

BAPDA

Bay Area

Planning Directors Association

Housing Solutions in a Time of Crisis

Spring 2016 Meeting

May 13, 2016



San Carlos, CA



Highland Park, IL



Lexington, MA



Bethesda, MD



Greenwich, CT



Santa Monica, CA

City	Suburb of	Commute	Pop.	\$ / Sq. Ft.	Median Price
Highland Park, IL	Chicago	26 mi	29,736	\$213	\$471,825
Lexington, MA	Boston	14 mi	31,394	\$405	\$586,000
Bethesda, MD	Washington, DC	7 mi	63,374	\$417	\$783,500
Greenwich, CT	New York	38 mi	61,171	\$475	\$1,000,000
Santa Monica, CA	Los Angeles	17 mi	89,736	\$866	\$1,012,500
San Carlos, CA	San Francisco	25 mi	29,803	\$947	\$1,575,000

San Carlos Houses - Price/SqFt (by quarter)





The Internet Age

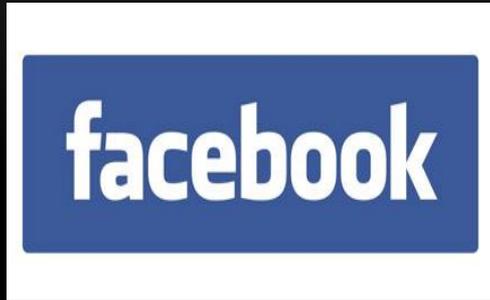
	1995	2015
Internet Users	35 Million	3.3 Billion
Mobile Phone Users	80 Million	5.2 Billion

Global Change - Local Growth

- Huge economic transformation
- Creating global, winner take all markets
- Virtual cycle: Companies, talent, venture capital
- Bay Area is capturing a massive share
- 11th largest pop. increase among nations MSAs 2015

Google

NETFLIX



YAHOO!

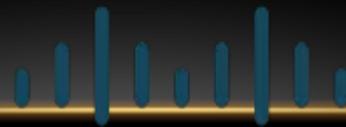
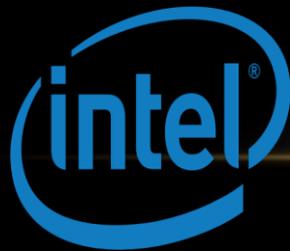
ebay



twitter 



ORACLE®



vmware®

CISCO™

intuit®

16 companies

930,000 global employees

\$627 Billion revenue in 2015

\$2.1 Trillion combined market cap



U B E R



airbnb



Pinterest



slack



Palantir



Dropbox

cloudera

stripe



23andMe

Eventbrite™

DocuSign®

174 startups in the world valued at \$1B+
55 based in the Bay Area

Source: Cameron Johnson
Mayor San Carlos

Silicon Valley leads nation in job growth

By George Avalos / May 1, 2015 at 11:08 AM



New figures are in from the federal government, and Santa Clara County is creating jobs at a monster pace, leading all of the nation's metro areas by a wide margin.

Over the 12 months that ended in March, total jobs in Santa Clara County grew by 5.5 percent — way ahead of all other metro centers in the United States, according to a new report by the federal Bureau of Labor Statistics.

"There is a bucket load full of jobs in the technology sector in Santa Clara County," said Christopher Thornberg, a partner with Beacon Economics. "It's crazy growth. The place is on

San Mateo & Santa Clara
Counties added **60,000** jobs in
2015 (led U.S.)

37% were in tech

New Facebook Campus, Menlo Park
500K sq. ft., 2,800 Employees



New Apple Campus, Cupertino
2.8M sq. ft., 13,000 Employees





Proposed Google Campus Expansion,
Mountain View, 500K sq. ft.

New Spec Office Campus, San Carlos
530,000, 1,700 Employees





New Samsung Campus, San Jose
1.1M sq. ft., 2,000 Employees

23.2M sq ft of new office approved in the past two years
More than the previous 5 years combined

Source: Cameron Johnson
Mayor San Carlos

The Boom has Benefits ...

