

December 7, 2022

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Submitted via email

Mayor Burt and City Councilmembers City of Palo Alto 250 Hamilton St Palo Alto, CA 94301

Dear Mayor Burt, Palo Alto City Council, and Palo Alto City Staff:

RE: Comments on the 6th Cycle Draft Housing Element

The 6th Cycle Housing Element Update process is a unique opportunity to fully assess housing needs in Palo Alto and to identify new tools to address these needs and constraints on developing housing. This process is also an opportunity to engage deliberately with the full community, especially those who are represented from populations that have been historically excluded and are at risk of displacement, to share their housing needs. This unique opportunity is one that is required to adhere to the clear legal guidance outlined by HCD in multiple documents interpreting state law.

This is not a simple process, and we appreciate the work that Palo Alto staff, elected and appointed representatives, and members of the community have done over the last year. As you know, the expectations for this process are high, and jurisdictions throughout the state have struggled to generate compliant housing elements. We are submitting these comments on the Draft Housing Element Update for the City of Palo Alto. We hope they provide additional clarity to the comments we provided in previous letters to clarify HCD's expectations for the housing element under state law and to suggest anti-displacement policies to affirmatively further fair housing. These comments will also be forwarded directly to the HCD reviewer assigned to review your draft.

SV@Home would also like to take this opportunity to elevate the thoughtful and thorough comment letters from **Palo Alto Forward**, which includes requests to mitigate governmental constraints to development, better realize the requirement to affirmatively furthering fair housing across multiple sections of the plan, further analyze the likelihood of development of nonvacant parcels, and develop objective and quantifiable programs and policies; and **Palo Alto Renters' Association**, which highlights the importance of clear timelines for the tenant protection and anti-displacement policies.

Anti-Displacement Programs to Affirmatively Further Housing

SV@home was proud to be a community partner for the Partnership for the Bay's Future grant for the last two years, where together we undertook significant work on exploring tenant protections that meet the needs of Palo Altans.

This work is referenced on page 5-37 or Program 6.6: Fair Housing - section G. We are pleased that this section is included in the Housing Element, however, we believe the city has a real opportunity to provide a more concrete timeline for these policies as the city has

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already started on building the policy details. We recommend breaking out section G into the component policy pieces each individual program/policy, having a plan for adoption and implementation and making a commitment to design these policies with the input of the communities it serves.

G(1). Rental Survey program

Time Frame: Adopt an updated rent registry ordinance and program regulations by March 2023. Have a fully functional database platform in place by December 2023.

Quantified Objective: Retrieve up to date rental rates, tenant turnover, and eviction information from 75% of all rental units in the city.

G(2). Full Implementation of the newly adopted tenant relocation assistance ordinance

Time frame: Complete public education of tenants of the relocation benefits they are entitled to in the case or no-fault evictions in all covered units by December 2023

Quantified Objective: 100% of tenants qualifying for relocation benefits receive them.

G(3). Eviction reduction program

Time frame: Adopt a local just-cause ordinance modeled after state law (AB1482), with extended application to rental units built within the last 15 years by the end of 2024. Implement a public education campaign to landlords and tenants explaining these new protections by the middle of 2025. Quantified Objective: Expanded protections will be evident in "reasons for eviction" collected through the rent registry program.

G(4). Security Deposit Limit

Time frame: Adopt security deposit limit ordinance by 2024.

Quantified Objective: Adopted Ordinance

G(5). Fair Chance Ordinance

Time frame: Adopt Fair Chance Ordinance by 2024.

Quantified Objective: Adopted ordinance.

G(6). Right to Counsel

Time frame: Open a partnership, and advocate, with Santa Clara County to have a Right to Legal Counsel program by 2024.

Quantified Objective: Countywide Right to Council is being developed in coordination with local jurisdictions.

As new programs and policies are adopted and implemented by the city, they build on each other to provide a more comprehensive system of protections for their residents. Additional programs to help implement and enforce these programs, which should be considered include:

Housing Help Center

Time Frame: Pilot a housing help center program once other programs are adopted by 2025 Quantified Objective: At least one mailer to all tenants and landlords after the passage of each ordinance adopted.

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Tenant and Landlord Rights and Responsibilities Education Campaign

Time Frame: Continuous as new programs are implemented through 2030

Quantified Objective: 75% compliance with the rent survey.

Affirmatively Furthering Fair Housing: Investment in Underresouced Communities

Jurisdictions are required to affirmatively further fair housing (AFFH), including meaningfully addressing disparities in access to opportunity and replacing segregated living patterns with integrated and balanced communities. However, the City has isolated the majority of lower-income housing sites in a manufacturing and industrial area in the northeast portion of the City nearest the Bayshore Freeway, rather than near public transit, jobs, schools, and amenities near downtown. Absent programs to ensure that this area offers commensurate opportunities, the City's plan clearly violates AFFH guidance. The City must disperse lower-income housing geographically, and address segregation and historic disinvestment through programs with specific commitments, metrics, and milestones, with geographic targeting as appropriate, and with place-based strategies for community revitalization and displacement protection.

SV@Home recommends that the City incorporate a scoring system to prioritize Capital Improvement Program investment in neighborhoods where incomes are low proportionate to the city's median and where residents have relatively low access to economic opportunities. This must include the underserved, predominantly industrial areas where new lower-income homes are planned, and where new residents would have relatively low access to economic opportunities.

Infrastructure Prioritization Process

Establish an infrastructure prioritization process for the City's Capital Improvement Program (CIP) that can be used as a factor to efficiently and equitably deliver infrastructure across the City. The new prioritization process will grant additional points to projects in tracts where median income falls below that of the city, in order to increase opportunities in low-income areas, while continuing to take into account public safety, state mandates and protecting the environment. Projects undertaken will include, but not be limited to, a new library branch, park facilities, and school site.

Timeline: Prioritization process will be developed with public input by the end of 2023 and implemented during the 2024 CIP process. Progress will be evaluated during each year's subsequent review of the CIP. Quantified Objective: 50% of the City's new recreational, active transportation, and transit infrastructure projects located in disadvantaged communities

We appreciate the significant investment that has been made by city staff, and many members of the Palo Alto community, in developing this Draft Housing Element Update. We look forward to continued opportunities to engage and support this process in the future.