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**MEDIA CONTACTS:**

**Barbara Evans, (650) 568-7331**

**[communications@peninsulahabitat.org](mailto:communications@peninsulahabitat.org)**

**Rose Anne Raphael, (510) 549-2994**

**[raphael@gumas.com](mailto:raphael@gumas.com)**

## **Menlo Park Council Approves Funding Plan for Low-Income Homes**

**Plan Allows SummerHill Homes to Use \$2.5 Million to Fund  
22 Habitat for Humanity Homes in Menlo Park**

**Menlo Park, CA – April 5, 2007** – The construction of 22 new below-market-rate (BMR) homes in Menlo Park is closer to a reality, thanks to a unique solution unanimously approved by the Menlo Park City Council at its March 20 meeting.

The council voted 5-0 to allow SummerHill Homes to use an estimated \$2.5 million in funds from the development of three of the five BMR homes at its approved 75 Willow Road project to instead help fund the creation of 22 BMR homes in Menlo Park by Peninsula Habitat for Humanity.

“We are very excited by this creative solution, which increases the amount of much-needed ownership housing for low-income families in Menlo Park,” said Mary Boughton, executive director, Peninsula Habitat for Humanity.

“This unique partnership – a first for the City of Menlo Park – allows us to provide an opportunity to serve 22 low-income families with funds that would have served only three families under the previous arrangement,” said Elaine Breeze, SummerHill Homes senior vice president.

In addition to the funding, SummerHill Homes will provide pro-bono expertise to Habitat for Humanity for the project, which would be located at 297 Terminal Avenue in Menlo Park. At the council meeting, the plan received wide support from a variety of community members, including Menlo Park residents, representatives from Menlo Park faith communities, potential and current Habitat homeowners, Habitat for Humanity supporters and City Council members. The alternative proposal also received an endorsement from the Housing Leadership Council of San Mateo County.

According to the Menlo Park Community Development Department report prepared for the March 20, 2007, meeting, “The basis for the alternative approach is a combination of a strong need for very-low and low-income BMR units in the City and the difficulties of developing the Terminal Avenue site.” In addition, “The (Housing) Commission noted that without the proposed payment and dedication of funds from the SummerHill Homes project at 75 Willow Road, the Habitat project at 297 Terminal Avenue might not be financially feasible.”

While the approval of the agreement did not constitute approval of the Habitat project, it provided the opportunity for the City’s first low-income housing project in 25 years to move forward, according to the City. Habitat has been working since 2001 with the City of Menlo Park on the proposed project; the City owns a majority of the site. It would be the City’s first ownership low-income project.

After learning of Habitat’s need, SummerHill Homes, along with Habitat broached the idea with City staff and the City’s Housing Commission last July. Breeze and other SummerHill Homes representatives spent many hours of volunteer time with consultants, City staff and nearby developers to evaluate the site, costs and issues involved with making the transfer and assisting Habitat for Humanity in reaching its construction goals. The gap funding provided by SummerHill Homes will make it feasible for Peninsula Habitat for Humanity to develop the homes, due to extraordinary costs related to site development and the entitlement process. According to Breeze, their proposal showed that “an out-of-the-box idea like this can create more housing for people with greater types of need for the same cost – it’s a ‘win-win’ for all concerned.”

The alternative BMR program affects three of the five BMR homes required by the City to be built at the 75 Willow Road community. The remaining two BMR homes will continue to be constructed at the Willow Road community.

During public testimony at the March 20 Menlo Park City Council meeting, a number of people spoke in favor of the funding plan, and none spoke in opposition. A city employee and Menlo Park resident since 1991, said, “My wife and I have two children; we’ve been on the City’s BMR list for many years. By allowing this alternative to the BMR agreement, you would be giving families like mine not only the opportunity to live in the communities they work in, but to become homeowners, which is a qualitative difference I think would change our community for the better.”

A representative of the Menlo Park Presbyterian Church, who helped bring Habitat for Humanity to the Peninsula, said, “They (low-income households) can’t afford it because we have high escalating prices of homes . . . so we believe there a ton of these people out there who really want this opportunity. Menlo Park Presbyterian Church, its members, and especially all of the volunteers . . . believe that it’s absolutely necessary for this community to have low-income housing.”

Councilmember Heyward Robinson said that, “This is a really nice project to support that we are going to be able to do something for the large unmet housing need.”

The Menlo Park City Attorney Bill McClure said that 500 people are currently on the waiting list for BMR homes in Menlo Park.

In 18 years, Peninsula Habitat for Humanity has worked with more than 40,000 volunteers and community donors to empower 95 families to become homeowners on the Peninsula. Currently, eleven homes are under construction in Brisbane and South San Francisco, one of which marks the 100<sup>th</sup> home built by Peninsula Habitat for Humanity! See [www.PeninsulaHabitat.org](http://www.PeninsulaHabitat.org) to volunteer or donate or for information on homes available.

SummerHill Homes is an award-winning, Bay Area-based homebuilder. Over the last 30 years, the company has developed a national reputation for superior design and quality construction. Information is available at [www.summerhillhomes.com](http://www.summerhillhomes.com) or at (800) 585-0085.