

# 2020 City Council Candidate Questions HOUSING

PAN has officially endorsed Alternative M, which was brought to the NVCAP working group by several PAN members. What innovative ways might you explore to pay for low income housing and BMR housing in North Ventura and other sites in Palo Alto?

## **PAT BURT**

Reinstate higher impact fees on new offices that were reversed by the Council in 2017. Palo Alto fees are doubly important because they are also used by the county uses for Stanford's fees.

When the economy begins to normalize, enact a business tax, focused on big developers and big business. Despite the highest office values in the country, Palo Alto is one of the few California cities without a business tax. A tax modeled on what East Palo Alto adopted in 2018, and at only a quarter the rate of San Francisco, would fund transportation needs, and TRIPLE our affordable housing funding.

## REBECCA EISENBERG

I passionately support Alternative M. Its advantages perfectly align with my campaign's values, goals, interests, and objectives (winwithrebecca.com). Here are some of my favorite things about Alternative M:

- 1. It preserves the existing stock of housing, which is essential, fair, and just.
- 2. It protects tenants and allows them to stay in the neighborhood, rather than displacing them. (My family of 4 is a tenant ourselves.)
- 3. It focuses on housing, adding 770 new homes while preserving all existing homes.
- 4. It prioritizes low income housing over market rate housing, in recognition that everyone benefits when we provide housing for seniors, teachers, low wage workers, first responders, people with disabilities, and other community members who increasingly are priced out of Palo Alto. It recognizes that housing production allows us to retain true neighborhood character: the character that is protected when residents are not displaced.
- 5. It recognizes the huge negative impact that office development has on the community, as opposed to the huge positive impact that housing production has on the community. (The persistent false belief that office production has the same impact as housing has led to our 4-to-1 jobs to housing ratio -- the highest in the country!)
- 6. It relies \*zero\* on commercial developers, debunking the other persistent false belief -- that we need commercial developers more than they need us.
- 7. It involves the City of Palo Alto acquiring property! Of course Palo Alto should acquire attractive parcels whenever it has the opportunity. Take it from Stanford -- acquiring real estate is a winning strategy. Plus, no more negotiating with private investors over serving the community. Public land has no conflict of interest: it exists to serve the people.
- 8. It relies on funding from a business tax and lease-backed muni bonds: zero of the cost will be paid by residents!
- 9. It preserves a historic building, honoring its past and strengthening local pride.
- 10. It involves repurposing office buildings for residences. (See, this is possible!)

- 11. It involves putting a moratorium on office development in the neighborhood, to make room for housing, retail, restaurants, healthcare, and other businesses that serve local residents. (See, this is possible too!)
- 12. It includes reviving the beautiful Matadero creekside land for public enjoyment.
- 13. It includes the creation of safe bike lanes, enabling cyclists and children to travel down Park Ave and other streets with less risk of harm.
- 14. It recognizes that Palo Alto has enough land to house everyone without significantly increasing density! If we repurpose commercial property for housing, reclaim commercial land for public use, and make better use of our existing real estate assets, while also preserving existing housing inventory and protecting tenants, we can house Palo Alto. This Ventura proposal demonstrates a path forward.

To me, the only things missing from this plan are additions that are not possible currently, because Palo Alto is behind on its infrastructure deliverables. (I want to fix that problem!) Specifically:

- 1. Consistent with our comprehensive plan, and our commitment to create a green city, Palo Alto needs to provide a robust, convenient, affordable, and safe system of electric shuttles and/or other local transit. With that in place, we can enable the following:
  - a. Relaxed parking requirements, when transit is available, convenient, affordable and safe. Reducing our need for parking frees up land for parks, community services, restaurants, and housing.
  - b. Closing as many streets as possible to cars, creating a restaurant- and retail-friendly pedestrian neighborhood. Also, possible only when transit options are in place. #GOALS
- 2. Also consistent with Palo Alto's green initiatives, North Ventura's new and repurposed developments are an ideal place to use solar power, once Palo Alto's utilities infrastructure can support a neighborhood's strong reliance on solar (and/or other renewable energy forms).

