



## 2022 City Council Candidate Questions

### RETAIL

**Given that there are many empty retail business locations, would you support a retail business vacancy tax for properties that have been vacant for more than 1 year?**

#### **PAT BURT**

I think that 1 year is too aggressive, but I would be open to considering a graduated retail vacancy fine starting at two years, provided that those funds were reinvested in the retail areas where those particular vacancies exist, and provided that retail permit streamlining occurred concurrently.

#### **KATIE CAUSEY**

I would only support it as a last resort. I believe we should attempt to support retail in other ways first such as relaxing zoning and permitting.

#### **ANNE CRIBBS**

I do not support a vacancy tax at this time. I prefer to remove obstacles by simplifying and speeding up the application, review and approval process.

#### **HENRY ETZKOWITZ**

Did not respond.

#### **GEORGE LU**

We should consider all carrots and sticks, but I don't support vacancy taxes now.

There are strong headwinds to retail, such as loss of office workers, rise of online shopping, interest rates, and high construction costs. Some retail buildings are already stripped down to a shell, but would cost over a million dollars to renovate.

A vacancy tax doesn't change the incentives that prevent both businesses and landlords from making these investments. In the immediate term, the most important thing we can do is make it less risky and expensive to fill a vacancy, and make sure that the street is safe, clean, and ready for business.

#### **KEITH RECKDAHL**

Vacancies are a significant problem, particularly in our two downtown areas. However, to avoid unintended consequences, I would want to carefully investigate any untested new policy like a vacancy tax before it is implemented.

For example, we must ensure that the area's permitted uses do not include any undesirable retail types that might not improve the retail environment. The one-year time frame does seem short, but

we also need to consider details such as whether a rental to a short-term pop-up would reset the vacancy timeline.

The ideal situation would be to work with the business community to enhance the retail environment, reducing vacancies without implementing a vacancy tax.

### **GREER STONE**

I'm keeping an open mind regarding the retail business vacancy tax for properties that have been vacant for over a year, and I'm interested in learning more about both the potential benefits and drawbacks of such a policy. While this tax could encourage property owners to fill vacant spaces and support local businesses, I want to explore its impact on landlords, tenants, and the broader economic environment in our community before making a final decision. Input from small business owners, property owners, and community stakeholders will be key as I weigh the pros and cons of this policy.

### **DORIA SUMMA**

I support considering the idea of a retail business vacancy tax. I am not convinced that one year is the right time frame given the wide variety of property owners from individual "mom and pop" ownership to large corporate landowners.

### **CARI TEMPLETON**

I am not in favor of a vacancy tax on retail/office vacancies at this time. We recently imposed a tax on medium and large sized businesses. We are seeing many companies leave the city, and a reluctance of some businesses to consider locating in Palo Alto. Overall, we have not seen Palo Alto's businesses fully recover financially from the Pandemic and need to see that more robust recovery before we could consider additional taxes.