



## REGULAR MEETING MINUTES

**Date:** 2/2/2022  
**Time:** 6:30 p.m.  
**Location:** Zoom

### A. Call To Order

Chair Grove called the meeting to order at 6:34 p.m.

### B. Roll Call

**Present:** Bigelow, Grove, Merriman, Nguyen (arrived at 6:36 p.m.), Pimentel  
**Absent:** Leitch  
**Staff:** Acting Housing Manager Mike Noce, Contract Planner Payal Bhagat, Assistant City Attorney Eric Phillips

### C. Public Comment

None.

### D. Regular Business

- D1. Approve minutes for the Housing Commission regular meeting on November 3, 2021 and Housing Commission special meeting on November 17, 2021 (Attachment)

**ACTION:** Motion and second (Pimentel/ Merriman), to approve minutes for the Housing Commission regular meeting on November 3, 2021 and Housing Commission special meeting on November 17, 2021, passed 5-0 (Leitch absent).

- D2. Recommendation of a Below Market Rate Housing Agreement Term Sheet with Greystar for the Menlo Flats Project (165 Jefferson Drive) (Staff Report #22-001-HC)

Contract Planner Payal Bhagat introduced the item followed by a presentation by Andrew Marcos (Attachment).

**ACTION:** Motion and second (Bigelow/ Pimentel), to approve the recommendation of a Below Market Rate Housing Agreement Term Sheet with Greystar for the Menlo Flats Project with affordable units at mixed incomes, passed 5-0 (Leitch absent).

- D3. Recommend the City Council consider changes to the interest list eligibility requirements and general program description edits of the Below Market Rate Housing Program Guidelines (Staff Report #22-002-HC)

Acting Housing Manager Mike Noce provided a presentation (Attachment).

- Housing Choices representative Jan Stokley spoke in favor of universal design for accessible units and financial support for accessible unit upgrades.
- Pam Jones spoke in favor of area median income limits specific to Menlo Park.

**ACTION:** Motion and second (Grove/ Nguyen), to approve the recommendation for the City Council to

consider changes to the interest list eligibility requirements and general program description edits of the Below Market Rate Housing Program Guidelines including: 1) the removal of the year 2008 from the displacement preference; 2) include “current residence” as a provision in the unhoused preference; and 3) add a priority ranking similar to what is proposed in the staff presentation for the accessible unit preference, passed 5-0 (Leitch absent).

D4. Discussion of 2021 Housing Commission achievements

Acting Housing Manager Mike Noce provided a presentation (Attachment).

**E. Reports and Announcements**

E1. Ad hoc subcommittee reports (10 minutes):

None.

E2. Commissioner updates

None.

E3. Recommended future agenda items.

Commissioner Pimentel suggested a discussion regarding a bid process for the development of downtown parking plazas.

E4. Staff updates and announcements

Acting Housing Manager Mike Noce provided updates on:

- San Mateo County one day homeless count scheduled for February 24, volunteer needed.
- City Hall will be closed every other Friday, similar to pre-pandemic schedule.
- Housing Assistance Program information is available at [www.menlopark.org/HAP](http://www.menlopark.org/HAP)
- There is a Housing Element Update community meeting scheduled for February 12

**F. Adjournment**

Chair Grove adjourned the meeting at 9:09 p.m.

Mike Noce, Acting Housing Manager, Community Development

### NOVEL CORONAVIRUS, COVID-19, EMERGENCY ADVISORY NOTICE

On March 19, 2020, the Governor ordered a statewide stay-at-home order calling on all individuals living in the State of California to stay at home or at their place of residence to slow the spread of the COVID-19 virus. Additionally, the Governor has temporarily suspended certain requirements of the Brown Act. For the duration of the shelter in place order, the following public meeting protocols will apply.

Teleconference meeting: All members of the Housing Commission, city staff, applicants, and members of the public will be participating by teleconference. To promote social distancing while allowing essential governmental functions to continue, the Governor has temporarily waived portions of the open meetings act and rules pertaining to teleconference meetings. This meeting is conducted in compliance with the Governor's Executive Order N-25-20 issued March 12, 2020, and supplemental Executive Order N-29-20 issued March 17, 2020.

- How to participate in the meeting
  - Access the meeting real-time online at:  
Zoom.us/join – Regular Meeting ID #997-7506-7654
  - Access the regular meeting real-time via telephone (listen only mode) at: (669) 900-6833 Regular Meeting ID 997-7506-7654

Subject to Change: Given the current public health emergency and the rapidly evolving federal, state, county and local orders, the format of this meeting may be altered or the meeting may be canceled. You may check on the status of the meeting by visiting the City's website [www.menlopark.org](http://www.menlopark.org). The instructions for logging on to the webinar and/or the access code is subject to change. If you have difficulty accessing the webinar, please check the latest online edition of the posted agenda for updated information ([menlopark.org/agenda](http://menlopark.org/agenda)).