## LYDIA KOU

"BMR" is Below-Market-Rate Housing. See the above answer. [Regarding RHNA.] Subsidies will be required to provide BMR units. I would support a business and development tax to fund the construction of these units.

## **ED LAUING**

A. Alternative M.

I was happy to see Alternative M introduced into the public debate. It is a long-term opportunity which requires a business tax or other affordable-housing funding stream. Without that substantial funding stream, the project doesn't work. If the city is serious about making a meaningful dent in our massive affordable housing deficit, this kind of comprehensive approach should be considered.

So Alternative M is meant to be a vehicle for three independent concepts:

- 1) Adaptive re-use of the existing Fry's building
- 2) City subsidizing property for affordable housing
- 3) City selectively sunsetting office zoning to become market-rate residential zoning

Note #2 and #3 are quite attractive for NVCAP or elsewhere in PA.

- B. Innovative ideas for affordable housing in Ventura or elsewhere.
  - + Zoning changes
  - + Development fees
  - + Modest business tax
  - + Landlord co-operation
  - + Corporate partnerships with large-scale employers

## **STEVEN LEE**

We need to explore a progressive business tax that asks our largest and still profitable businesses to pay their fair share and invest more in housing and related infrastructure needs to support our community and their employee base. Depending on how we structure a business tax (amount, size of business, who is and isn't exempt) we could potentially raise \$10-\$50m dollars a year to support housing, traffic mitigation and other vital community services. We also need to look at how we leverage land owned by various governments and by interested faith based communities. Land acquisition is a huge cost. If there are parties with land who are interested in developing affordable housing, we need to enable them to do so and the city needs to do the heavy lifting because often these third parties don't have the time, expertise or money to develop their land assets on their own.

# **RAVEN MALONE**

Getting developers to do land dedications would be one way to ensure housing can be affordable in these sites. I would also look into a business tax that has a percentage allocated for affordable housing.

## **GREER STONE**

To pay for the much-needed affordable housing in North Ventura and across the city, Palo Alto must expand its income base by exploring alternative income sources such as a business tax. Businesses should pay their fair share through a business tax for the imbalance in jobs-to-housing that has allowed corporations to thrive at the expense of our community. Of course, this business tax should not be implemented until after our economy recovers and would not be applied to the many small businesses that serve our community.

We should also explore other tax sources being used across the country such as a speculation tax, and a vacancy tax to prevent Palo Alto homes being used as merely an investment tool. We should consider the viability of building housing in the Stanford Research Park. We must boost our impact fees on new commercial development, and increase our inclusionary zoning.

Also, I advocate for out-of-the-box thinking when it comes to new affordable housing. An example is Community Land Trusts (CLTs) as an innovative model being used across the world to create permanently affordable housing that allows the community to remain in control of the land that is held in a trust, often by a nonprofit organization. Examples of these working can be seen in cities around the globe who are challenging the status quo and creating innovative solutions to their housing problems.

## **GREG TANAKA**

I would like to explore innovative ways of balancing climate and housing concerns in Palo Alto. With the current pandemic it needs to be discussed thoroughly what the best course of action is given the newly limited city resources.

## CARI TEMPLETON

Alternative M proposes some wonderful amenities to the North Ventura area, including cafes, affordable housing and parkland. Creating affordable housing requires a combination of raising the funds and reducing the costs. Both can be pursued. Raising the funds could come in the form of land trusts, government grants, and potentially fees collected by the city from businesses and other developments. Lowering the costs could come from streamlining the approval process, which the Planning Department is working on.

## **AJIT VARMA**

It's pretty simple without something innovative! We just need to make the economics work for developers. I would provide strong incentives by allowing denser market rate units and office space in return for building low income housing and BMR housing.