

# City of Palo Alto

*Office of the Mayor and City Council*

July 24, 2025

The Honorable Buffy Wicks  
California State Assembly  
1021 O Street, Suite 8140  
Sacramento, CA 95814

The Honorable Christopher Cabaldon  
California State Senate  
1021 O Street, Suite 7320  
Sacramento, CA 95814

**RE: AB 736 (Wicks) and SB 417 (Cabaldon): Housing Bond Proposals  
City of Palo Alto - Notice of Support if Amended**

Dear Assembly Member Wicks and Senator Cabaldon,

On behalf of the City of Palo Alto, I am writing to convey our support for your proposals to tackle California's housing challenges with a \$10 billion statewide housing bond, as embodied in AB 736 and SB 417, if amended to include \$500 million dedicated to California's impactful Local Housing Trust Fund (LHTF) Program.

The City of Palo Alto has firsthand experience with the profound benefits of the LHTF program, having received a \$3.4 million award in 2023. This funding has been instrumental in advancing critical housing projects in our community. For instance, \$1.5 million has been allocated to the Mitchell Park Place project, delivering 50 new housing units for IDD adults. Furthermore, \$1.9 million is set aside for the upcoming Charities project, which will offer 130 units. These initiatives underscore the program's vital role in our community's housing strategy.

We urge inclusion and expansion of funding for the LHTF based on several key reasons:

**1. *Catalyzing Affordable Housing Production***

The LHTF serves as an essential catalyst in making projects financially feasible, allowing communities like Palo Alto to leverage significant additional funding from various sources. This amplifies the impact of public investment and accelerates affordable housing development.

**2. *Ensuring Equitable, Regional Resource Distribution***

The reallocation potential of the LHTF ensures that all communities, including those in suburban and high-cost urban areas like Palo Alto, receive the necessary support to address unique housing challenges effectively.

**3. *Fostering Local Capacity and Collaboration***

The LHTF encourages partnerships among local governments, nonprofits, and developers, facilitating projects that reflect community priorities and move forward efficiently. In Palo Alto, such collaborations have been pivotal in our housing strategy.

**4. *Providing Adaptive and Diverse Solutions***

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From rental housing to homeownership and special needs accommodations, the LHTF's flexibility is crucial in meeting diverse community needs, allowing Palo Alto to adapt to evolving housing challenges.

**5. *Delivering Robust Economic Returns***

Investment through the LHTF not only addresses housing shortages but also stimulates local economies. In Palo Alto, this investment contributes to economic growth and job creation, demonstrating the broad benefits of the program.

We respectfully request that you amend AB 736 and SB 417 to secure robust funding for the LHTF, enabling continued support for local governments and developers in delivering critical housing solutions efficiently.

Thank you for your leadership and for considering this essential investment in our communities. We look forward to partnering with you in advancing these vital initiatives through the statewide housing bond.

Sincerely,

A handwritten signature in black ink, appearing to read 'Ed Lauing', is positioned to the left of a vertical line.

Ed Lauing  
Mayor  
City of Palo Alto

Cc: Honorable Senator Josh Becker  
Honorable Assembly Member Marc Berman