

San Jose

Matt Mahan

San Jose City Council District 10

CEO of Brigade

Top 3 priorities citywide

1. Ensuring City Hall effectively and efficiently delivers core services to our neighborhoods: public safety, road and park maintenance, trash removal, programming at libraries and community centers. If city government can't consistently provide these basic services at a high quality level, residents will not trust us to use their tax dollars to tackle bigger and more complex problems, such as reducing homelessness and upgrading our transportation infrastructure. I believe that we must be "brilliant at the basics" to build trust with residents and taxpayers.
2. Support ongoing economic growth in San Jose that attracts employers, creates middle-class jobs, and improves the city's weak 0.8 jobs-to-housing ratio. This priority supports #1 and helps unlock #3 by improving the City's fiscal position.
3. Make strategic public investments that promote economic mobility and quality of life for most San Joseans, including transportation infrastructure upgrades, facilities that enable our homeless population to transition off the streets, and targeted afterschool and summer programs for young people.

1. Who is your Campaign Manager?

Matthew Quevedo

2. What is your Campaign Budget?

\$150,000 in the Primary

3. Please share your Top Ten Endorsements:

Mayor Sam Liccardo, former Mayor Chuck Reed, former Mayor Ron Gonzales and former Mayor Tom McEnery; Vice Mayor Chappie Jones, Councilmember Foley and Councilmember Diep, former Assemblymember Jim Cunneen, former Councilmember Nancy Pyle, State Senator Scott Weiner and the Silicon Valley Organization PAC. You can view my full endorsement list here: <https://mahanforsanjose.com/endorsements/>

4. Would you support or oppose a 3 county ballot initiative for a permanent 1/8 cent sales tax to fund Caltrain?

Support

In 2018, I proudly added my name to a long and distinguished list of Leadership Group member company CEOs who called on Secretary of Transportation Elaine Chao to approve federal funding for Caltrain electrification because, as a daily Caltrain commuter at the time (Diridon to 4th & King), I understood the unique value of Caltrain as well as how much more it could do for

our region. In 2020, I will be proud again to support a Caltrain funding measure as a smart investment in our region's transportation capacity. I believe that one of government's core responsibilities is transportation infrastructure, and Caltrain expansion deserves to be prioritized given its excellent performance and relatively small burden on taxpayers.

Caltrain is one of the most successful commuter trains in the United States. It runs through the heart of Silicon Valley, from Gilroy to San Francisco, taking tens of thousands of cars off our freeways and roads each day. The system currently operates at 125% of capacity during rush hour and recovers approximately 70% of its operating costs via fares, far exceeding the performance of most public transit agencies. On top of the obvious public demand for Caltrain's service, I am encouraged to know that the money generated by this measure would be restricted and overseen by a citizens' oversight committee. This revenue will help build Caltrain into a world-class commuter rail system, which will benefit residents across San Jose, including those who board at Diridon, Tamien, Capitol, and Blossom Hill.

5. Do you support funding to complete a valley to valley connection through high speed rail?
Support

Like many Californians, I have serious concerns about the projected cost of high-speed rail in California, which has ballooned over the years from an initial estimate of \$33B (with only \$9B needed from taxpayers) to somewhere between \$60B and \$100B (without significant non-taxpayer funding mechanisms identified). I have not seen plans for tackling growing costs or generating the funding required to complete the route. I'm also cognizant that mobility technology--from autonomy and electrification to even more innovative concepts like hyperloop--is rapidly evolving and may obviate the HSR approach.

All of that said, if one segment of HSR makes sense to boost our state's economy and as a test case of the system's viability, I believe it is the Valley-to-Valley connection, which would link the Central Valley's residents with the jobs-rich and housing-poor Bay Area. Bringing HSR to Diridon would also bolster San Jose's position as the central transit hub for the entire Bay Area, a major advantage for attracting and retaining employers, which we continue to need in San Jose. For those reasons, I could support the Valley to Valley HSR connection, pending a better understanding of the costs, financing mechanism and oversight provisions.

6. Would you support a measure dedicated to build and operate a world class, seamless integrated transit system to better serve Bay Area residents, funded through a one cent sales tax, to better serve the transit dependent and those of us still in our cars?

Support

Our region has experienced incredible economic growth in recent years and our population is projected to continue to grow rapidly in the decades ahead to 10 million or more residents. Residents already face daunting mobility challenges, commuting on average 73 minutes (according to the SVCIP) per day to get to work. To support our quality of life and our regional economy, we need to significantly upgrade our transportation infrastructure, as Los Angeles, Seattle and other cities experiencing similar growth are in the process of doing. For these

reasons, I support a large, long-term investment in transportation infrastructure that significantly scales our ability to move around the Bay Area.

