



# 2020 City Council Candidate Questions

## Ed Lauing Responses

### EXPERIENCE

#### What experience with Palo Alto community issues would you bring to the council?

I have served for ten and a half consecutive years on the Parks and Recreation Commission (7 years) and now the Planning and Transportation Commission (3.5 years). This service put me directly in the ring on critical issues in the city like open space, parks and playing field improvements, environmental preservation, teen health, housing, parking, and many other land use issues and resident services. I have been intimately engaged with council members and commission colleagues and staff, as well as the public, on all of these areas and made many informed recommendations to council.

In those capacities I have had direct influence in the development of the updated Comprehensive Plan, the Parks, Recreation, Open Space and Trails Master Plan, the Bicycle and Pedestrian Transportation Plan, and the Urban Forest Master Plan as well as comprehensive cost-recovery policies.

### GOALS

#### What are the top three goals you want to achieve in the next four years on the city council?

##### 1. Build Truly Affordable Housing

We should analyze the feasibility of each housing segment - from BMR to market rate - and create a plan to meet housing priorities as determined in the city's Comprehensive Plan, by regional allocations, and by Council.

But the #1 priority should be the construction of much more truly affordable (BMR) housing. This is critical for creating more diversity in our community, which I consider a moral imperative – a key value we stand for as Palo Alto citizens.

The free market simply won't achieve this. We need new ways to finance this segment beyond tax credits for investors and we need to optimize our incentives (and disincentives) to get housing built in the income categories we need most.

##### 2. Accountability of City Council

Our seven elected council members have full responsibility for city government. The City Manager reports to Council. If issues don't get completed by staff sufficiently or by the promised date, Council "owns" that shortfall. Council needs to step up its oversight, respectfully question staff interpretations, and follow up to assure timely completion of council directives.

Council members also have to be accountable to each other! Civility to colleagues and staff should be the baseline, but I have seen many instances where a city official or a colleague is attacked by a Council member. Behavior like this should be censured. Civility doesn't just mean being civil in debate; it includes respecting colleagues' time by not endlessly repeating comments and posing motions or amendments that the Council member knows has no support just to attract press visibility. This counter-productive activity prolongs debate and disrespects a valuable city resource - council members' time.

##### 3. City Fiscal Responsibility must be value-based

**Fundamentally, local government budgets are not spreadsheets. They are a value statement.**

Budgets should be built starting from the City's fundamental obligation to residents: public safety. After that, other essential services such as utilities and street maintenance should get layered in. Next up, the city

must provide the valuable amenities and services that make Palo Alto unique: our parks, activities for kids and families, and VERY IMPORTANTLY safety-net programs that address such critical needs as teen mental health.

In a financial crisis the last way to deploy funds is for capital projects which can be pushed a bit into future years – as I did on the Parks staff/commission ad hoc committee on capital projects. This push into the future doesn't work forever. Eventually parks need to be redone, tennis courts need resurfacing and a public safety building needs to go up. But “wish-list” items need to be distinct from “must-dos.”

Because of the pandemic, budgets must be reviewed in detail quarterly or immediately if some major revenue variable changes.

## **PUBLIC SAFETY**

**How would you help set policies for PAPD to address racial profiling and use of excessive force?**

**What are your thoughts on “defunding” and/or reorganizing the police department? What changes do you want to see in our police department? If you would cut its budget, where would you apply the savings?**

On both of these questions, Council is doing good work - so far - on investigating options for police reform and making changes. Quite similar to what I proposed on my website in June, multiple ad hoc committees on council were formed on various aspects of the police department. This is well-coordinated with the parallel work of the Human Relations Commission. Progress is happening based on the multiple report-outs from the ad hoc committees and the HRC. Some reforms have already been put in place such as the elimination of chokeholds. There is more work to be done.

Separately, officers at fault for atrocious behavior have to be fired immediately and blackballed from police work. I would like to see our outside auditor lead such investigations reporting directly to council.

In parallel, I would also like to see a study done on how the city could swap in non-police personnel in-lieu of some sworn officers. This could include civilian social workers, mental health experts, substance-abuse specialists, and first- call responders for neighborhood nuisance calls like excess noise. This staffing adjustment would also reduce overall expense for the city. Other communities, such as Eugene, OR have successfully implemented such an approach; we don't have to reinvent the wheel to achieve it.

