



Mountain View Coalition for Sustainable Planning on Mountain View Measure D: No

MVCSP is opposed to Measure D. Measure D, placed on the March primary ballot by the Mountain View City Council, makes significant changes to Measure V, also known as the Community Stabilization and Fair Rent Act (CSFRA). Mountain View voters passed Measure V in 2016 after community members worked together to engage the entire community to create the measure with the goal of minimizing the rapid displacement of middle and lower income residents that was occurring at that time. Measure D weakens these protections that cover 13,500 units, or 71%, of Mountain View apartments.

MVCSP's biggest concern is that Measure D undermines our goal of *minimizing displacement of existing residents*. MVCSP wants to ensure Mountain View remains a place where everyone, regardless of socio-economic status, can find a comfortable home. Measure D allows landlords to readily pass the cost of capital improvements on to tenants without meeting the fair rate of return standard, potentially leading to double digit increases in rent year over year. Landlords can already raise rents up to 10% if they can show they must do so to get a fair rate of return based on improvements, which are already allowed under the current CSFRA. Measure D also raises the annual allowed rent increase to 4% instead of the capping it at the Consumer Price Index (CPI), which has not been above 4% in many years.

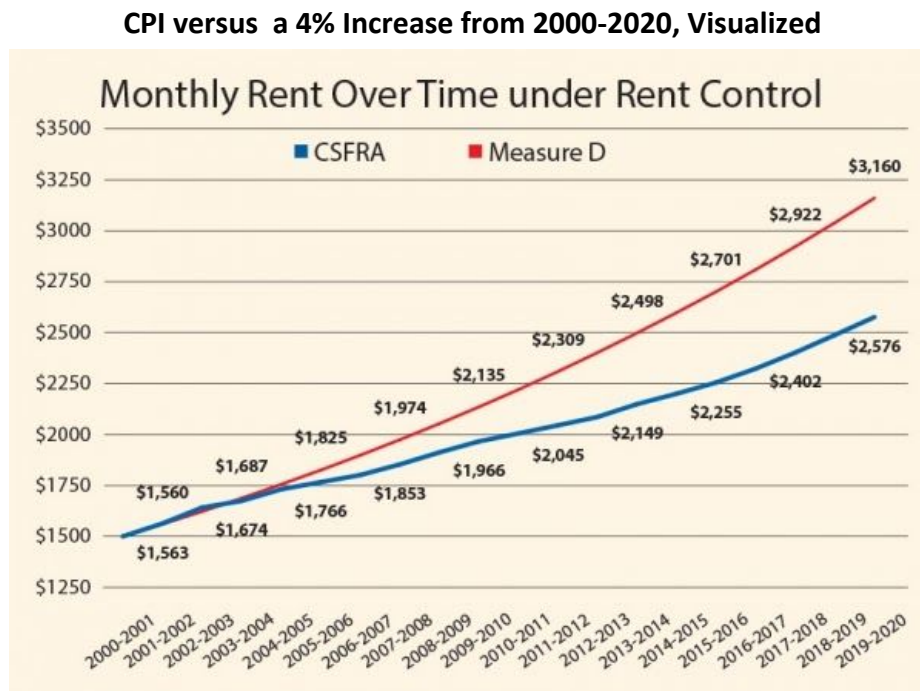
Measure D Guts the Fair Rate of Return Standard

Certain classes of improvements, such as enhancing a building's longevity, seismic safety, and sustainability, sound good and can be needed, but Measure D opens up the door to a wide range of currently undefined improvements in specific classes (such as sustainability) and eliminates the fair rate of return standard for evaluating a rent increase following the improvements. That's right: Landlords will not have to prove a rent increase above 4% is required to realize a fair rate of return when they make improvements if Measure D passes. The 10% increase can easily be passed through to the tenant, and an additional increase may be received after petitioning. We believe landlords will quickly move to raise rents 10% OR MORE, *causing displacement of our most vulnerable populations* including teachers, service workers, nurses, and others who are already struggling. And since many of our rent controlled units are affordable units, as residents are displaced from them by higher rents allowed under Measure D, the rent on these units will be set to market rate, *further diminishing our affordable housing stock*.

Improvements can be incentivized and subsidized in other ways that help both landlord and tenant. For seismic retrofits, potentially applicable for up to 35% of rent controlled apartments, and cited as a key argument for why Measure D is needed, loans, grants, other funding, and allowing additional units to be built in existing soft story areas can help cover costs, along with the current allowed rent increases of up to 10% under the fair rate of return standard. Measure D increases alone will not fully cover costs, but it will hurt tenants.

Measure D Raises the Annual Cap, Causing Larger Yearly Increases

The difference between Measure D’s 4% allowable increase and the current CPI increase is dramatic. The chart below, from the Mountain View Voice, shows the increase using both formulas between 2000–2001, the last time the CPI was at or above 4%, and now.



Source: Mountain View Voice, February 14, 2020

Endorsements and Financial Support

We compiled a list of known endorsers and funders of both No on Measure D and Yes on Measure D to provide background information. Much of the funding for Yes on Measure D comes from landlords who offer rentals but are not based in Mountain View, and who have outspent No on D nearly 2 to 1. Up until February 14, No on Measure D was entirely funded by grassroots donations, that is until local mobile home park owners donated to the effort.

No on Measure D has a wide range of local and county endorsers representing a dozen well-known organizations, such as the Santa Clara County Democratic Party and the League of Women Voters. Yes

on Measure D is largely supported by a few Mountain View community leaders, including the four councilmembers who put Measure D on the ballot, and presumably by the large donors to the Yes on Measure D campaign.

Endorsements for and Opposition to Measure D as of February 25

No on Measure D

Santa Clara County Democratic Party	League of Women Voters Los Altos-Mountain View	Mountain View Voice
The Affordable Housing Network of Santa Clara County	South Bay Labor Council (AFL-CIO)	Community Legal Services in East Palo Alto
Mountain View Housing Justice Coalition	Mountain View Mobile Home Alliance	Advocates for Affordable Housing
Silicon Valley Democratic Socialists of America	TechEquity Collective	Peninsula for Everyone
Mountain View Coalition for Sustainable Planning	60 community members	33 local businesses

Yes on Measure D

Mayor Margaret Abe-Koga	Councilmember Lisa Matichak	Councilmember Chris Clark
Councilmember John McAllister	Environmental Planning Commissioner William Cranston	Vice President MVLA Board of Trustees Fiona Walter
Trustee Mountain View Whisman School District Jose Guitierrez, Jr.	President of Mountain View Professional Firefighters Greg Cooper	Former Mountain View Mayor Mike Kasperzak
California Apartment Association		

Funding as of February 20

No on Measure D

- ~\$7,500 from the Mountain View Housing Justice Coalition

- \$94,000 from VG Investments and VO Limited Partners (representing large mobile home park owners)

Yes on Measure D

- \$193,000 from the California Apartment Association (including donations from Prometheus Real Estate Group, which contributed \$82,600, followed by Americana I, LLC, which donated \$27,200, from Tod Spieker who contributed \$49,500, and ACCO Management Company, which contributed \$26,950.

About Mountain View Coalition for Sustainable Planning

The Mountain View Coalition for Sustainable Planning is a group of local volunteers dedicated to making Mountain View as beautiful, economically healthy, transit, bicycle, and pedestrian accessible, and affordable as possible. MVCSP member interest and expertise covers areas such as housing, transportation, the environment, the economy, and beyond!

For more information, see <http://www.mvcsp.org>.

To contact us, send email to mvcsp.info@gmail.com.