



Business, government leaders urged to build more housing

BY ROBERT DIGITALE THE PRESS DEMOCRAT on May 8, 2015, 11:51AM05/08/2015

Claiming that a shortage of affordable housing is starting to hurt the local economy, North Bay business leaders were urged Friday to get involved politically to acquire financing and win regulatory approval for local workforce housing projects.

“The key thing is we need to go into action,” said Cynthia Murray, president of the North Bay Leadership Council, the sponsor of a housing conference that drew more than 250 participants Friday in Petaluma. Murray called on attendees to join the council’s efforts to support new projects, go after financing and, when possible, reduce regulatory hurdles.

The effort to build more housing must resemble the yearslong campaigns to build Warm Springs Dam and the Sonoma-Marín Area Rail Transit commuter rail line, former congressman Doug Bosco said. Until now, he said, the housing issue often has suffered from a lack of community focus.

“We are good at infrastructure. We are bad at housing,” said Bosco, a principal investor at Sonoma Media Investments, which owns The Press Democrat.

Friday’s conference assembled more than 15 speakers to discuss the lack of housing and offer possible solutions.

Attendees learned of separate efforts by filmmaker George Lucas and Novato’s Buck Institute to build new housing units in Marin County. They heard about state legislation that could provide hundreds of millions of dollars to subsidize affordable housing projects. And they were assured by none other than Grant Davis, general manager of the Sonoma County Water Agency, that despite four years of drought, “we’ll have enough water, so that’s not an excuse to say we can’t build affordable housing.”

Speakers repeatedly called on business leaders to help educate the community on the need for more housing and to offer a counterpoint to those who routinely oppose new developments.

“It can’t be just the ‘noes’ at the hearings,” said Linda Mandolini, president of Eden Housing, a Hayward-based nonprofit developer.

Many insisted that the lack of housing is hurting business expansion and economic growth. Mandolini noted a recent study by UC Berkeley and University of Chicago economists who suggested that removing obstacles to home construction in the Bay Area and New York could boost the U.S. gross domestic product by 9.5 percent.

The conference occurred as Sonoma County has ranked among the hottest markets for homebuyers and last year was named among the top communities for rising rents. Apartment rents here have jumped nearly 30 percent in three years, and the vacancy rate is less than 3 percent — essentially full occupancy.

Meanwhile, the county's local governments issued just 251 building permits for single-family homes last year, the lowest total in at least 45 years.

In Marin County, meanwhile, purchasing a median-priced home requires an annual income of \$193,000, according to a video shown Friday on the plight of firefighters, teachers and others who work in that county but can't afford to live there.

Around the state, demand has dramatically pushed up home prices. At \$440,000, the average California home costs 2½ times the national average. In the 1970s, the average cost here was only about a third higher than for the nation, according to a recent report by the state Legislative Analyst's Office.

Brian Uhler, a senior policy analyst and an author of the state report, on Friday used Petaluma as an example of how demand has affected prices. A two-bedroom home in the city could be purchased in the 1990s for a price equal to 2½ times the county's median income. By 2000, the price had jumped to 4½ times the median income, and today the same home costs eight times the median income.

The North Bay counties of Sonoma, Napa and Marin historically have built about 3,800 housing units a year, Uhler said. To significantly slow the increases in home prices, the region probably would need to build about 7,500 units a year. He acknowledged such building would bring impacts, but maintained there also are impacts from a lack of construction, including longer commutes and workers leaving California in order to obtain more-affordable housing.

The focus Friday was on workforce housing. But several speakers suggested the issue was broader and encompassed both market-rate, for-sale homes and housing for the homeless and working poor.

The most repeated suggestion Friday was to educate the public on the value of new housing. Bob Glover, executive officer of the Building Industry Association of the Bay Area, explained the dilemma that builders face in seeking regulatory approval: "Our biggest opponents are the people we just sold homes to."

Susan Gorin, chairwoman of the Sonoma County Board of Supervisors, insisted that environmentalists shouldn't be painted as obstructionists in the process. She maintained that when housing developments were proposed near pending SMART stations, environmental group leaders "were at the table in force," with many saying "we want to move there."

Among specific solutions, Bosco called for a county "housing czar" tasked with building 1,000 units. And Carol Galante, a UC Berkeley professor and former assistant secretary of Housing and Urban Development for the Obama administration, proposed a statewide appeals board that could overturn the denial of housing projects by local agencies.

Galante told how she recently read a 1982 study that listed virtually all the recommendations mentioned Friday. She suggested the housing issue finally may be at "a tipping point," and she urged listeners to get involved to implement change.

"We don't want to be looking back 30 years from now," she said, "saying we didn't have the political will."

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