.m.; City Council Chambers  
Regular business item: Accept the MGCCL offer
- January 30 – City Council goal setting session  
*tentative* 1–5 p.m.; City Council Chambers

You are invited to attend any of the meetings above. Again, happy New Year, thank you for your service to our community, and looking forward to a very productive 2020.

cc: City Council  
Executive and Management Teams  
Commission and Committee staff liaisons