That said, I have a few concerns that I'd like to raise here and work with you to mitigate. First, the cost of building anything--houses, roads, bridges--in the Bay Area is astronomical. We must find ways to reduce costs through streamlined permitting processes, fewer fees and regulations, and greater investment in expanding our skilled workforce to overcome significant labor shortages. Otherwise, residents' hard-earned tax dollars simply will not buy the impact they would expect from a measure of this magnitude. Second, while many of the voters I'm meeting in District 10 are frustrated with traffic congestion, they are equally concerned about the growing cost of living and spate of recent bonds and tax increases approved at the ballot box. I'm sensing widespread "tax fatigue" within our community. To win the public's trust for such an ambitious measure, campaign leaders will need to communicate concrete projects the funding will enable and explain how those projects will directly and significantly benefit residents. The campaign should also commit to establishing a public oversight committee to engender trust. Finally, while I understand that businesses bear a significant sales tax burden (\$0.34 per dollar of sales tax revenue across the 9-county Bay Area), I'm also concerned that sales tax increases are hardest to bear for our low income residents. I'd like to see the campaign address the negative impact that a sales tax increase of this magnitude will have on our lowest income residents.

7. Do you support Google's plans for the Diridon Station Area?

Support

I support the proposed Google project and have been an advocate for the project within the community. San Jose will benefit from this project in numerous ways. First, unlike many Bay Area cities, San Jose is "jobs poor" relative to our resident population, which translates into lower tax revenue per capita and a thinly staffed City Hall that struggles to deliver the level and quality of services our residents expect. Google's investment and ongoing operation in San Jose will generate tens of millions of dollars per year in tax revenue that the City can use to better support our neighborhoods. Second, while our economy is currently strong, San Jose should welcome high-skilled, high-paying jobs as we seek to remain a global leader in innovation. Cities are dynamic organisms; if they are not growing and staying economically competitive, they are declining (e.g. Detroit over the last fifty years). Third, the Google project, which will be built in an economically underutilized, non-residential stretch of land around Diridon Station, will bring significant investment and vitality to both Diridon Station and our Downtown core.

Over the coming years, San Jose has an opportunity to create a vibrant urban core that most residents have longed wished for--Google's commitment will give confidence to other investors who have, until recently, largely chosen to invest in other locations. Similarly, we have made a series of investments in expanding capacity at Diridon Station and the various systems that interface with the system, thanks largely to SVLG's leadership on numerous successful ballot measures. This past work has positioned Diridon to become the leading transit hub for our

entire region, which will benefit all San Jose residents (both riders and those benefiting from less pressure on our roads). Google's new campus is a critical piece of the puzzle that will help cement the momentum at Diridon. Finally, Google is doing the right thing on housing (most employers looking to expand their operations don't commit to building housing, and especially not at this scale and with such a high proportion restricted to be affordable).

All of that said, I believe we collectively have a responsibility to ensure that the benefits of this growth (Google, Diridon, Downtown in general) are widespread and shared in a meaningful way by San Jose residents of all backgrounds. My personal goal for Google's expansion into San Jose--and the expansion of other employers in San Jose--is to see these high-paying jobs filled by an ever larger proportion of our own residents, and especially residents living in our lower income neighborhoods. We need to dramatically improve our public education system, provide before, after-school and summer enrichment opportunities (such as the Coding 5K Challenge) and work with our local employers to nurture home-grown talent so that economic growth in San Jose is not a zero-sum game for our most vulnerable residents.

8. *Do you support any revenue generating vehicles (please be specific) to build more affordable homes?*

Support

We have a moral obligation to address the growing and intertwined crises of high housing costs and homelessness in our city and region. Given the scale of our housing shortfall and the fact that the private development market is unlikely to build housing that is affordable for our lowest income residents, I support an "all of the above" strategy that embraces both privately- and publicly-financed housing development. That said, the math surrounding this issue implies that the vast majority of the housing we will need to build will have to come from the private development market, which is currently broken and should be our top priority.

Regionally, we ended up in this position through a combination of rapid economic growth, overregulation of/barriers to local housing production and insufficient public investment in affordable housing and transportation infrastructure. While we have generally built the commercial real estate needed to support job growth, we have not built commensurate levels of workforce housing, creating a market imbalance that has led to rising rents, displacement of low-income residents and widespread economic anxiety.

Publicly subsidized housing is an important part of the solution, especially for our most vulnerable residents who have experienced or are at risk of experiencing homelessness. The County's Measure A affordable housing bond has already added 1,437 affordable units to the development pipeline and is on track to deliver the 4,000+ new units that was promised to voters in 2016. We will continue to need sources of public funding to support affordable housing construction in the future.

