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TRANSMITTED VIA EMAIL

November 10, 2017

Honorable Mayor Scharff and Members of the City Council City of Palo Alto 250 Hamilton Avenue Palo Alto, CA

Dear Mayor Scharff, Vice Mayor Kniss and Councilmembers DuBois, Filseth, Fine, Holman, Kou, Tanaka, and Wolbach:

Re: November 13, 2017 City Council Agenda, Item 10: Adoption of the Updated Comprehensive Plan

On behalf of our members, we wish to recognize the long and thoughtful process in which the City of Palo Alto has been engaged to update its Comprehensive Plan. As this is a document that will determine Palo Alto's future through the year 2030, we appreciate the City's efforts to ensure opportunities for discussion and debate.

While we are happy that the 3,545-4,420 new housing units set forth in the draft Plan will accommodate the City's Regional Housing Needs Allocation for 2015-2023 period, we know that both the supply of housing and the overall number of jobs have a direct impact on overall affordability. **Thus, we are concerned that the preferred scenario on which the draft EIR is based will exacerbate the current imbalance of jobs and housing.** The only way that the planned growth of new housing units could accommodate the number of planned new jobs (between 9,850 and 11,500) would be for each of those new units to be occupied by more than two workers per household, far exceeding Palo Alto's current average of 1.16 employed residents per housing unit. **To minimize the negative impact of jobs-housing imbalance, we recommend that measures adopted in the future aim for the high end of the range of new housing units and the low end of the range of employment growth.**

The Comprehensive Plan's objective of concentrating higher densities of housing in the targeted areas can be a foundation for more balanced growth, but adoption of this objective is, of course, only the beginning. Implementation of the Plan's vision will require additional policy changes that support the creation of more housing, and especially affordable housing. To that end, we were pleased to see that the City Council voted this week to explore the policy solutions proposed by Councilmember Fine, Vice Mayor Kniss, and Councilmember Wolbach. These types of measures are a promising first step. Honorable Mayor Scharff and Members of the City Council Re: November 13 2017 Agenda Item 10 (Adoption of the Updated Comprehensive Plan) November 10, 2017 Page 2 of 2

We also recommend that the City consider adopting policies and programs that facilitate housing development in the shorter term rather than the more distant future. For instance, master EIRs for targeted growth areas could make the development review process move more quickly for individual proposals.

We stand ready to assist the City in any way we can to facilitate development of housing affordable to low, moderate, and middle income households, including housing types that will meet the needs of a diverse population of families, seniors and single-person households.

Thank you for your consideration.

Sincerely,

Pilar Lorenzana Deputy Director