



2018 City Council Candidate Questions

Eric Filseth Responses

REASON FOR RUNNING

What do you hope to achieve in the next four years on the city council?

- Deal with our Growth issues: Housing, Traffic and Parking
- Invest in our Community, including Infrastructure and services
- Address our long-term financial challenges, even while managing the above

Doing any of these by itself would not be trivial; doing all three at once will take very deft work by a consistently responsible government.

STATE VS LOCAL CONTROL

What is your philosophy when it comes to local versus state control over growth and development mandates?

The State should not try to micromanage local zoning. It makes no sense for Sacramento to dictate building heights on different streetcorners in Atherton. Sacramento's proper focus should be raising money for regional transportation, BMR housing, and social services.

That said: cities which continue to generate large numbers of new jobs but very little housing ought to carry a larger share of that money.

Furthermore, Sacramento's narrow focus on RHNA is wrong. The fact that over 95% of California cities don't meet their RHNA targets says more about RHNA than it does about cities. Sacramento should recognize that Demand is a key factor, and focus on jobs-housing ratios, not just housing in isolation.

HOUSING

Given the cost of land and construction costs, how do we make it economically viable to create Below Market Rate housing for low income residents (80% of AMI or lower) in Palo Alto? (80% of AMI is \$66,150 for one person or \$75,800 for two persons.)

Economics is at the root of most of the region's challenges.

A lot of money should come from higher impact fees. The challenge of BMR housing is that somebody has to pay for it. The Valley generates great wealth, but doesn't spend enough of that wealth on transportation and housing; so instead those costs get socialized to communities. Communities don't actually have the money, so the Housing and Transportation costs of the Valley's expansion ultimately end up carried by the lowest 60-70% or so of the region's income earners.

Instead, more of the Valley's Housing and Transportation costs should be paid from the proceeds of the Valley; which tend to be concentrated in Tech, Healthcare and Real Estate. Therefore: a lot of money should come from higher impact fees. Ideas such as Mountain View's headcount tax are also worth trying.

What changes would you make to the rules allowing Accessory Dwelling Units (ADUs) in single-family residential neighborhoods? Should denser housing development be allowed in single-family residential neighborhoods?

I like ADU's as part of the Housing mix because some of them actually will go to people like relatives and caregivers at below-market rates; whereas purely market-rate housing tends to go to the top 20% of income earners.

I believe the Council erred in going beyond state requirements and eliminating all parking requirements for ADU's. Reasonable parking requirements ought to be restored.

If a given R1 neighborhood decides they want to be rezoned to R2, we ought to have a mechanism for it; as we do with SSO overlays and RPPPs for example. But wholesale conversion of R1 zoning to R2 shouldn't be imposed by the city without neighborhood buy-in.

The ADU "resident-landlord" provision needs to be retained; otherwise ADU's will become an out-of-town financial investment, will go to market rate, and will end up with high-income earners; we really will have rezoned R1 to R2. The city shouldn't do that.

What stronger renter protections, including restrictions on evictions without "just cause" and limits on annual rental rate increases, do you support, if any?

Renter protections, including rent controls, target the right problem, but are notoriously susceptible to unintended consequences. Still, we should at least have sent the issue to Policy and Services for further discussion. Inaction also carries risks.

Just-cause eviction (JCE) controls are needed in rent-controlled environments, in order to prevent property owners from evicting tenants specifically in order to raise rates; without rent controls, landlords can simply raise rates anyway. So JCE's are properly part of a rent-control discussion.

Do you support a law limiting loss of existing housing units? Explain.

That's too general; I would have to see what law was being proposed.

Should Palo Alto adopt the "Palmer fix" that requires the inclusion of Below Market Rate housing in new rental housing projects? Please answer Yes or No.

Yes.

OFFICE DEVELOPMENT / USAGE

Neighborhood services, such as doctors and therapists, are being displaced by larger tech or R&D businesses (e.g., 550 Hamilton, 2600 El Camino Real, 385 Sherman). Would you make changes to zoning rules or enforcement to protect neighborhood services?

Currently the biggest concern seems to be Parking. We should put some focus there.

The city needs to be able to distinguish between local-serving retail and service businesses and global-serving ones; and where resources such as parking are scarce, prioritize access accordingly.

Should transportation and parking standards be modified to reflect the realities of increasing office and R&D employee densities? If so, how?

250 square feet per employee is too high for this era, and ought to be revised in our codes.

The notion of limiting Parking to discourage SOV commuting is generally sound, but doesn't work properly while there are shortcuts around it, such as street parking in neighborhoods. Also if the City is prepared to limit parking, it must also be prepared to prioritize access to the limited supply.

Continuing to raise commuter parking permit fees is also a legitimate strategy.

QUALITY OF LIFE

What two things would you prioritize to make Palo Alto and its neighborhoods more livable?

Implement the Parks and Recreation Master Plan, including selected parkspace acquisition such as the "AT&T Acre" to expand Boulware Park.

We still have some neighborhoods with too much cut-through traffic, that we could reduce using mechanisms such as rush-hour turn restrictions.

How do we balance the pressure to build housing against the limits of infrastructure, such as transportation, parks, school capacity, and the environment?

I think a majority of Palo Altans would like to see some more housing in town, but also really like our low-rise, moderate-density environment and our amenities and services. It's our job as government to make these potential-for-conflict things work together. As part of that, we have an adopted Comp Plan, which outlines total housing targets.

Within those targets, one key is prioritization, since we will not be able to house everybody who would like to move here. Socioeconomic diversity is important to Palo Altans, which implies higher priority to BMR housing than market rate. Some of our civic institutions have a higher need for resident workers than others -- emergency services and schools, for example -- so that ought to be a housing priority as well. Lower priority to most Palo Altans would be housing for high-income workers from neighbor cities' knowingly under-housed tech expansions.