However, and unfortunately, the scale of our housing shortfall and the high cost of construction in the Bay Area means that the public subsidy portion of the solution--even at double or triple

current public investment levels--will only address a small proportion of the true need. Even the City's goal of building 10,000 affordable units by 2023 is not large enough to bend the housing cost curve for most working and middle class families in San Jose.

To truly address the crisis, we also have to fix our housing production market, which isn't generating even close to the number of new homes needed to meet growing workforce demand. This is due to a variety of reasons, from the high cost of land, labor and materials in the Bay Area to overzealous CEQA challenges, slow permitting processes and city fees. This is what our elected officials at the state, county and local levels should be most focused on achieving. Until we get serious about reducing the cost of construction, increasing the speed of approvals, embracing much higher densities in our urban areas, and better connecting our regions with excellent transportation infrastructure, we will not solve this problem for the majority of our residents affected by high housing costs.

As for the revenue generating mechanisms mentioned above that could contribute to our affordable housing stock in San Jose, I am especially interested in a vacancy tax. District 10, like many parts of the city, has prominent retail space (e.g. Almaden Via Valiente Shopping Center's anchor tenant space) that has sat empty for years while owners hold the land for a future sale or land use conversion (e.g. commercial to residential). This land is providing no public benefit and obviously would not have been originally entitled by the City to sit empty, so I would like to study a vacancy tax that kicks in after a set vacancy period and then ramps up over time.

I have concerns about a transfer tax driving up home purchase costs for middle class homebuyers, but I would be open to studying a transfer tax with a high floor (well above the median home price to protect middle class families). I'm open to learning more about the parcel tax options, but I'm frankly concerned about these options because the cost of living and cost of doing business in California is already extremely high. To fully address our housing affordability problem, we have to reduce the cost of building housing and incentivize home building at massive scale, which will require private capital markets to invest in housing production for a return. Ultimately, we need state-level reforms to help create the necessary incentive structure for the housing production market to work again.

9. Are you in favor of a ballot measure that will prohibit campaign contributions from advocates for development and tie the San Jose Mayoral term to the Presidential Election Cycle?

Oppose

I oppose this measure on both points. We should have the same rules for everyone who participates in elections. The claim that certain types of businesses are special interests deserving of special restrictions, while other types of businesses and all labor unions are not special interests is illogical and indefensible. As for the Mayoral race, it is true that Presidential cycles generate greater enthusiasm and therefore higher turnout. However, it is also true that people tend to focus on the top of the ticket, which means that it is not clear that higher turnout in the Presidential race will translate into greater engagement or debate around the Mayoral

race. It is equally likely or perhaps even more likely that moving the Mayoral race to the Presidential cycle would in fact draw attention away from local issues. The Presidential cycle and the Midterm cycle are both important election experiences, and each offers voters an opportunity to focus on slightly different sets of issues. I do not support further consolidation around the Presidential race simply because turnout is higher. A better solution would be to invest in voter engagement and education, especially during the Midterm cycle.

10. Do you support requiring all new buses purchased with federal funds be zero-emission beginning on October 1, 2029 (which is California's deadline for transitioning all transit bus purchases to zero-emission buses)?

Support

Yes, absolutely. The clean energy transition is underway and I would like to see San Jose leverage its procurement process to hasten it. In fact, I believe that VTA and the City of San Jose are well-positioned for national leadership on fleet electrification. San Jose International has the largest ZEV bus fleet of any airport in the country and VTA recently purchased new ZEV's to test in its fleet. Moreover, most of our county's residents are now covered by Community Choice Energy programs (SVCE and SJCE, for which I serve as a commissioner), which could collaborate with VTA and the City of San Jose to support and help incentivize fleet electrification. Over time, ZEVs should become an important storage solution that helps us overcome the challenge of powering the grid with intermittent renewables. As Councilmember, I look forward to working with local, regional and state leaders to speed the process of fleet electrification and the broader transition to a cheaper and cleaner energy future.

11. Will you work with the Silicon Valley Leadership Group to secure additional funding to protect our region and help advance a common vision for a healthy and resilient SF Bay?

Support

Yes, absolutely. I'm grateful that the Leadership Group is convening leaders across the region to think and act collectively to address our growing extreme flood risk in the Bay Area. Our experience in policy areas like housing and transportation has shown that city-by-city approaches are hard to coordinate and scale; with climate risk, perhaps more than any other issue, we have to coordinate and act as a region.

