

Questionnaire for City Council Candidates 2009

Palo Alto Neighborhoods (PAN)

To the readers: The intended audience for this questionnaire is normal residents who are interested in the issues (versus activists who are deeply enmeshed) and the candidates were instructed to respond appropriately (detail and length). The candidates have diverse backgrounds and the questions are intended to be open enough to allow them to demonstrate their knowledge, experience, priorities and perspectives while being constrained enough to allow you to make comparisons between the candidates. The questions are not intended to allow safe, generic responses that reveal little. The candidates' responses will stay in the same order relative to each other, but we rotated whose response is first. Candidates have the option of including clickable links (hyperlinks) in their responses and of making the name at the beginning of each response clickable.

For more information on the candidates and their positions, you are encouraged to visit their individual websites, which can be found at:

[K] [Greg Scharff](#) : [ElectGregScharff.com](#)

Terminology: "the City" refers to the government of the City of Palo Alto.

1. Reason for running: What are your primary reasons for running for City Council?

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We have a great quality of life in Palo Alto, including great schools, neighborhoods, parks and open space and I am committed to preserving and protecting these things. Palo Alto is at a critical junction in its future. I want to make sure that Palo Alto makes the right choices to keep the quality of life that we all cherish. That is why I'm running for city council and asking for your support. The City faces a future of long-term financial crisis and declining city services if the City does not control its pension and health care obligations. City pension costs have increased 86% for SEIU and Management employees over the last five years, in large part due to an enhanced pension formula implemented in 2007. Furthermore, the City's unfunded liability for retiree medical insurance grew by over \$27.5 million over the past 2 years alone, from \$102.2 million to \$129.7 million. It is critical to the future of our City that that the retirement formula for city employees and health care benefits be addressed in a manner that doesn't continue to risk Palo Alto's financial future and its ability to provide the services our residents need. We must also strongly resist ABAG's attempts to impose high density housing throughout Palo Alto and insure that the High Speed Rail does not divide our City by constructing a 15-40 foot wall.

2. Experience:

Non-incumbents: Describe your personal experience with Palo Alto City government and recent issues that have come before the Council (Public Hearings). What was your role? (For example, did you send an email, speak to the Council, lead a group of citizens, etc.?) How extensively were you involved?

Incumbent (Klein): What have been your major initiatives on the Council? Describe your role and the results.

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I graduated Bowdoin College in Maine with a B.A. in economics and a J.D. from Columbia University School of Law in New York City. Through an interdisciplinary program, I also completed 18 credits at Columbia Business School. I've been a Palo Alto resident for over 20 years and have had my law practice just off California Avenue for almost 10 years. As the father of three children who've attended local schools, with my oldest just having left for college this year, I've been actively involved as a parent leader and understand that our schools are one of the great resources I want to protect. As an attorney and a Palo Alto resident, I have had extensive experience with land use issues, issues facing our local business community, and issues that affect the day-to-day lives of the people in our community. As an attorney, I fully understand the legislative process; how to draft an ordinance and the many legal issues that continually face our city. I love this community and am committed to preserving the wonderful quality of life that we have in Palo Alto.

3. Potential conflicts of interest: The City Council can be hampered in its deliberations when members have to [recuse](#) themselves because of conflicts of interest. Please identify potential conflicts that you may have (excluding your personal residence) in ongoing or forthcoming issues.

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I am not aware of any conflicts of interest that would cause me to recuse myself from any ongoing or forthcoming issues. I have no conflict of interest with Stanford and will be able to vote on all Stanford issues.

4. Deficit: The City has a large structural deficit. A large part of its costs are for employees, both current and retired. How do you propose to contain those costs? If you advocate reductions in the workforce, which services would be affected? Do you advocate an alternative way(s) to contain costs?

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We need strong fiscal management, accountability, and transparency. We will have long-term fiscal problems if unsustainable pension and health care benefits aren't reduced. City pension costs have increased 86% for SEIU and Management employees over the last five years, in large part due to an enhanced pension formula implemented in 2007. The City of Palo Alto by adopting "2.7% @ 55," has provided a benefit that, if not reduced now, will result in unsustainable long-term obligations for the City that will cause a future of sustained fiscal crisis and declining city services. The retirement formula for city employees must be scaled back to 2% at 60 rather than the gold-plated 2.7% at 55 granted to city employees in the last several years. 2.7% at 55 means that a city employee can retire at 55 and receive 2.7% of their highest salary worked times the number of years worked for life. This is simply too generous and a benefit that the City cannot afford. We also must control the spiraling costs of health care benefits. According to its most recent actuarial study, the City's unfunded liability for retiree medical insurance grew by over \$27.5 million over the past 2 years alone, from \$102.2 million to \$129.7 million. With these costs far exceeding inflation and the general public paying an increasing share of its own health care costs, it is only fair that City employees begin picking up some of the costs of their coverage. The City cannot continue to pay 100% of its employee's medical costs. We also need to look closely at the number of employees Palo Alto has in proportion to its neighboring cities and determine if we could be more efficient with our resources. It is simply shocking that Palo Alto could save \$235,000 each and every year by simply having more competitive rates for landline telephone service and telecommunication lines. It is likely that there are other areas where substantial savings could be realized by strong fiscal management. If elected, I will be a strong voice for fiscal responsibility and accountability.

