



Public Voices for Housing Choices

An online dialogue on the future of housing in San Mateo County

Report prepared by:

VIEWPOINT LEARNING, INC.

For 10 days in May 2008, hundreds of people who live and/or work in San Mateo County participated in an on-line dialogue about the housing and transportation challenges facing the region. This dialogue, called “Public Voices for Housing Choices” (PVHC) was advertised through local newspapers, on coffee cup sleeves, promoted to email mailing lists and housing organizations and to the “person on the street.” Because the entire PVHC dialogue was publicly available, many more San Mateans were able to follow along as participants worked through the tradeoffs involved in proposed solutions to the high cost and low affordability of housing.

Over two weeks, the PVHC participants worked in small groups using an on-line platform called “Small Group Dialogue.” This platform has been used successfully around many complex issues – including the redevelopment of Ground Zero in New York City, interracial relationships and marriage, and President Clinton’s impeachment.

Online Dialogue produces different kinds of insight from those reached through scientific methods of gathering public opinion. As a self-selected group, online dialogue participants cannot be considered to be a representative sample, and they are more likely to have some pre-existing interest in and familiarity with the issue. This was true of PVHC participants, who had higher levels of education (more than 50% had finished college and 26% had a graduate degree) and fewer racial and ethnic minorities (54% of participants were white, 11% Asian, 9% Latino, 5% African American).¹ However, their conclusions are an important reflection of a subset of San Mateans who are especially engaged in the question of housing issues. Not only are these people who are likely to show up and weigh in during public forums, many could be described as the “boots on the ground” when it comes to planning and development in their communities – some work in the housing field, some serve on planning commissions, some attend meetings regularly and are active in promoting or preventing housing development. PVHC participants are concerned voices for change -- and many are in a position to help make change happen in their communities.

PVHC participants cared deeply about San Mateo County and its future, and their conversation was articulate and passionate. Many of their conclusions closely tracked those reached by citizens in a series of dialogues conducted by Threshold 2008 and previously by Viewpoint Learning. Participants addressed a series of questions in the course of the dialogue. They reached significant common ground on several; On others, they were more divided but had rich discussions nonetheless.

¹ Complete demographic information can be found in Appendix B.

Findings on Key Questions

Question 1: What does a housing solution look like?

Most of the participants agreed that housing availability and affordability is a critical issue facing the county, and that additional housing must be created. A few questioned the premise that everyone should be able to live near where they work, suggesting that it is simply unrealistic to insist that anyone who works in the County be able to find nearby housing. A few thought the answer was reducing job growth and slowing down immigration and people moving into the county.

However, most participants agreed that city and county employees and public servants should be able to live in the county. A number of other participants went further, stressing that artists, service workers and others should be able to find housing. As one participant put it: “a diverse community is much more interesting and, I think, healthier.” Many saw transportation and housing as closely linked and felt they must be addressed in tandem. Some combination of increasing density along transportation corridors along with improved public transit seemed to be the most common solution, along with subsidies for people trying to buy or rent in the county. They considered several questions in depth:

- **Open Space:** As has been the case in almost every discussion about housing in San Mateo, few participants were open to significant development of existing open space. One participant summed up a common view: “Very simple. All open space is off limits. Do we want to become the next LA?” Certain types of open space remained off-limits throughout the dialogue, in particular coastal and hillside property and anything designated for recreational use. However, over the course of the dialogue a somewhat more nuanced discussion arose, and a number of participants acknowledged that some development in green space would be needed. Marshlands in particular were suggested as viable for development, especially if they were close to existing infrastructure. In this discussion, participants focused on privately owned land, and open space adjacent to existing development. They also agreed that existing but poorly used office and residential space should be redeveloped before development on open space is considered.
- **Type of development and density:** For the most part, people came to agree that no one kind of development could address all the county’s housing needs: single-family homes, town homes and apartments would all have to be a part of the mix. While many acknowledged that denser development would be the most efficient way of addressing the housing problem, they did not think, practically, that everyone was willing to give up on the American dream quite yet – there would always be a market for single family homes. But there were limits: A number of people decried “McMansions” and suggested limits on the size of new homes (2000 square feet came up several times) along with requirements about their energy usage. Many saw multi-unit housing as meeting the needs of people at many different stages of life. As one participant said, “our elderly and young people need this kind of housing as do young working couples. There are a lot of folks who are not [inclined] to maintain gardens, large yards, but would like to live near where they work or study and enjoy our parks, communities, restaurants, etc.”

