



# Housing Commission

## REGULAR MEETING AGENDA

**Date:** 10/6/2021

**Time:** 6:30 p.m.

**Regular Meeting Location:** [Zoom.us/join](https://zoom.us/join) – ID #997-7506-7654

### 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](https://zoom.us/join) – Regular Meeting ID #997-7506-7654
  - Access the regular meeting real-time via telephone at:  
(669) 900-6833  
Regular Meeting ID 997-7506-7654  
Press \*9 to raise hand to speak

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)).

### Regular Session ([Zoom.us/join](https://zoom.us/join) – ID# 997-7506-7654)

- 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. 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 regular meeting on September 1, 2021 ([Attachment](#))
- D2. Presentation by the BMR Ad Hoc Subcommittee on potential modifications to the required contribution of inclusionary units for residential development projects and changes to housing program preferences ([Presentation](#))

## **E. Reports and Announcements**

- E1. Ad hoc subcommittee reports
- E2. Commissioner updates
- E3. Recommend future agenda items
- E4. Staff updates and announcements

## **F. Adjournment**

At every Regular Meeting of the Commission, in addition to the Public Comment period where the public shall have the right to address the Commission on any matters of public interest not listed on the agenda, members of the public have the right to directly address the Commission on any item listed on the agenda at a time designated by the Chair, either before or during the Commission's consideration of the item.

At every Special Meeting of the Commission, members of the public have the right to directly address the Commission on any item listed on the agenda at a time designated by the Chair, either before or during consideration of the item. For appeal hearings, appellant and applicant shall each have 10 minutes for presentations.

If you challenge any of the items listed on this agenda in court, you may be limited to raising only those issues you or someone else raised at the public hearing described in this notice, or in written correspondence delivered to the City of Menlo Park at, or prior to, the public hearing.

Any writing that is distributed to a majority of the Commission by any person in connection with an agenda item is a public record (subject to any exemption under the Public Records Act) and is available by request by emailing the city clerk at [jaherren@menlopark.org](mailto:jaherren@menlopark.org). Persons with disabilities, who require auxiliary aids or services in attending or participating in Commission meetings, may call the City Clerk's Office at 650-330-6620.

Agendas are posted in accordance with Government Code §54954.2(a) or §54956. Members of the public can view electronic agendas and staff reports by accessing the City website at [menlopark.org/agenda](http://menlopark.org/agenda) and can receive email notification of agenda and staff report postings by subscribing to the "Notify Me" service at [menlopark.org/notifyme](http://menlopark.org/notifyme). Agendas and staff reports may also be obtained by contacting City Clerk at 650-330-6620. (Posted: 9/30/2021)



## REGULAR MEETING MINUTES – DRAFT

Date: 9/1/2021

Time: 6:30 p.m.

Regular Meeting Location: [Zoom.us/join](https://zoom.us/join) – ID #997-7506-7654

### A. Call To Order

Chair Grove called the meeting to order at 6:35 p.m.

### B. Roll Call

Present: Grove, Horst, Leitch, Merriman, Nguyen, Pimentel

Absent: Bigelow

Staff: Deputy Community Development Director Rhonda Coffman, Management Analyst II Mike Noce, Associate Planner Matt Pruter

### C. Public Comment

- San Mateo County National Alliance for Mental Health representative Carolyn Shepard spoke in support of housing for those experiencing mental health and other disabilities being included in the City's housing element update.
- Housing Choices representative Kalisha Webster spoke in favor of the housing element update identifying housing for approximately 167 people with intellectual and developmental disabilities that her organization works with in Menlo Park.

### D. Regular Business

- D1. Approve minutes for the Housing Commission regular meeting on August 4, 2021 ([Attachment](#))

**ACTION:** Motion and second (Leitch/ Horst), to approve the Housing Commission regular meeting minutes on August 4, 2021, passed 5-0 (Nguyen abstaining, Bigelow absent).

- D2. Recommendation of a below market rate housing agreement term sheet with Dan Beltramo for 1550 El Camino Real ([Staff Report #21-009-HC](#))

Associate Planner Matt Pruter introduced item D2.

**ACTION:** Motion and second (Pimentel/ Merriman), to approve a Below Market Rate Housing Agreement Term Sheet with Dan Beltramo for 1550 El Camino Real, passed 5-0 (Nguyen abstaining, Bigelow absent).

### E. Reports and Announcements

- E1. Ad hoc subcommittee reports (10 minutes):

Commissioner Horst provided information for the below market rate guidelines ad hoc subcommittee regarding high priority policy items expected to return to the Commission for discussion in October.

E2. Commissioner updates

Chair Grove announced she will attend the Non-Profit Housing conference on September 24 and that the August 31 City Council meeting included an informational update on the housing element update.

Commissioner Merriman spoke about the American Medical Associations recent report on housing being a form of healthcare.