## **CITY GOVERNANCE**

**Do you agree with how the City recently cut its budget? If not, what would you have done differently?**

The starting point of the budget reduction target was appropriately aggressive. The starting point of the budget process this year was not correct. The council needed to be on the same page in terms of prioritizing public safety as #1. They also needed an agreed to approach of how cuts would be prioritized. Finally, all council members were not in agreement on whether this was a one -year or two-year reduction. After massive hours of heated debate and input from citizens via surveys and public comment, ultimately many of the services citizens want and expect from their city government were restored. However, with a solid game plan agreed to at the beginning, a massive amount of council cycles could have been saved, and the budget process could have been less polarized.

(Also see above my comments on my priority list for budget process.)

**What is your position on Proposition 15, the constitutional amendment to require commercial and industrial properties to be taxed based on their market value, rather than their purchase price?**

I am in support of Proposition 15.

**Would you make any changes to the balance of power between the city manager and staff and the elected City Council entrusted to do the will of the people?**

The “balance of power” is an operational choice by council. They are the 7 elected representatives of the citizens who make all the laws and hire and evaluate the performance of the city manager. In my view the council too often passively reviews issues brought to them. And they sometimes do not follow up on assignments to staff, so the assignments are not completed. This has happened repeatedly on council referral of items to PTC.

Council needs set key priorities - being realistic about staff capacity. Council members take comfort in having “checked the box” by assigning every popular policy or project to staff for study or action. But it has been proven repeatedly that staff lacks the capacity to do it all; so staff, not council, ends up prioritizing the to do list. As a result, public expectations are often dashed and critical assignments come back to council for action lacking the necessary foundation for informed decisions. Or sometimes they don’t come back at all! Council should make the hard choices about priorities with every added assignment and be prepared to add capacity if fundamental priorities require it.

I think the “job description” of a Palo Alto City Council member needs to change. They need to get much more hands-on to get prompt and viable results. Especially considering staff shortages, they can take initiative by reaching out to council members and staff in other cities to see what worked for them, reaching out to developers to see what will work in the future for them, and so on. They must take a proactive approach to gathering data and ideas on the big issues we need to solve.

**Palo Alto has a wealth of talent and knowledge in its residents, but often hires consultants with little expert knowledge of the city. Should the city utilize the talent and knowledge of its residents differently, and if so, how?**

TRUE TEAMWORK should be in place from the beginning between outside consultants and our residents. Citizens have the local knowledge, professional expertise, and the ear of their neighbors. Consultants should have domain expertise and best practice guidelines, but how those concepts play out depends on their on-the-ground experience in any given city. I have been stunned and disappointed in the poor work I have seen by some consultants in my 10.5 years on two commissions. And consultants don’t come cheap. Citizens should be granted more “clout” by Council on the citizen committees that are created – to ensure better outcomes and greater return on investment.

**HOUSING**

**RHNA states that Palo Alto's greatest housing need is for units affordable by those earning 80% and below Area Median Income. Do you support this goal and, if so, how would you accomplish it?**

I passionately agree with that assessment of our greatest housing need and necessary priority. As I described above, getting there requires the city to harness all the tools at its disposal. That includes:

1. seeking additional revenues to subsidize construction (such as a business tax and housing impact fees),
2. targeting our incentives to help affordable housing compete in the real estate and development market (including zoning standards and land use designations and inclusionary rates across for sale and rental units), and
3. partnering with big employers who have a shared interest in investing in affordable units

**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?**

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

### **What would you do to protect existing rental housing and its tenants?**

AB 1482 was passed in 2019 and applies to Palo Alto with many additional provisions.

As a guideline (not always applicable to all of the many rental situations that exist), rents should not go up more than 5% a year. This is a new rent limit to protect people from very significant and rapid price increases.

But we also need to address the loss of rental unit supply as parcels are redeveloped. Much of our existing rental stock is in older, naturally more affordable, units that are ripe picking for real estate investors or redevelopment. With 44 percent of our residents living in rental units, the market incentives to convert that housing to high-end mixed use is a substantial threat to our community. At a minimum, we need to ensure no net loss of housing units and consider strategies to prevent displacement of existing renters.

### **Do you support ending single-family residential (R-1) zoning? Why or why not?**

The argument to end R-1 zoning presumes that this action will create affordable housing. It does not. The presumptions are that (1) additional supply/density, alone, will reduce prices; and (2) that those lower prices will make the incremental units affordable. Supply/demand math in Palo Alto does not work that way. Market demand will price these new units at MARKET RATE – in the millions of dollars – not affordable at all.

Recent studies show that upzoning approach actually raises the value of the land, further undermining efforts to produce truly affordable housing as non-profit housing developers will struggle to compete.

Of course infill development is necessary to increase our housing supply (across income categories), but a blanket upzoning of R1 districts overwhelmingly benefits market rate developers and high-income residents, while diminishing our ability to tie scarce zoning incentives to affordability.