Most participants agreed that mixed use development, combining retail and residential, was exactly the right approach for more urban parts of the county. They named a number of housing projects that they thought were good examples of more dense but attractive and

appealing design: Bay Meadows, a new development near the Hayward park station, Cunada College faculty housing, Franklin Street Apartments and Villa Montgomery in Redwood City, The Crossings in San Bruno and the Metropolitan Apartments in San Mateo. They thought taller buildings made sense along El Camino Real but not in the less urban parts of the county. One person suggested that height limits decrease in a transitional zone the father away the housing is from a central business district.

- **Transportation:** Throughout this two week dialogue, participants frequently returned to the issue of transportaton; all dense development needed to be tied to tangible transit improvements, either directly to rail or by means of increased and improved bus lines or shuttles to transit hubs. Participants were clear: adding housing without explicit attention to transit was totally unsupportable.

With fuel costs rising and people worried about climate change in addition to the political issues resulting from a dependence on foreign sources of fossil fuels, we really need to consider what the future of transportation is going to look like. Will we develop alternative forms of fuel that will allow us to continue our current driving habits, will we shift to more public transportation (and would that be trains, shuttles or buses) will we shift to more biking or walking...Imagine if we built the 73,000 units of housing and each had 2 cars. That would be an additional 146,000 cars on our roads...High density housing near public transportation, housing within walking or biking distance of jobs—all of these would help.

Many participants had lived in cities where housing and transit were tied closely together (New York, Boston, Prague) and they spoke very positively about it. A few participants sounded a cautionary note that the county simply would not support extended rail service and that other means of transit were needed, but there was a great deal of support for expanding BART and CAL-TRAIN, especially as people began to accept that higher density would be necessary. But many stressed that this had to be a regional, not county specific effort, and that Santa Clara County must be an equal partner in the discussion,

- **Other issues.** Some participants began to rethink their commitment to increased density when they considered the availability of water: even with careful design and planning, they felt, the region risks outgrowing its available resources. Others maintained that density is the right answer, but were frustrated by obstacles to improving infrastructure and by old fashioned NIMBY politics.

Question 2: Who should make housing decisions?

Participants largely agreed that collaborative countywide planning was crucial but that final decision-making authority for development had to rest with cities. They disagreed, however, on whether a countywide authority should have the ability to supercede city decisions. Most participants believed any countywide organization dealing with housing should have an oversight and advisory role, rather than decision-making authority. One participant summed up this perspective:

Individual cities know their areas best and should maintain control over the process. It is, however, important for individual cities to collaborate with their counties and regions regarding data and larger scope planning (infrastructure) that serves the region as a whole.

But others did not believe individual cities would look out for the county as a whole. As one put it, “the disparity among income levels, employment opportunities and educational institutions can only be relieved by county policies.” Others pointed to cases of “adjacencies” in which one city proposes development that will have a significant impact on an adjacent city – the county would need to play a stronger role for such situations to be resolved fairly.

Participants were almost unanimous in their belief that the state should play a limited role in housing development. They saw state government as far too remote and disconnected to be directly involved in housing policy. One post suggested a role for the state that largely reflects what the state is supposed to do today:

The role of the state is to establish consistent policies which establish fairness and equity in housing the population in California. Through the housing element process all cities are required to plan for the workers and residents in their communities. The state provides essential financial stimulus through infrastructure grants to actual funding of special target housing projects.