5. Business license tax: What is your position on a business license tax, such as the one on the November ballot?

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I oppose "Measure A", the current business license tax on the November ballot. It HURTS SMALL BUSINESS, is poorly drafted, overly broad and not consistent with the tax levels of our neighboring cities in Santa Clara County. Furthermore, It is not supported by our Chamber of Commerce. Redwood City, for instance, also has a business license tax that is far more modest and better drafted on the ballot this November that is supported by its Chamber of Commerce. The business license tax as currently drafted will not go into effect until 2011. Palo Alto should defeat Measure A and if a business license tax is truly necessary for the fiscal health of our city, the council should work closely with the community to come up with a business license tax that is more in character with our neighbors in Santa Clara County and has the support of Palo Alto's Chamber of Commerce. We need to look at better, more positive solutions that support our small businesses, not burden them.

6. Utilities Funds: Currently a portion of the City's Utility Fund is paid into the General Fund. What do you think are appropriate levels for such payments?

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Rising utility rates are an issue for a lot of Palo Alto residents. We need to keep our utility rates affordable, and I would not support any increase in payments from the City Utility Fund to the General Fund. The City obviously faces both a short-term deficit of approximately \$10,000,000 and a structural deficit. These deficits are caused by rising pension and health care obligations, increasing payroll and benefit costs, falling sales tax revenues, and falling hotel occupancy. We need to solve our revenue issues by supporting and promoting our commercial areas and lowering our payroll and benefit costs, as well as solving our long term structural problems by reigning in pension and health care obligations. If we solve these problems, we could then lower or eliminate utility payments to the General Fund and lower utility costs.

7. High Speed Rail (HSR): What is your position on HSR, including undergrounding? If HSR is built, should the City request a station? What should be the City's role?

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The City needs to use all available means to vigorously oppose any high-speed rail plan that will call for a 20-40 foot wall to be built through our neighborhoods, taking our resident's homes through eminent domain and dividing our city. I support undergrounding the train in Palo Alto through either a tunneling approach or a "cut and cover" approach so that it does not adversely affect our neighborhoods or our quality of life. It is critically important that this issue be handled in a manner that protects the character of our city. Once the high speed rail is built, it will be impossible to fix the impacts on our neighborhoods, our community and our quality of life. If high speed rail is built, it will be beneficial to California, but I will be a strong advocate for our community against this High Speed Rail Proposal. I have very strong concerns about traffic, parking and Palo Alto's ability to handle the significant impacts of having a High Speed Rail station. As an attorney, I am uniquely suited to advocate for Palo Alto's concerns.

8. Retail: Palo Alto has multiple business districts and neighborhood centers. The health of a retail area is dependent on far more than just individual stores. Although cities cannot provide the level of management found in malls, other cities do more than Palo Alto. What should the City do to support the retail sector?

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Palo Alto needs to foster a culture at City Hall that supports local business and promotes vibrant and thriving commercial areas. It should be an easy and pleasant experience to shop and do business in downtown Palo Alto. Businesses should feel that they are a welcome partner in our community and that they are receiving the support necessary to make our commercial areas fun and inviting places to spend time. We need to retain our existing businesses and bring new business to Palo Alto in order to increase our sales tax revenue and create a vibrant and healthy community that provides the services we all want. We need to encourage high sales tax generating business to locate in Palo Alto and create a business and service oriented environment in order to promote our commercial areas. As a small business owner in Palo Alto, I understand the needs of business and as a 20 year resident of Palo Alto; I understand the need to be able to fund the services we all desire.

9. High-density housing: What is your perspective on the major forces pushing for high-density housing?

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I strongly oppose high density housing and its negative impacts on our schools, parks and services in Palo Alto as well as the increased traffic and additional costs associated with high density housing. Palo Alto can only accommodate very limited future growth, our schools and services are nearing capacity. We must resist the Association of Bay Area Governments' (ABAG) attempts to force a change in the character of our city. As an attorney with a strong back ground in land use, I am well suited to protect Palo Alto's interests in this area.

10. Development impacts: The City has been criticized for allowing developers to understate the impacts of their projects, and thus avoid paying for measures to reduce the problems created. How much of a problem is this? What changes are needed?

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At times, this has been a problem. Developers have often employed Planned Community Zoning to obtain projects that they otherwise could not get by promising community benefits that are not perceived by our community to justify the increase in density. Each proposed development project needs to be assessed in light of its impacts on the community and its negative impacts mitigated.

11. Affordable Housing: The City's current approach to providing affordable housing relies heavily on requiring new housing developments to include affordable units. What is your assessment of this approach? What changes would you make?