# MENLO FLATS

## HOUSING COMMISSION MEETING

### FEBRUARY 2, 2022



## Menlo Flats Project Overview

### General Info

- 158 rental apartment units
- ~15K sq. ft. commercial space

### Entitlement Process

- Draft EIR released on 10/25 which started 45-day public review period which closed on 12/9
- Response to comments will be presented to Planning Commission for project approval spring 2022



## Community Outreach Process

### What kind of outreach have we done?

- Robust community outreach process since 2020
  - Flyers sent to 6,000+ addresses in Belle Haven/Menlo Park/East Palo Alto neighborhoods
    - June 2020 – Flyer provided overview and opportunity for one-on-one discussions
    - Nov. 2021 – Flyer provided overview and dates of two virtual community meetings hosted by Greystar on November 6<sup>th</sup> and 10<sup>th</sup>
  - 10 one-on-one phone calls with community members
  - Two (2) presentations to Menlo Park Chamber of Commerce; most recent in Oct. 2021

### How has this outreach shaped our project's BMR program?

- The community's wants and needs have changed since 2016; as such, the project will satisfy the City's Community Amenity requirement through contribution of an in-lieu fee
- Community wants more affordable housing as quickly as possible!
  - Two BMR alternatives for 21 onsite BMR units based on feedback: (1) All low income BMR mix and (2) Equivalent Alternative mix of income levels (averaging to low)

## BMR Proposal Overview

- Working with City staff and the community since 2020 on Menlo Flats
- 21 units as onsite BMR units
  - Two BMR alternatives:
    - All low-income level (80% AMI)
    - Equivalent Alternative mix of income levels (averaging to low)
- Project BMR units will be:
  - 100% compliant with the City's BMR guidelines
  - Same proportionate size as market-rate units
  - Distributed throughout the project
  - Indistinguishable from market-rate units
  - Inclusive and available to special needs populations (e.g. senior, veterans, etc.)
- Our team looks forward to cooperating with the City on an ongoing basis to occupy on-site BMR units

## Proposed BMR Unit Mix

- The proposed BMR unit mix will mirror the overall unit breakdown for the project
- Based requests from Housing Commission on Greystar's Menlo Uptown and Menlo Portal communities, we included an Equivalent Alternative featuring a mix of affordability levels to the BMR proposal

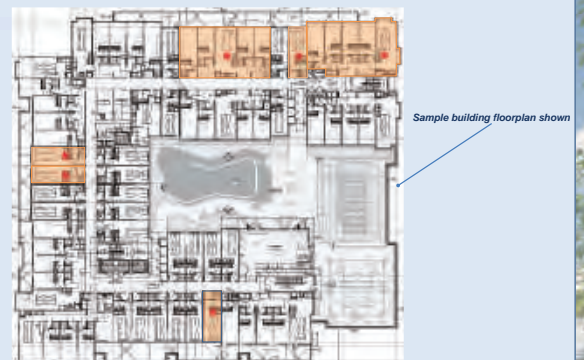
### BMR Alternatives

- Alternative 1:
  - Low-Income Units: 21
- Alternative 2 (Equivalent Alternative):
  - Very Low-Income Units: 4
  - Low-Income Units: 12
  - Moderate-Income Units: 5

\*All units subject to 75% of market rate cap

## Sample Distribution of BMR Units

Indicates BMR location



Sample building floorplan shown

- Units will be distributed throughout the project, indistinguishable from market-rate units

## THANK YOU

We welcome the opportunity to stay in touch:

- Send us an email: [amorcos@grevstar.com](mailto:amorcos@grevstar.com)








# BELOW MARKET RATE HOUSING PREFERENCES

Housing Commission Meeting 2/2/22




# AGENDA

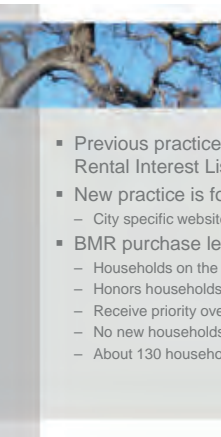

- Below Market Rate Housing Guidelines background (BMR guidelines)
- Proposed preference updates
- Feedback and recommendation(s)




# BACKGROUND

- The current version of the BMR guidelines were last updated and approved by City Council in 2018.
- Menlo Park's 2015-2023 Housing Element program calls for potential modifications to the BMR guidelines.
- In early 2021, Housing Commission establishes BMR guidelines ad hoc subcommittee
  - Helps inform staff and the Housing Commission of potential modifications
  - Subcommittee presentation on October 6, 2021
- Staff divided recommendations into two stages
  - Stage one: BMR preferences criteria
  - Stage two: development fees, inclusionary unit requirements



