

6 September 2016

Ann Clevenger, Planner III
City of Oakland Bureau of Planning
250 Frank H. Ogawa, Suite 2114
Oakland, CA 94612

Subject: Claremont Hotel, case number ER16-010

Dear Ms. Clevenger and Planning Council Members,

I am an Oakland resident writing regarding the proposed Claremont Hotel condominium development, specifically with respect to the expected effect on Oakland housing of adding these luxury residences.

The 19 April *East Bay Times* reported that "Rachel Flynn, head of planning and building for the city of Oakland, said the city is intrigued by the proposal. 'In our view, we think it's always good to get more housing in Oakland,' Flynn said. 'Any time you build new housing, you create opportunities for people who otherwise might displace existing residents.'"

(http://www.eastbaytimes.com/breaking-news/ci_29785932/oakland-landmark-claremont-hotel-could-get-new-neighbor)

I am an economics researcher and professor at the University of California, San Francisco, with a particular interest in how community interventions affect our very severe income, wealth, and human welfare inequalities. The statement made by Ms. Flynn struck me as dubious – why would new condominiums estimated at \$1.5 million each improve housing, especially for the masses of individuals unable to find *affordable* housing? So I did some research.

What I found contradicts Ms. Flynn's comment. The best evidence suggests that the proper solution to affordable housing is ... to build affordable housing! Expensive housing attracts individuals who already have other housing options.

See two relevant analyses at these sites:

"Luxury condo development can't solve the affordable housing crisis — only public housing can" (2013) <https://www.jacobinmag.com/2013/12/trickle-down-gentrification/>

<http://48hills.org/2015/08/18/a-leading-voice-on-urban-planning-in-ca-debunks-housing-trickle-down/>

Please do not permit Ms. Flynn's flawed logic to influence project review.

Sincerely,

James G. Kahn, MD, MPH
Oakland, California