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Through its Below Market Rate (BMR) Program, the City of Palo Alto requires new developments of 10 or more units to provide at least 10% of the units at costs affordable to low- and moderate-income households. "Below-market-rate" units are defined as units affordable to people making 80 to 100% of median income. The program is designed to spread affordable housing units throughout a new development rather than cluster BMR units in one location. As an alternative to providing affordable units, developers can pay in-lieu fees, which are deposited into the city's Housing Development Fund. Sales and resales of BMR units are administered by the private non-profit Palo Alto Housing Corporation, which requires BMR housing to remain owned and occupied by low- and moderate-income people. As a former Board Member of the Palo Alto Housing Corporation, I believe the approach works fairly well and am not advocating any changes at this time.

12. Planned Community (PC) Zoning: Planned Community zoning is controversial because it is perceived as being routinely abused. What is your perspective on the use of this zoning? Use specific examples to illustrate your points.

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Planned Community “PC” zoning is often abused in the City of Palo Alto and the “Community Benefits” that supposedly justify the departure from the current zoning do not always benefit the City. Alma Plaza is a good example of this process run amok. Alma Plaza was zoned neighborhood commercial, and yet through the PC zoning process, it seems that Alma Plaza is going to cease being a neighborhood shopping center. Once housing replaces our retail, hotels (Ricky Hyatt), and other community services, that land can never be recovered. We need to protect our neighborhood services and carefully scrutinize any change of use for its long-term impact on the quality of life in our city.

13. Stanford Hospital Project: The expansion of the Stanford Hospital will have substantial impacts on Palo Alto, most significantly increased traffic and requirements for additional housing. What do you think is appropriate for the City to require of Stanford as part of this project?

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The Stanford Hospital and Lucile Packard Children Hospital Renewal and Replacement Project will provide at least \$139M in community benefits and it will make the hospital seismically safe and insure that Palo Alto’s residents continue to have access to the best medical care in the world. We need to work with Stanford to ensure the success of this project, which is critical to the continued high quality of health care the residents of our City and region have come to expect. We of course need to critically review the traffic impacts and insure that they are mitigated. I would not support requiring the Stanford hospitals to build high-density housing as a requirement of approval and believe that we should resist burdening this important project with requirements that are above and beyond what would normally would be required.

14. Civic Engagement: What is your interpretation of the term “civic engagement”? What are your priorities for improvements in this area?

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We need to encourage “Public/ Private Partnerships” such as the Palo Alto Junior Museum & Zoo, Palo Alto Art Center, Heritage Park, and Lytton Plaza. Palo Alto is very lucky to have a cadre of active citizens willing to give their time and money to improve our City. We need to encourage this generosity and improve our City through “Public/Private Partnerships”. We also need open communication which will lead to greater civic engagement. The agenda and agenda reports must be available to the council, newspapers and public at least ten days before council meetings. I also support the City of Palo Alto work on enhancing “Civic Engagement for the Common Good” (see http://www.cityofpaloalto.org/depts/cou/see_it.asp).

15. Neighborhood Associations: In what ways have neighborhood associations been beneficial to the City? What, if anything, would you change about that relationship?

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Our neighborhood associations play a vital and important role in our City in providing a sense of community and giving input on major issues and taking an active role in having our residents get to know the candidates and advocating for our communities. I have no plans to change the relationship.

16. Meeting Effectiveness: Council meetings often run to well after midnight, and decisions are deferred (continued) or referred (sent back for further consideration). What would you do to improve the effectiveness of Council meetings?

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A nine member Council makes it very hard to be efficient. As a Council member I personally will strive to be well prepared on the issues, and be succinct and to the point.

17. Balancing Issues: A major focus of the current Council has been environmental issues, especially those related to Global Warming. Using this as a specific example, explain how you think Council and staff should allocate time and effort to the many issues that come before them.

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“Climate Change” is an important issue facing the world and we should continue to be a leader on environmental policies and climate protection. Palo Alto as a recognized leader on these issues, last year adopted one of the first mandatory green building ordinances in the country. However, this is not enough. The Palo Alto City Council should be focused on improving the quality of life of Palo Alto residents, supporting our schools, parks and libraries, improving our bike paths, fixing our streets and protecting our City’s financial future. The top three priorities of the City Council should be (1) protecting our community, neighborhoods and schools (e.g. from the impacts of High Speed Rail and high-density housing); (2) strong fiscal management and accountability (reigning in unsustainable pension and medical costs); and (3) promoting a vibrant business community.

18. (Optional) Unasked Question: If there is a question you think we should have asked, ask and answer it.

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Public/Private Partnerships. What role do you see Public/Private Partnerships playing in the City’s future? In this age of tight budgets and decreasing revenue, we need to encourage “Public/ Private Partnerships” such as the Palo Alto Junior Museum & Zoo, Palo Alto Art Center, Heritage Park and Lytton Plaza. Palo Alto is very lucky to have a cadre of active citizens willing to give their time and money to improve our city. We need to encourage this generosity and improve our city through “Public Private Partnerships”.