A second key is money. If we want something, we ought to be prepared to pay for it. If we decide it's important to have BMR housing in town, then the Community ought to pay for it -- not individual neighborhoods via mechanisms such as unlimited street parking. Instead we should pay actual money, raised from mechanisms such as impact fees; including on market-rate housing as appropriate (imposing fees on BMR housing that we're simultaneously subsidizing is more complicated).

High community priorities in Palo Alto include schools -- we should not add more people than the school system can support. Also our open spaces -- we should not build in the Baylands. And even housing projects should not dump parked cars into neighborhoods.

TRANSPORTATION

Should businesses be responsible for reducing traffic and parking impacts? Should the businesses pay for the remedies and how? What is the City's role?

Primarily, yes. Somebody has to pay for these things. Since the problem is primarily produced by businesses, they should primarily pay for it, not the Community at large.

Development impact fees, commuter parking permit costs, headcount and other direct business taxes, even hotel taxes are all mechanisms of generating mitigation funds from businesses.

According to the latest US Census Bureau data, 88% of Palo Alto renter households have at least one car. Do you support reduced parking requirements to promote building housing? Will renters in these developments park in the surrounding neighborhood? If not, explain why not.

As an economic aid to building housing, no. If we want something for the Community, then the Community should pay the cost, not the local neighborhood. That means using money instead of zoning. Dumping cars on the local neighborhoods to help pay for housing is inappropriate.

As a means to limit car ownership, theoretically yes. But we should be very cautious; in my view, far too many people in government have unrealistic Utopian expectations about "car lite" development, and confuse this with economic relief -- inappropriately -- as above.

What are your ideas for solving our traffic problems (other than using Caltrain, which is over capacity even with planned expansions)?

Control growth that produces new traffic, especially commercial growth. The First Rule of Holes.

Beyond that, I believe TMA can help. Our downtown parking permit fees are 1/8 those in San Francisco; we have room to raise them further. There's evidence this has already correlated to increases in carpooling. Continuing to expand our bicycle infrastructure will help as well.

TDM programs need to be actually enforceable, not just posting bus schedules as one "TDM" program in town got away with.

We can make progress on cut-through traffic via rush-hour turn restrictions and other mechanisms. Technology can also play a role, such as traffic light retiming and potentially innovations such as Scoop.

The suggestion to simply stop measuring "LOS" (the standard measure of traffic congestion), because we don't like the data it shows, is not a good idea.

GRADE SEPARATION

Describe a creative funding strategy you would employ to improve Palo Alto's grade separation options.

A business tax in 2020 seems almost certain to be part of the mix.

How should Palo Alto collaborate with other cities to coordinate options and obtain more funding for grade separations from regional, state, and Federal governments

The biggest macro question on this at the moment is -- with a new incoming Governor, will there be any shift in how High Speed Rail money gets allocated? This is the most relevant pot of State money with the necessary scale.

CODE ENFORCEMENT

Are you satisfied with current Code Enforcement as a way of protecting neighborhood uses and quality of life? If yes, why? If not, how would you increase the effectiveness of Code Enforcement activities?

I think we made considerable progress in the last year or two, and I'm sorry to see James Stephens moving on -- I wish him well but we'll miss him.

CONFIDENCE IN GOVERNMENT

In light of the recent departure of several senior city staff members, what would you do to improve the attraction and retention of quality staff?

It's really the task, and a top priority, for our incoming City Manager Ed Shikada. I have confidence he can do it.

In general I believe high-performing organizations grow most of their talent from within, and one of the most important responsibilities of the chief executive is to build and run such an organization; which is more easily said than done. Jim is passing on a team with substantial talent already, and I've got faith in Ed continuing that. To the extent it's necessary to look outside, I expect Ed will do that as well.

How would you improve communications and collaboration with the PAUSD and School Board?

"Two agencies, one town." For many people, the City's most important service after Public Safety is PAUSD.

A lot of the dynamic comes from the relationship of the City Manager and the School Superintendent, which is an important one.

The current City-School Committee has dedicated people from both agencies on it and IMO is working pretty well at the moment.

Key intersection points include Transportation, including bike infrastructure and Safe Routes to School; the relationship between enrollment capacity and housing growth; and the future of the Cubberley site whose ownership is shared between agencies.

The public points out that last minute and significant changes at the dais by Council members is lacking in transparency and not good public policy. Furthermore, last-minute changes do not allow for staff analysis or public input. How can we better ensure the public has a chance to review and comment on these matters?

Elect a responsible and sensible council that does not govern by late-night head shot.

FINANCES

How do you plan to fund the shortfall in city's long-term pension and health benefits liability?

1. Stop adding new pension/OPEB debt each year
 - a. Correct the City's pension accounting vs CalPERS, using realistic investment-return rates
 - i. Done for the General Fund, not yet for other funds
 - ii. Recognize any OpEx shortfall as a standard debt accrual in the City's financial statements. Controversial, but should not be; a basic transparency issue.
 - b. Adjust operating expenses and contributions to the City's Sec 115 Trust accordingly
 - i. In progress
 - c. Evangelize our neighbor cities to do the same, so we don't have to compete for talent with cities who fund their payrolls through debt.
2. Develop an amortization plan for the existing debt -- yet to be done

During the last economic downturn, Social Services funding was cut and has still not been restored. Do you support increasing the Social Services allocation to at least prior levels adjusted for inflation?

In context of other priorities, yes. Without that context, no.

ENVIRONMENT

Do you support dedicating as parkland those properties currently and long used as park space but not formally dedicated as such in order to protect from future development those spaces currently enjoyed by the public?

In general, yes.

But we be cautious about using "reclassification" as a broad tool to meet the Comp Plan in-town park space guidelines.