E3. Recommended future agenda items.

The Commission suggested future agenda items:

- Housing for individuals with developmental disabilities being considered in the housing element update.

E4. Staff updates and announcements

Deputy Community Development Director Rhonda Coffman provided updates on:

- M-Group and City staff to provide a date for a joint Planning and Housing Commissions meeting.

**F. Adjournment**

Chair Grove adjourned the meeting at 7:56 p.m.

Mike Noce, Management Analyst II, Community Development

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

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# BMR Ad-Hoc Subcommittee

Menlo Park Housing Commission  
October 6, 2021

# Agenda

Update

Presentation of Highest Priority Proposals

- BMR Preferences

- BMR Ownership Inclusionary Requirements

- BMR Rental Inclusionary Requirements

Public Comment

Discussion



# Update - What we've done

Generated a list of proposed clean-up and policy updates

Prioritized highest priority items and evaluated resources required for each

**Narrowed focus to three high priority items to accomplish in 2021**

One month delay due to staffing changes but still on track for 2021



# Focus - Three High Priority Items

BMR preferences

Inclusionary requirements for ownership units

Inclusionary requirements for rental units

# BMR Preferences

# BMR Preferences - Proposed Changes

## STATUS QUO

1. Live or Work in, or Displaced from, Menlo Park
  - Live includes unhoused
  - Work at least 20 hours
  - Displaced in 2008 (but not since)

## PROPOSED

1. **Bonafide wheelchair user**
2. Live or Work in, or Displaced from, Menlo Park
  - Live includes unhoused
  - Work at least 20 hours
  - **Displaced since January 1, 2008** and previously lived in Menlo Park at least 3 years

# BMR Preferences - Public Input

## TIERS PROCESS

1. 5 long-time Belle Haven residents
  - 3 Black (important because of foreclosure crisis impact)
  - 2 Latinx (important because of foreclosure crisis impact)
2. Samaritan House, CLSEPA, Legal Aid, Nuestra Casa

## INPUT

1. Bonafide wheelchair user - strong support
2. Displaced - strong support - do outreach to reach people - know people who still work in the area (but not MP) and want to return
3. One suggested to put Work last (thinking is that segment of workforce are same people who caused displacement)
4. Ensure that people who rent rooms without a contract and work informal jobs in Menlo Park can qualify

# Inclusionary Guidelines - Ownership

# Inclusionary Guidelines - Problem Statement

## OWNERSHIP

- No affordability-level requirement specified
  - 68 BMR ownership units
    - 67 Moderate Income affordable
    - 1 Low Income affordable
  - Legacy Wait list includes households with Low/Very Low/ELI incomes
- Tiered % requirement could incentivize fewer, larger units

# Inclusionary Guidelines - Proposal

## OWNERSHIP

### STATUS QUO

Affordability level not specified + tiered % requirement

Units	% required	Affordability Level
1-4 Units	None	n/a
5-9 Units	1 Unit	VLI, LI or MOD
10-19 Units	10%	VLI, LI, and MOD
20 or more	15%	VLI, LI, and MOD

*Fractional units paid into BMR Fund or rounded up to nearest unit*

### PROPOSAL

$\frac{1}{2}$  Low Income,  $\frac{1}{2}$  Moderate Income + No minimum + all 15%

Units	% required	Affordability Level
1-6 Units	15%	In-lieu fee
7-12 Units	15%	1 LI + fractional unit fee
13-19 Units	15%	1 LI + 1 MOD + fractional unit fee
20 or more	15%	$\frac{1}{2}$ LI, $\frac{1}{2}$ MOD + fractional unit fee

*First actual unit must be Low Income affordable.*

*Fractional units paid into BMR Fund or rounded up to nearest unit*

# Inclusionary Guidelines - Proposal

## OWNERSHIP

### STATUS QUO

- Affordability level not specified
- Tiered % requirement
- Fractional units paid to BMR Fund or rounded up to nearest unit

Units	% required	Affordability Level
1-4 Units	None	n/a
5-9 Units	1 Unit	VLI, LI or MOD
10-19 Units	10%	VLI, LI, and MOD
20 or more	15%	VLI, LI, and MOD

### PROPOSAL

- ½ Low Income; ½ Moderate Income
- No tiers - 15 % required, even for single residence
- Fractional units paid to BMR Fund or rounded up to nearest unit
- First actual unit must be Low Income

Units	% required	Affordability Level
1-6 Units	15%	In-lieu fee
7-12 Units	15%	1 LI + fractional unit fee
13-19 Units	15%	1 LI + 1 MOD + fractional unit fee
20 or more	15%	½ LI, ½ MOD + fractional unit fee