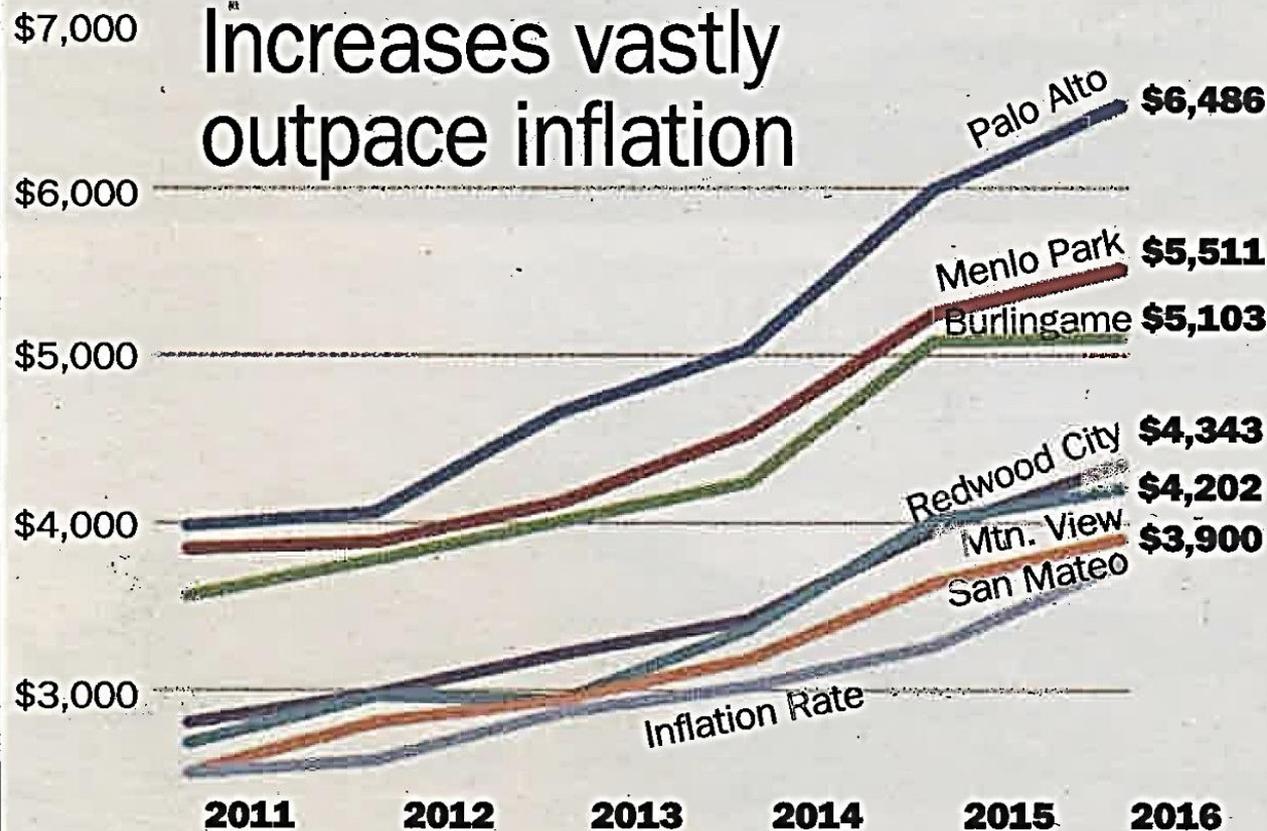
- Great jobs
- Energy and vitality
- Property values
- Revenue for Cities and Schools

... And Challenges

- More People
- Development
- Changing Culture
- Transit Impacts

Big rent increases in 5 years

Increases vastly outpace inflation



BY JEN NOWELL
Daily Post Staff Writer

Everyone is talking about the rising rents across the mid-Peninsula, but here are the actual numbers showing how much they've gone up in the past five years.

In Palo Alto, the median rent has increased 62.9% since 2011 to \$6,486, according to real estate data firm Zillow.

In Mountain View, rents have increased 56.3% in this same time; Menlo Park has seen a 43.4% increase; in Redwood City, it's a 54.7% increase; in San Mateo, it's a 55.5% increase; and in Burlingame, the increase is 43.2% to \$5,103.

