



HOUSING COMMISSION MINUTES

Regular Meeting

November 4, 2009

5:30 p.m.

Administrative Building Conference Room, First Floor
701 Laurel Street, Menlo Park, CA 94025-3483

CALL TO ORDER

Chair Moser called the meeting to order at 5:30 p.m. in the Administrative Building Conference Room.

ROLL CALL

Housing Commission Members Present: John Bautista, Patricia Boyle (Vice Chair), Elizabeth Lasensky, Anne Moser (Chair), Brian Steuer, Katherine Strehl.

Housing Commission Members Absent: Carolyn Clarke.

Staff Present: Douglas Frederick, Housing Manager; Megan Nee, Management Analyst.

The Commission welcomed new Housing Commissioner John Bautista.

A. PUBLIC COMMENT – None.

B. BUSINESS ITEMS

1. Discussion of Potential Development Options for the Hamilton Avenue East site.

Housing Manager Frederick introduced the item and pointed out the proposed project site on a large display map of the redevelopment project area. He said the City has had discussions with the landowners along the project site and the City Council's direction was to think about the site/project in terms of the whole area there. He explained that the City owns 2.1 acres, which was primarily purchased to eradicate an obnoxious use there. Originally there had been some idea that the businesses that occupied what is now the Hamilton Park development might also relocate to the site, however, none of the businesses wanted to move there so it has remained vacant.

Housing Manager Frederick said the proposed project area, including the City owned lot, is about 7.1 acres. He said the City is thinking of changing the zoning there to R3, which is a higher density zoning. If nobody is interested in the entire project site then the City can develop its land and the remaining land could be sold to whoever is interested and we'd possibly have a combined type development, he explained. He said the City is considering the possibility of higher density for the site in case the railway there ever becomes a commuter rail line and it is a good location for transit oriented development or bus rapid transit. He explained that staff is going to the City Council next Tuesday to ask them the same questions we're asking the Commission tonight. He said the process we're intending to take is to get input here at the

Commission and the City Council. Once we have some general parameters, then we'll go to the community about what they might like to see there, he said.

The Commission noted that at the recent Belle Haven community meeting, residents said they would be okay with higher density. Commissioner Lasensky noted the community would seem to prefer a mix there, not 100% BMR housing. Housing Manager Frederick stated that at least 15 percent would need to be BMR but the requirement may be greater, depending on how much money the City puts in. Commissioner Boyle commented that the City still has the goal of meeting the housing production numbers and we have to keep that in mind. Housing Manager Frederick responded that the RHNA numbers are broken down into different affordability levels. Commissioner Lasensky inquired if the whole property has to be the same level of density and Housing Manager Frederick replied, no. He said maybe we should have a mix of densities there with heavier densities towards the commercial side and lower for residential. Chair Moser asked what subsidies are available. Housing Manager Frederick stated that the City/Agency is not going to do land assembly. He said we have a piece of land that we will sell to the developer and try to convince other property owners to sell to the developer, too. Commissioner Lasensky said it would be nice to have a branch library there but of course we need to ask the community what they want. Chair Moser suggested the possibility of putting a post office substation there. She also wondered about putting a pharmacy there.

At 5:50 Commissioner Steuer arrived.

The Commission discussed the existing retail uses near the project site. Several Commissioners expressed a desire for the development to incorporate green building practices. Housing Manager Frederick noted that so far the discussion seems to be that the housing there would be ownership rather than rental. Chair Moser commented that the City should consider rental housing and particularly senior rental housing. Several Commissioners also expressed a desire to see some open or green space there.

Housing Manager Frederick explained that if the property is zoned to the maximum zoning for R3 then there could be 280 housing units on the site, though he noted he does not think that is the direction the City will take. The Commission also discussed parking and potential drainage problems for the site. Chair Moser asked what the height might be and Housing Manager Frederick said he does not know. Commissioner Lasensky commented that the Belle Haven community is very sensitive to not putting all the affordable housing there and could be sensitive to height issues. Commissioner Bautista asked for examples of projects with similar densities and Housing Manager Frederick said there is a 40 unit to the acre development at Santa Cruz and Sand Hill Road, which is the only one he knows of that would be similar. Other than that, he said, 18.5 units to the acre is the most dense we have. The Commission continued to discuss the densities of different developments around town. Housing Manager Frederick commented we also have to consider the requirements of the Housing Element update and the need to zone for a certain amount of low-income housing. When we designate a site for inclusion in the Housing Element, eventually we have to rezone it to the designation we've given, he said. He also pointed out that all such sites will have low income housing but the only ones we will get credit for are those that are zoned 30 units to the acre. Commissioner

Lasensky stressed that it would be a mistake to under-zone this new site. Commissioner Boyle noted it would be nice to have a generational mix residing there, not just seniors. The Commission then discussed the potential mix of income levels for the project and there was general consensus that it should include all different income levels.