Cities around the Bay should be especially concerned about future sea level rise. According to the USGS, the Bay Area will experience a two-foot rise in sea levels by 2050 and could see more than 5 feet by 2100. Our coastline is currently disappearing at a rate of 2 millimeters per year, but that rate is accelerating. In the long-run, thousands of residents, some of the most innovative companies in the world, and tens of billions of dollars worth of hard assets risk damage and displacement. Voters understand this risk and support action. San Francisco voters recently passed a \$425 million bond to strengthen the Embarcadero sea wall and Foster City voters overwhelmingly supported Measure P by 80.65% in 2018 to provide \$90 million to strengthen and improve their sea wall.

I look forward to working with the Leadership Group and local governments across the Bay Area to make our region resilient to sea level rise.

12. Do you support or oppose a proposed amendment to Proposition 13?

Oppose

I opposed the original concept for the split-roll amendment, which was recently pulled from the ballot by supporters. I was worried about the impact on small businesses as well as the overall business climate in California. Of course, if passed, businesses would try to pass on as much of the cost as possible to consumers, harming our middle class. California is already an expensive and difficult place to do business; we should be careful about increasing the costs on companies lest our efforts cost the state future jobs, R&D spending and tax revenue (not to mention driving up the cost of goods and services for consumers).

That said, I think it actually may hurt economic competitiveness for legacy companies to pay property taxes that have not kept up with inflation (and are therefore significantly lower than newer competitors' property taxes) simply because they've been in existence longer than newer market entrants. I'm open to studying this dynamic and considering a fix that addresses that imbalance by allowing legacy property taxes to slowly catch up over time. I support the fundamental intent of Prop 13 to restrict rapid and unreasonable increases in property taxes that might displace businesses (or residents), but I also want to see greater fairness for newer market entrants.

13. If a public charter school's petition is approved to operate within your local school district, meaning their proposal meets key pupil outcomes as indicated by state law, would you approve the school's bid to rent or build facilities beyond those already owned by the district?

Support

I would support a public charter school's bid to rent or build facilities outside of those owned by the district in order to enable the school to open its doors to the community. As a former public school teacher, parent and taxpayer, I am a strong supporter of our public education system. I also believe it is in need of deep, foundational reform. Every student, regardless of circumstances, should have access to a high-quality, publicly-funded education. Unfortunately, many of our public schools today do not meet a sufficient quality bar, especially for our students of color, who are significantly less likely to be prepared for college upon completing high school. This situation is unjust and it perpetuates cycles of poverty and marginalization that prevent far too many people from achieving their potential and pursuing their happiness.

Our public education system surely needs more funding per pupil, particularly dedicated to teacher salaries (to help attract and retain the very best teachers society can provide), but also for upgrading facilities and incorporating technology. But we also need to rethink the structure of the school day and the school year, the training and support teachers require to be successful, and the potential for modern performance management techniques to enhance school operations. This is where public charter schools provide unique value. Public charters have greater flexibility to customize their approach to serving the community, which is especially

important in communities that have been consistently underserved by traditional public schools. Public charters like Gilroy Prep and KIPP Heartwood demonstrate that greater flexibility can enhance innovation and more importantly, outcomes, for our most disadvantaged students. We can embrace positive change and innovation in our public education system without sacrificing the value of universal, publicly funded education for all children.

14. Tell us about a time when you were opposed to a position of one of your major supporters.

What was the issue? How did you handle this situation?

In recent months, I've had conversations with land owners and developers who generally support my vision for San Jose and my campaign platform, but would prefer to maintain the current General Plan assumptions for Coyote Valley, which includes 30,000 new jobs. They've made reasonable arguments related to property rights, the City's need for more jobs to expand our tax base, and the value of creating a counter-commute traffic flow rather than intensifying the existing commute pattern on highways 101, 85 and 87. In the abstract, I find these to be compelling principles that I would apply in many circumstances.

However, I believe that Coyote Valley is a unique and irreplaceable asset for our community and the larger ecosystem upon which we depend, which has led me to support significant changes to the General Plan's earlier vision. To name just a couple of the environmental benefits, Coyote Valley provides groundwater recharge and important wildlife crossings between the Santa Cruz and Diablo mountain ranges. It is also the last significant open space remaining on our Valley floor, which we should preserve for future generations to enjoy. Rather than develop Coyote Valley according to the General Plan's current land use designations, I would like to see a new vision for a mixture of open space preserve and agriculture/agri-tourism. I believe future development in Coyote Valley should be limited and should support a new vision for the area remaining primarily undeveloped while still economically viable, closer to what has been achieved in parts of the Sonoma and Napa valleys, with their farms, vineyards, campgrounds, hiking trails, and so forth.

In all, I think I've been able to listen and understand the perspective of those who support the current plan, but ultimately stand for something I believe in, communicate my reasoning effectively, and maintain the support of those who may disagree with me on this issue.