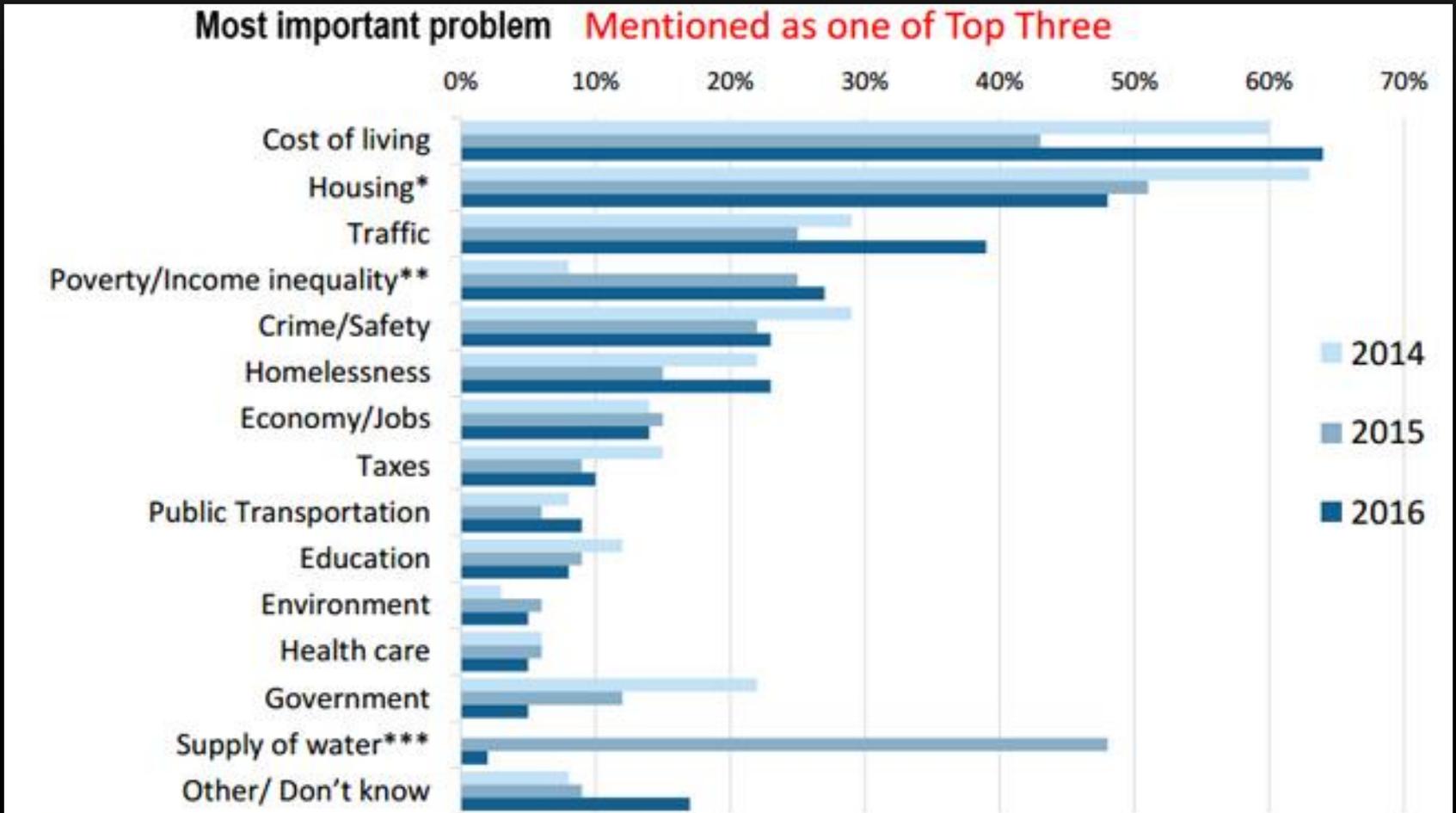
During the same five-year period, [See RENT, page 58]

Source: Zillow

One-third of Bay Area residents hope to leave soon, poll finds

By George Avalos, gavalos@bayareanewsgroup.com

Posted: 05/02/2016 12:00:00 AM PDT



Q10: Now, from the list below, what are the 3 most serious problems facing the Bay Area today? Respondents were given a list of responses and asked to drag three items into the box on the right and rank them in order.

*In 2015, "Housing" was listed separately as "Housing Cost" and "Housing Availability"

** Poverty/ Income Inequality were listed separately

*** In 2014, "Supply of water" was not asked

THE MISSING MIDDLE

No middle-income housing option for young

Nevius from page D1

construction. The Sunset District has been virtually a no-build zone. According to the Planning Department, between 2005 and 2014 only 43 units of housing have been built, the fewest in the city by over 200 units.

The debate about the mayor's affordable housing bonus program is long and complicated and a topic for another column. But there's a groundswell for more housing in the city from an unexpected source — 20- and 30-year-old middle-income residents — meaning someone making up to \$95,000. Typically, young people tend to back progressive values, but housing may be the exception.

'Middle-income option'

"We've got a lot of young folks who are pro-density," says Jeff Buckley, the mayor's housing policy adviser. "With so many people coming to the region, there's a broad swath not being addressed. We need to create some middle-income option."

Take someone like Justin Jones, who is 30 and about to get married. He works at a health care



Leah Millis / The Chronicle

Justin Jones is 30 and about to get married. He works at a health care company, makes a reasonable salary and can't even think about owning a house. Renting isn't much better: "I feel stuck in the middle."

company, makes a reasonable salary and can't even think about owning a house. Renting isn't much better. He recently lost his apartment in San Francisco and had to find another at a significantly higher rent.

"I'm in that weird conundrum where I make too much to qualify for low-income housing, but I can't afford to buy anything," said Jones. "I feel stuck in the middle. Almost abandoned. I was talking to a friend the other day. She's living in a dining room. People

are getting angry."

Jones and others like him are beginning to speak up. A former leader in the local Young Democrats, he founded the Robert F. Kennedy Club for pro-building Democrats in March and has a paid membership of over 50 and a 1,600-member mailing list.