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# BMR INTEREST LIST

- Previous practice was for the City to maintain both a BMR Purchase List and Rental Interest List
- New practice is for one central interest list managed by HouseKeys
  - City specific website at [www.housekeys10.com](http://www.housekeys10.com)
- BMR purchase legacy list
  - Households on the Purchase List as of January 1, 2021 transferred to the legacy list
  - Honors households requirement to pay yearly \$15 fee to update files annually
  - Receive priority over all other BMR buyers until the list is exhausted
  - No new households can be added, fees are no longer charged
  - About 130 households on the legacy list of various sizes and incomes

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# BMR GUIDELINES PREFERENCE CRITERIA

- Displacement preference**
  - Current guidelines:
    - Must have resided in Menlo Park in 2008 and displaced
  - Proposed:
    - Residing in Menlo Park any time since 2008 for three or more years and displaced
- Unhoused persons (or households) preference**
  - Current guidelines:
    - Require last permanent residence to be in Menlo Park
  - Proposed:
    - Requires evidence their current residence is in Menlo Park
  - Documentation from a case manager or homeless services provider is still required for proof of residency

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# LIVE/WORK PREFERENCE

- Current guidelines:
  - Required minimum of one year of residency
- Proposed:
  - Removes one year of residency
  - Expands work to include unpaid/volunteer
    - 20 hours per week minimum is still required
- Promotes stable communities and reduces miles traveled to work

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## ACCESSIBLE UNIT PREFERENCE

- Limited number of accessible units produced
  - The need to provide a preference exists due to the limited number of units produced
  - About 10% of all units in new buildings required to be accessible (smaller subset will be BMR and accessible)
- Current guidelines:
  - Specific to wheelchair users
  - Applies only to ownership/purchase
- Proposed:
  - Expands preference to include all persons with accessible needs
  - Staff invites the feedback of the commission on the level/ranking of accessible users



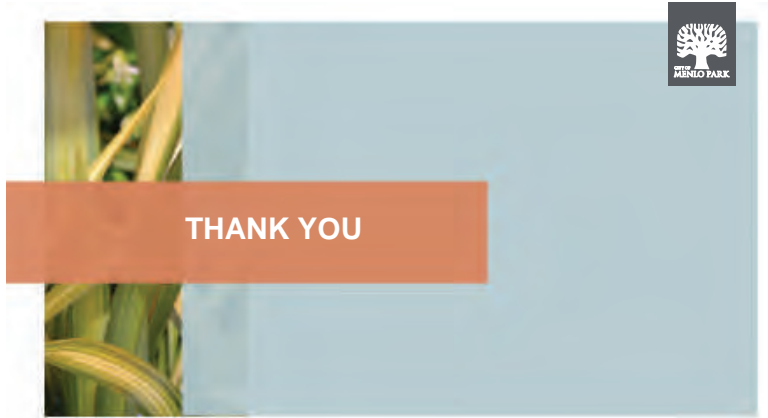
## ACCESSIBLE UNIT PREFERENCE

- Staff has received some questions about the clarity of this item.
- Ranking of accessible units:
  - Accessible units are assigned to MP households with accessibility needs, in order of lottery ranking (add work, displaced and unhoused?)
  - Accessible units are assigned to non-MP households qualifying with accessibility needs, in order of lottery ranking (person does not qualify for MP preferences, but has accessible need)
  - All remaining units are assigned to MP Live/Work households in order of lottery ranking
  - Any remaining units are assigned to households with neither preference
- Accessible summary
  - The City can use live/work, displacement and unhoused preferences in ranking of accessible units
  - Staff will update BMR guidelines language dependent on the commission's feedback



## SUMMARY

- All income qualified persons and households are welcomed when applying for affordable BMR rental and ownership opportunities
  - Preferences do not prevent any person or household from being eligible for BMR housing
  - Preferences do affect an applicant's final ranking
  - Therefore, it may take longer for a person or household without a preference to move into a BMR unit within the City
- Input is vital to the process



THANK YOU



## HOUSING COMMISSION ACHIEVEMENTS 2021



### 2021 ACHIEVEMENTS

- Three NOFA proposals received in January
  - Proposal approval timeline:
  - **February 2021:** \$5.5 million approved for purchase of 6-8 Coleman Place by HIP Housing
  - **May 2021:** \$1.2 million approved for a homeownership preservation program by Habitat for Humanity
  - **TBD:** pending \$3.6 million toward 12 new townhomes for BMR ownership by MidPen Housing



### 2021 ACHIEVEMENTS

- Reviewed 7 term sheets on a variety of development projects
- Feedback and review of the Housing Element APR
- Formation of BMR Guidelines Ad Hoc Subcommittee
- Feedback on Housing Element Update
  - 4 meetings both special and included in regular business
  - Joint meeting with the Planning Commission on October 4, 2021