Given the ugly history of using single-family zoning to advance racial exclusion, interest in eliminating the R-1 zoning designation is understandably strong. However, the more meaningful corrective is to focus on affordability of housing for populations the free market doesn't serve, not just units of housing. That requires a strategic approach focused on a specific goal. Rather than targeting our influence to produce subsidized units where most feasible, the blanket elimination of R-1 is in complete contradiction of that goal.

## **OFFICE DEVELOPMENT**

### **Would you as a councilmember encourage more working at home to reduce commuting, traffic, pollution, and climate change? If so, what specific steps would you take?**

I would certainly encourage WAH, and I think it is likely here to stay for many companies. Many of the largest companies with the largest workforces have announced permanent WAH options. This is a possible collateral benefit of the pandemic. WAH is proven to be effective and companies will use it to broaden their labor pools and reduce infrastructure costs like real estate leases, company-provided buses for commuting, meals, and so on.

However, that doesn't mean we claim "problem solved." As a large employer itself, the city should continue to encourage WAH post-pandemic. We should actively support the county's ongoing efforts to encourage more businesses to commit to WAH. But it remains very uncertain what the land-use landscape will look like: will demand for commercial space decrease, or will businesses seek more square-footage to accommodate social distancing among non-WAH workers? What will be the impacts on public transit, local retail, and public parking needs? The city will need to pay close attention and be prepared to act.

**Regarding the Jobs/Housing Imbalance, how much, where and what kind of new office space can Palo Alto sustain? Should Palo Alto consider rezoning office properties to reduce the amount of future office development?**

The city needs to consider some re-zoning to incentivize developers to do housing – which is a critical need. Office is now not a critical need as there is a glut of vacant office space which will likely face reduced demand for new leases. While WAH does not apply to 100% of office workers, and the virus will not last forever, there is simply no need at present for more large commercial offices. Re-zoning is a valuable tool for shifting the incentives that have given office growth an overwhelming competitive market advantage within our city limits.

I think existing commercial space is suitable to house smaller startups who can be attracted to come back to our two commercial areas. Employees in these small companies contribute economically to downtown. Unlike employees in huge companies, small company employees are not fed three meals a day without ever leaving the building. Professional offices (attorneys, real estate, medical) may also come back as leasing rates drop.

**What other ideas do you have for incentivizing housing construction over office construction?**

At PTC we recommended a housing program, now passed by Council, called the Housing Incentive Program (HIP) that I worked on diligently and ultimately supported. This relaxed some building requirements to incentivize housing development.

PTC also just recommended the extension of housing into the CS zone on San Antonio – coupled with additional city scrutiny of the transportation corridor there. There is now a project in application there for >100 units with 15% of them below market rate.

These changes will get us more housing, but as I noted on the PTC, they are not perfect solutions. As we consider denser and mixed-use housing projects, and especially in locations that lack infrastructure designed to support it, we take on significant risks of long-term community impacts. In tandem we must also ramp up enforcement of mitigation commitments and invest in infrastructure improvements.

## **TRANSPORTATION/TRAFFIC**

**What do you see as our most serious traffic issues and how would you fix them?**

The most serious issue in traffic is the lack of ANY large, high-quality public mass transportation system on the peninsula. Caltrain was good – not excellent. Right now their capacity is down by 97% and they are desperately in need of financing. This will likely get done one way or another because we can't afford to lose that single course of mass transit for the peninsula. But fixed rail alone cannot meet our transportation needs.

More locally, post covid, we have to get serious about creating a very good local shuttle system and get it operational. That can be in the planning stages now. We need to make sure city investments in the Transportation Management Association are matched by investments from the business community, expand the ambitions of the TMA, and improve reporting of measurable outcomes. And we must require standards, monitoring, and accountability for Traffic Demand Management programs promised by developers as mitigations for traffic impacts.

**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?**

Businesses of a certain size should be required to join the Transportation Management Association for our commercial districts. TMA efforts must be more robust than handing out Clipper passes for Caltrain and include consistent and clear standards for data reporting and accountability for commitments. As stated above, the city must play an oversight role regarding TDM programs by setting standards, monitoring performance and enforcing accountability through penalties for missing goals.

As for parking, the city should complete any parking now under construction (e.g. downtown Cal Ave garage) and then pause on more parking structures. We should structure parking permit fees to encourage use of parking structures as “first choice” for employees. We also must post digital “way finding” signs so people in cars looking for parking in the commercial districts can find it efficiently. This reduces driver frustration, traffic tie-ups from circling cars, and greenhouse gases.

### **What changes, if any, would you make to our city's parking requirements and residential parking programs?**

With available technology like license plate readers and directional signs, moving people in SOVs to parking should happen easily, and enforcement should be easy as well.