Latterman, who tracks political trends, is encouraged to see building-friendly groups like the RFK Club or GrowSF.

"There's a building synergy among young Democrats in the city,"

he said. "It is a real, grassroots, home-grown movement of people in their late 20s and early 30s. They look to the horizon and they don't see a future."

And older homeowners may be rethinking their no-building stance. Chris Eldred is campaign manager for Joel Engardio, who is running for supervisor in District Seven, an affluent, conservative area in the southwestern part of the city.

When they hold campaign events, Eldred

says, they get lots of typical gray-haired, long-time residents. Some of them may have purchased in the 1960s, when the single-family home market was depressed. Now that home values have skyrocketed, they're sitting on a gold mine.

Feeling pinched

But what they're now experiencing, Eldred says, is the housing pinch on their children and grandchildren.

"A lot of these people have kids and grandkids who can't afford to stay in the city," he said. "They don't want to trek to the East Bay to see their kids."

The same, Latterman says, is true of longtime Sunset residents.

"At some point these people on the west side need to wake up and realize they are hosing the next generation," he said. "If they want their kids and grandkids to live nearby, they have to do something."

Eldred also says he's hearing older residents say they are tired of going "up and down their steep, West Portal home stairs." Some of them, he says, are thinking they might like to live in a multiunit building with

an elevator, near a transit corridor.

Now, let's don't kid ourselves. San Francisco has a long history of discouraging new building and an extremely active NIMBY tradition. A few young Democrats and some concerned grandparents aren't going to turn this around.

But at least there's another voice in the conversation. So far, however, the Board of Supervisors hasn't heard it.

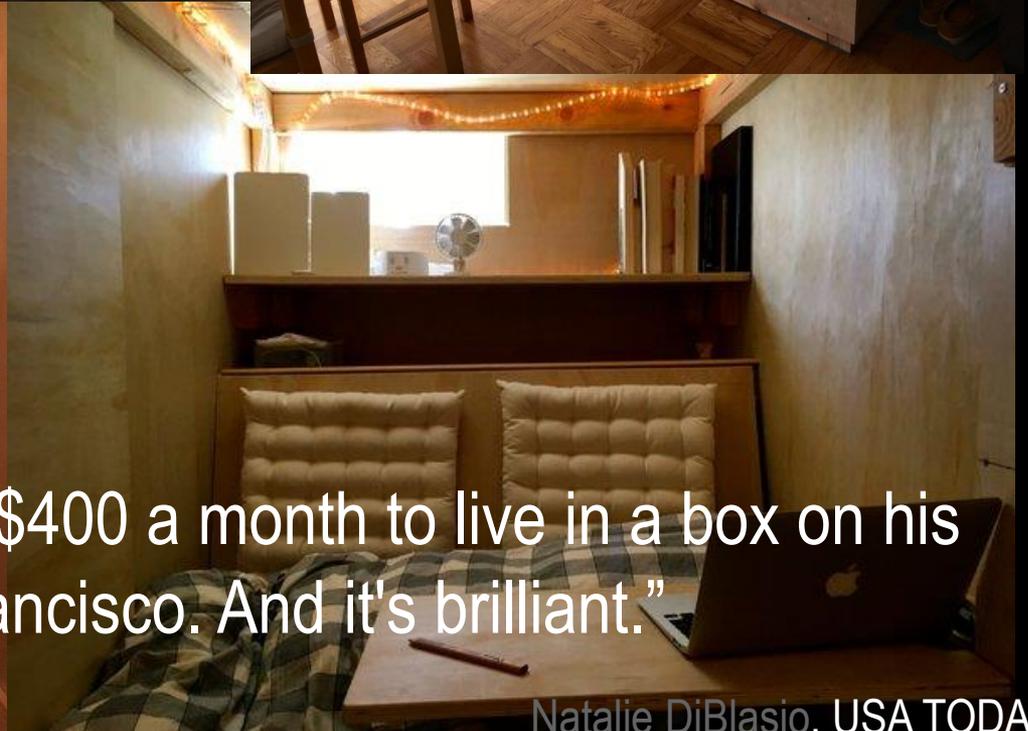
"The board has not felt the presence of this group," he said. "Those folks are going to have to come out and advocate. I think we are at a generational moment. We have a real housing need and we need to find a way to make it equitable."

And that means being as committed and outspoken as the activists. It means lobbying City Hall, addressing committees and campaigning for candidates. Buckley puts it in simpler terms.

"They have got to show up," he said.

C.W. Nevius is a San Francisco Chronicle columnist. His columns appear Tuesday, Thursday and Saturday. Email: cwnevus@sfgchronicle.com Twitter: @cwnevus

ACCESSORY DWELLING UNIT - POD



"Peter Berkowitz pays \$400 a month to live in a box on his friend's floor in San Francisco. And it's brilliant."

Natalie DiBlasio, USA TODAY