There was almost no appetite to give the state more power over enforcing the housing element or regulation over housing decisions. Most participants felt that increased public participation was far more important.

Question 3: Who should pay for new housing?

- **Developers and homebuyers:** Many participants had never really considered the question of who – apart from homebuyers – should pay for creating an adequate housing supply. Realistically, they felt, developers and ultimately homebuyers and renters would foot most of the bill for any market rate housing. They saw tacking more fees onto developers as counter-productive, as these costs would just be passed along to residents. They noted that developers are in business to make a profit, and they felt that cutting into that profit would be bad for housing development. That being said, most believed that attention to transportation and infrastructure should be required for any new development, and that new homebuyers should shoulder some of the burden.

Most of the comments on this question centered primarily around the development of affordable housing -- as people noted, wealthy people seem to have little trouble purchasing high priced market-rate housing. There was much more focused dialogue around the question of how to keep lower-income San Mateans in the county, both renters and homeowners.

- **Subsidizing housing:** One post set up a choice:

Affordable housing can be accomplished in only two ways; to wit; lower the real price of housing using free market economics OR subsidize housing for some at the expense of others. It is an either or situation, we cannot do both.

Many participants echoed this sentiment, concluding that since they were not prepared to free up enough open space to create the numbers of housing units that would naturally bring housing prices down, they had to look at subsidizing housing. One suggestion was that city and county governments sell both undeveloped and developed land to private developers at reasonable prices and require that it be used for housing.

- **Employers:** While most participants did not think employers should be taxed or pay fees to subsidize affordable housing for the population as a whole, many cited examples of companies that provided housing bonuses, free shuttles, telecommuting options and other mechanisms to support their employees. They thought cities could create financial incentives for companies that provided housing benefits. In particular, employers like United Airlines, Genentech and Oracle were cited as being big enough to provide meaningful housing assistance to their employees.
- **Cities and County government:** Participants saw cities and the county (and therefore taxpayers) as playing a role in subsidizing some people, and a number of posts worked at homing in on who might be eligible for housing subsidies. Most agreed that first-responders should be eligible:

We must help people buy homes here, especially when 45% of our workers who serve the cities as firemen, policemen, nurses and the like live more than 2 hours away from San Mateo Country, That's scary to me.

A few questioned the wisdom of offering subsidies to people who “just want a hand out and aren’t working to better themselves and contribute to their community.” However, this was a minority view. Many more acknowledged that low-income in San Mateo is not the same as low income elsewhere and that many people who are working hard, contributing and earning a decent income are left out of the current housing and rental market.

- **The state:** Participants clearly recognized the importance of housing to the overall state economy:

The economy of this state depends on having a good steady work force that can afford to live here. We need to build here and help those who live here, in one of the most expensive housing markets in the world, afford to live here too.

At the same time, few believed the state should or could play a significant role in paying for new housing, especially given its current budget woes. As one participant put it, “The State already has things it needs to take care of like education, highways, etc.” Given the state’s limited revenue for critical state-wide functions, they did not believe it was realistic to expect Sacramento to provide funds to local housing projects or programs on a regular basis, or for state tax dollars to go to fix San Mateo’s housing challenges.

Question 4: What role should the public play in housing decisions?

Most participants agreed that a more prominent role for the public was critical to moving forward on housing issues. But they were aware that, as one post put it, “most of us don’t get too interested unless the new development is in our own backyard.” Another poster stated that

The reason they organize against new development is they aren’t given the full picture and do not understand the plans, the reason for the plans, or the impact it will have on them. Most of what they learn is from a one liner on local TV news or from a short article in the paper that usually doesn’t tell the public everything they need to know. Communities are made up of individuals and they have a right to be heard.