# Inclusionary Guidelines - Rental

# Inclusionary Guidelines - Problem Statement

## RENTAL

- The leading cause of homelessness is a lack of affordable housing
- People who are homeless are disproportionately Black (30%) and disabled (26%)
- In Menlo Park, in 2019:
  - White full-time workers earned a median of \$152,546
  - Black full-time workers earned a median of \$41,333,
  - Latinx full-time workers earned a median of \$43,255
- **Extremely Low and Very Low Income affordability is what is needed by >50% of our Black and Latinx residents.**

### Sources:

- <https://calmatters.org/explainers/californias-homelessness-crisis-explained/>
- <https://bayareaequityatlas.org/indicators/median-earnings#/?geo=070000000000646870>

# Inclusionary Guidelines - Problem statement

## RENTAL

- Currently, for 20 or more units, we require 15% of units to be affordable at “low income” affordability or “an equivalent mix”.
- **“Equivalent mix” lacks clarity** - and can result in too few VL income units
- More projects in the pipeline, and SB330 limits the ability to review alternatives.
- **11 BMR units needed for every one that exists - greatest need at deepest affordability**
- 1300 and 500 ECR missed opportunities - permitted before inclusionary ordinance allowed for rentals

# Inclusionary RENTAL - Proposal

## STATUS QUO

- Tiered % requirement
- Fractional units paid into BMR Fund or rounded up to nearest unit
- Affordability level “all low income or equivalent mix”

Units	% required	Affordability Level
1-4 Units	None	n/a
5-9 Units	1 Unit	VLI, LI or MOD
10-19 Units	10%	VLI, LI, and MOD
20 or more	15%	VLI, LI, and MOD

## PROPOSAL

- Fixed % requirement - no tiers
- Fractional units paid into BMR Fund or rounded up to nearest unit
- Three options:
  - a. 15% Inclusionary Requirement with  $\frac{1}{3}$  Very Low Income,  $\frac{1}{3}$  Low Income,  $\frac{1}{3}$  Moderate Income unit mix
  - b. 10% Inclusionary Requirement with  $\frac{1}{3}$  Extremely Low Income,  $\frac{1}{3}$  Very Low Income,  $\frac{1}{3}$  Low Income unit mix
  - c. 25% Inclusionary Requirement with (Financially Comparable) Land Donation

# Inclusionary Guidelines - Proposal

## Option a) 15% at VLI/LI/MI

Units	% Required	Affordability Level
1-6 units	15%	In-lieu fee
7-12 units	15%	1 LI + fractional unit fee
13-19 units	15%	1 VLI + 1 LI + fractional unit fee
20-26 or more units	15%	1 VLI + 1 LI + 1 MI + fractional unit fee
27-33 units	15%	1 VLI + 2 LI + 1 MI + fractional unit fee

# Inclusionary Guidelines - Proposal

## Option b) 10% at ELI/VLI/LI

Units	% Required	Affordability Level
1-9 units	10%	In-lieu fee
10-19 units	10%	1 VLI + fractional unit fee
20-29 units	10%	1 ELI + 1 VLI + fractional unit fee
30-39 or more units	10%	1 ELI + 1 VLI + 1 LI + fractional unit fee
40-49 units	10%	1 ELI + 2 VLI + 1 LI + fractional unit fee

# Inclusionary Guidelines - Proposal

## Option c) 100% affordable land donation

### ***Land donation 25% Inclusionary Requirement***

- Must be on-site or at higher opportunity alternative location
- Developer must partner with nonprofit housing developer
- Unit mix of ELI/VL/L/other special needs, such that project qualifies for County, State, Federal funding
- At least **x%** (determine what is fair, feasible and attractive, to encourage for-profit developers to partner with affordable housing providers to build 100% affordable housing and to achieve more deeply affordable units)

# Discussion prompts



# DISCUSSION

## Inclusionary Guidelines - RENTAL SUMMARY

### **15% at Very Low/Low/Moderate Income Affordable:**

- ⅓ affordable to VLI
- ⅓ affordable to LI
- ⅓ affordable to MI
- First non-fractional unit is LI affordable; Second is VLI
- Fractional units paid into BMR Fund or rounded up to nearest unit

### **10% at Extremely Low/Very Low Income/Low Income Affordable:**

- ⅓ affordable to ELI
- ⅓ affordable to VLI
- ⅓ affordable to LI
- First non-fractional unit is VLI affordable; Second is ELI
- Fractional units paid into BMR Fund or rounded up to nearest unit

### **25% deeply affordable and special needs via Land Donation and partnership:**

- Land donation - on site (or at a higher opportunity alternate site)
- Partner with nonprofit housing developer
- Mix of ELI/VL/L/other special needs - such that project qualifies for County, State, Federal funding
- At least **x%** (determine what is fair, feasible and attractive, to encourage for-profit developers to partner with affordable housing providers to build 100% affordable housing and to achieve more deeply affordable units)

Thanks!