Housing Manager Frederick said they are talking about having the December meeting be a joint Housing Commission/Neighborhood Association meeting. The meeting would be on the usual date since the Neighborhood Association also meets on the first Wednesday of the month. Commissioner Lasensky responded that the community has already said they would accept higher density at this site in exchange for not building on the Terminal Avenue site. Housing Manager Frederick said there are some realities of development that may preclude some of the ideas we've been talking about. For instance, he explained, a library would be great but it may not work in a development of this nature because retail space may be too expensive to put a library in. He added that the City's business development experts are saying many commercial/retail uses wouldn't work at this site because the site itself does not get a lot of traffic. They are discouraging some uses there, he said, even though the community needs them. Commissioner Strehl inquired about the timeframe and Housing Manager Frederick said that by April 1, 2011 we need to have the property transferred to a developer including zoning changes and General Plan amendment. Some of the land there is currently zoned R3 but most of it is currently zoned industrial, he added.

Chair Moser announced that regarding the proposed project, she would like to speak on behalf of the Commission at the next City Council meeting. There was consensus among Commissioners that Chair Moser should present to the City Council on this matter. Chair Moser added she would also like to thank the Council for appointing three new members of the Commission. .

Commissioner Steuer commented that he doesn't think the Commission has enough information at this point to identify priorities for the project. With the information we have and looking at Housing Manager Frederick's questions, he explained, it all looks great. We would require more information on the needs of the Belle Haven community, he said. Commissioner Bautista said the City has a mandate to provide more affordable housing so this is the most important thing, then other things such as green building, amenities, etc., if they can be accommodated. Commissioner Boyle said she thinks the Commission can give direction but cannot give specific direction at this point.

2. Update on Activities for the Foreclosure Prevention Program and the Neighborhood Stabilization Program

Housing Manager Frederick noted that staff has received two applications for the FPP program so far. He said they were screened for initial eligibility and forwarded on to the nonprofit partner group. He also noted that ads had been placed in the Almanac for both programs. He said the NSP program was approved in October and staff has placed an RFQ for a realtor for the program. The RFQ is due by November 19, he said.

3. Approval of October 7, 2009 Minutes

M/S Boyle/Lasensky to approve the October 7, 2009 minutes as corrected; 3-0-2.

C. REPORTS AND ANNOUNCEMENTS

1. Update on Housing Activity (Report from Staff)

Housing Manager Frederick reported that the City is under contract to resell a BMR unit in the Vintage Oaks development. In addition, he said, he went to court yesterday with members of the City Attorney's team regarding the foreclosed BMR unit at Menlo Square. He said the Court ordered that title to the unit be changed to the City. If the unit's owner doesn't sign the form to change title, he said, the Clerk of Court can sign it, which would thereby transfer ownership to the City.

2. Report from the Chair

Chair Moser said she was too late to register for the Housing Leadership Council's Housing Leadership Day. Commissioner Boyle said the conference was packed. Commissioner Lasensky said it was a very good conference and reuse of old buildings and foreclosures were big topics. Chair Moser reported that she spoke as an individual at a City Council meeting regarding the need for housing at the Cadillac site. She also said she had seen an article in the paper, which reported that the head of the City's Business Development Division, David Johnson, will be the new head of the Redevelopment Agency. She said it would be nice to invite him to meet with the Commission so we know a little bit about his views. Housing Manager Frederick said he will try to have him attend either the December or January meeting.

3. Commission Member Reports

Commissioner Boyle reported that she attended an ABAG meeting and the new Deputy Secretary of HUD spoke and he was very exciting. She said she will go to the 2009 Housing Trust of Santa Clara County Housing Summit on November 11 and Rose Jacobson will be there.

D. INFORMATION ITEMS

1. Monthly Report on the Housing Rehabilitation Loan Program for September 2009

Housing Manager Frederick reported that there is a minor repair project underway. He noted the Hill project is still tied up in some title issues however, George Starmer has identified about \$315,000 of new work if it all pans out.

E. ADJOURNMENT: The meeting was adjourned at 6:55 p.m.

Respectfully submitted,
Megan Nee
Management Analyst