RPPs are extremely important to residents. I worked on two of them on PTC (Southgate and Old Palo Alto). They need some tweaks but for the most part they have greatly improved life for residents. We need to continue monitoring commercial spillover into these RPP neighborhoods. In addition, the city must monitor the overnight impacts of “car-light” housing.

## **COMMUNITY LIFE**

### **How would you improve our city services and how would these improvements be funded?**

“City Services” is a broad category! My broad answer is “listen to residents’ problems” and take prompt action. Responses from the city on “little things” is quite important to our citizens. These things are no longer little if a resident has not had her dryer installation approved after three visits from the city. (An example I heard recently from a resident.)

### **How would you improve the city's code enforcement department?**

This is primarily a staffing issue, so the solution is not mysterious. We need to staff up. But in the pandemic, this is one of the budget reductions. Additionally, I'd like to see the department actively enforce authorized penalties, especially in the case of repeat violators.

### **What should the City do with its 8 acres of Cubberley?**

In the face of COVID-19 budget challenges, we have significantly reduced our use of the space and lack the resources to undertake significant improvements. Post-COVID, the city should determine whether the school district is ready to commit to phased redevelopment of the site, including joint investment in shared facilities. If not, it may be time to redirect negotiations with PAUSD towards realignment of ownership boundaries that would allow the city to move forward on its own in redeveloping the city's portion of the site.

Planning for such a project should revisit the community-generated concepts produced last year, seeking similar efficiencies to maximize green space and create flexible facilities that can be adapted over time as community needs change.

### **Many organizations are having a difficult time recruiting volunteers, including many Palo Alto commissions. What would you do as a council member to encourage more people to participate in city government and civic organizations?**

The parks commission usually has an adequate list of applicants, and I am quite encouraged with the number of women that are, and have been, on commissions in parallel with my tenure. When I was on the parks commission over seven years, 3 of the 5 chairs were women. There is rarely a shortage of candidates for PTC. The library commission asked to be dissolved. But overall, council members need to be diligent in doing one-on-one recruiting of candidates who they think would be good commissioners. Additionally, if council would act positively and promptly on more commission recommendations, it would be more rewarding for commissioners to serve! This would improve public awareness of how one can influence policy decisions through commission service.

**Neighbors who were following the two supermarkets, first at Edgewood Plaza and then at College Terrace were dismayed that the City did not enforce the promises made by developers to provide for a grocery store. The City then did not fully collect the penalties that were due the City when the developers failed to provide the grocery stores. How the City should handle such matters?**

They should handle them much better! Penalties should be assessed to the fullest extent of applicable contract law. Next, penalize the developer by not letting them build similar projects in town. We need to have a “long memory” on these violations.

**Given that some neighborhoods are closer to the train stations and to services than others, how would you balance the recommendation by housing agencies to concentrate growth in those areas with the livability of those neighborhoods?**

This is a very important issue. “Context” in housing production is often ignored by state laws and some municipal codes. As I have been saying for years on land use issues, “one size does not fit all”. As I indicated above, today the only “high quality transit” is Caltrain which is virtually dysfunctional. We have to evaluate the reality on the ground of this supposed “high quality transit.” It is not high quality just because a train line runs through our town.

## **GRADE SEPARATION**

**Palo Alto is considering grade-separation designs with a wide range of price tags. What are your preferred solutions? How important is project cost in selecting grade-separation designs?**

Project cost is always a valid consideration in any project. But it is not the only one and not the top priority in a project like this that may exist for 100 years. Costs are amortized over that time period.

The grade separation analysis by staff and residents and the public debate over the past couple of years has been an important and valuable process for engaging the public and confirming the feasibility of various options. But I believe a costly, intensive analysis of any specific alternative should be put on hold given the state of financing for Caltrain, the two-year study that they are about to undertake, and unknown variables over the next few years due to the pandemic.

**If buying residential properties allows the City to improve a grade-separation design and/or reduce its cost, should the City acquire these properties? Or should the City only consider designs that require no property acquisitions?**

At this stage of study for the project, there is no justification for property acquisitions.

## **LOCAL ECONOMY**

**As economic impacts from the pandemic increase, what are your ideas to help local small businesses, especially those that serve neighborhoods, to survive and thrive?**

This is an extremely difficult question as businesses, merchants, and residents alike are struggling with the pandemic’s impacts, creating widespread needs while also constraining all potential sources for new revenue. I have not been involved in the ongoing discussions with the business community regarding their specific needs or recommendations. That being said, as city funds are primarily resident-generated, I’m inclined to prioritize city assistance toward locally serving businesses.