People struggled with the question of how to bring prospective homebuyers into the discussion, as they were much less likely to attend a meeting about a possible development than current

homeowners who would feel negatively impacted. Many believed there must be a continued effort to engage “community interest” on a more general level, going to the public, making it easier for them to learn about and get involved in housing issues so that when specific projects were under consideration, there would be a broader community voice. This, they felt, should be a high priority for leaders: finding ways to engage a broader section of the public, to solicit public feedback and to respond to it rather than dismissing it.

The PVHC dialogue itself offered one model of how to do this –participants who had felt they were alone or that the public was uninterested in housing issues were heartened by the dialogue and by Threshold 2008’s efforts overall.

I have learned that people WANT to have a say, and want to become involved with local issues regarding housing developments and how monies from the state, counties and cities are used, but don't really know how. It should be easier for citizens to have a say in their communities because we are the ones that these decisions and laws have the biggest effect on. This forum really makes me want to be more involved in local issues.

Conclusion

Active participants in the dialogue expressed their appreciation for the forum, some degree of surprise that the issue was as complex as they had learned it was, and a strong desire for continued venues for public engagement around the issue of housing. Some felt they would look at issues of housing and new development differently than they had before, for example, considering the needs of the larger community, paying more attention to infrastructure impacts or being more open to a wider range of housing choices.

Appendix A

Specific approaches

Throughout the dialogue participants mentioned very specific programs they had experienced or knew about that they thought would improve the housing situation. A partial list of these suggestions includes:

- Rezoning commercial property to residential along transportation corridors, along with changes in zoning rules for remodeling existing homes or developments (making it easier to enlarge, redesign, etc.)
- Commercial linkage fees (as in Menlo park) in which new commercial development is charged a fee per square foot, and the revenues support affordable housing development
- Energy efficient housing requirements and incentives
- Shifting tax from property tax to tax on value of land itself; based on the assumption that the issue is not the price of housing, but the cost of the land upon which it sits.
- Forgivable loan program to encourage developers to build more affordable rental housing (modeled after program started in Mississippi after Katrina) in which developers can have interest forgiven after 5 years if they meet particular requirements
- Incentives for employers to offer home buying benefits to employees (e.g. Stanford University); Employer-provided shuttles to and from public transportation
- Minimum wage requirements for San Mateo County: some suggested raising the minimum wage in the county to allow more people to rent/buy homes
- Accelerated depreciation: Tax benefit to encourage developers to build and invest (again, modeled after a program on the Gulf Coast following Katrina)
- Unbundling housing and parking; reducing the requirements for parking spaces tied to housing units

Appendix B

Participant Profile

Total participants: 552

<u>Gender</u>	%
Female	55
Male	36
No answer	9

<u>Age</u>	%
29 and under	14
30 - 39	23
40 - 49	21
50 - 64	25
65 and over	8
No answer	9

<u>Education</u>	%
Graduate degree	23
Some graduate work	7
College degree	26
Some college	20
High school	5
Less than high school	2
Other	2
No answer	15

<u>Race</u>	%
White	55
Asian American	11
Black/African American	5
Latino/Hispanic	9
Native American	1
Native Hawaiian Pacific Islander	2
Mixed Race	5
Other	4
No Answer	9

<u>Own/Rent Home</u>	%
Own	48
Rent	28
Neither	7
No answer	17

<u>Live/Work in San Mateo County?</u>	%
Live and work in SMC	43
Live in SMC	22
Work in SMC	8
Neither	10
No answer	17

<u>Region</u>	%
Central	26
Coastal	9
Northern	18
Southern	22
Elsewhere	16
No answer	10

<u>How heard about PVHC dialogue</u>	%
E-mail advertising	28
Friend or colleague	19
Flyer or other announcement	6
Housing-related organization	6
Newspaper	4
Television or radio	2
Other	21
No answer	15

<u>Participated in an online dialogue before?</u>	%
no	68
yes	14
no answer	18

<u>Participated in a guided discussion about housing before?</u>	%
no	68
yes	17
no answer	15