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:

[H] Leon Leong : www.leonleong.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?

[H] Leon Leong: www.leonleong.com

I am running for City Council because I would like to see the Council change it's focus to the quality of life issues that are specific to Palo Altans:

- Housing density & it's effect on school overcrowding, traffic congestion & taxing of city resources.
- Economic Vitality of the city: broaden our tax base by making Palo Alto a more inviting place for community serving businesses to come; I am opposed to the Business License Tax because I believe it will discourage businesses from coming to Palo Alto.
- City Budget: we need more transparency in our city budget so that the City Council can make better policy decisions on where to allocate money and how the city can operate more efficiently. Our decaying city infrastructure needs to be addressed.

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.

[H] Leon Leong: www.leonleong.com

I recently voiced my concerns with the proposed Business License Tax, through e-mail & speaking at the Finance Committee, and with meeting with City Staff. I highlighted concerns with the Business License Tax model.

Prior to that issue, I presented economic data to the Finance Committee highlighting the trend in one of it's revenue sources, the documentary transfer tax, so that they would better be able to assess the size of deficit issue in the fiscal year.

In early October, 2008, I e-mailed the council about the need to revise their forecasted revenue from economically sensitive sources: Sales Tax, Transit Occupancy Tax, Documentary Taxes & Property Taxes. I received only one response back from the council members.

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

[H] Leon Leong: <u>www.leonleong.com</u>

I have no association with Stanford, so I will be able to deliberate on these issues.

I do have clients located in different neighborhoods of Palo Alto, and any conflict of interest would depend on the specific issue.

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?

[H] Leon Leong: www.leonleong.com

The first step is the budget needs to be more transparent. Even though the budget is a lengthy document, it is difficult to determine what different services cost. Once the cost of each service can be quantified, the council can make policy decisions on what level each service should be subsidized by the budget, and what are appropriate fee levels.

Another step is look for efficiencies in how services are delivered, and what are the overhead costs in delivery. For example, the city auditor recently found that the city could save hundreds of thousands of dollars in the phone bill.

Lastly, the pay, retirement & benefits of city staff need to be benchmarked against other government entities as well as equivalent private sector jobs. The council should evaluate it's compensation philosophy on how risks in the retirement benefits are shared between the city & it's employees.

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

[H] Leon Leong : <u>www.leonleong.com</u>

I am opposed to the specific Business License Tax, Measure A that is on the ballot for the following reasons:

- 1) The structure of the tax is regressive & unfair: City staff estimates that 80% of the tax will be paid by small businesses, many of these small businesses are ones that serve the community, while only 10% of the tax are paid by large corporations.
- 2) Palo Alto already is perceived as a more difficult city to do business we don't need another reason to drive away new businesses, especially considering that the vacancy rate among our retail areas are high, for example the Downtown. The proposed business tax is one of the most expensive taxes among cities in Silicon Valley.

- 3) The money raised is not dedicated to specific infrastructure projects, or city service, and will not solve our current fiscal year deficit.
- **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?

[H] Leon Leong: www.leonleong.com

The budget has three areas where the Utilities contribute into the General Fund:

- 1) Utilities User Tax \$11.25 million
- 2) Transfer "ROI" \$16.4 million
- 3) Rental income from a "Utilities Facilities charge" \$10.3 million (see page 74 of the City of Palo Alto 2010 operating budget)

This is over 26% of the general fund budget – it works out to \$580 per resident; only one of the "contributions" were voted on by the residents (Utilities User Tax). The other contributions are in my opinion a "tax" on the residents, and that the city should not be continually raising these contributions as a form hidden taxation to avoid making policy decisions on the budget.

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?

[H] Leon Leong: www.leonleong.com

I am opposed to the High Speed Rail and had voted against the bond issue on the 2008 ballot for the following reasons:

- 1) The required grade separation meant that there would be a 15 foot high platform running the length of the city would only divide the community
- An above grade solution would create more noise pollution to the surrounding neighborhoods
- 3) The cost of a tunnel as a grade separation solution is prohibitively expensive
- 4) Any station would be similar to putting in an airport with all the related traffic congestion issues
- 5) The estimated cost \$40 billion should have been spent on local mass transit solutions local commutes comprise the vast majority of the transit issues.

The city should actively oppose the HSR route through the peninsula.

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?

[H] Leon Leong: www.leonleong.com

Support for the retail sector should touch on the following areas:

- Compreshensive Plan, which will balance the needs between retail, residential & community facilities: many years ago, Palo Alto had neighborhood serving shopping areas, over the years, two of the shopping areas have decayed and no longer have any retail operations. the council should have as one of it's priority to address this through zoning.
- The city should ensure that any permitting reviews for renovations be handled in a timely fashion

- The city should pass zoning and other ordinances to help attract & support the retail establishments.
- The city should continue to devote resources to making the retail areas clean, safe, and an inviting areas to shop.
- **9. High-density housing:** What is your perspective on the major forces pushing for high-density housing?

[H] Leon Leong: www.leonleong.com

Real Estate Developers, Affordable Housing Advocacy groups & Environmental Advocacy groups are all forces that have pushed for higher density housing. Over the past twelve years Palo Alto over 2,500 new housing units have been built – without a proportionate increase in community facilities, retail, or transportation. Palo Alto residents have seen an increase in traffic congestion, more portables on their neighborhood schools, and increasing competition for city services. More must be done to mitigate the effects on our schools, traffic & city services before further zoning changes for higher density housing are allowed.

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?

[H] Leon Leong: www.leonleong.com

Inclusionary zoning ordinances provide for 15% - 20% of a development to be allocated to Below Market Rate units; this has given Affordable housing advocates more incentive to push for higher density in development so that there will be more BMR units.

Environmental groups have pushed for higher density developments to support mass-transit.

Unfortunately this created several issues: parking overflow into neighborhoods, traffic congestion on arterial streets, higher school enrollment than originally predicted, and financial stress on city budget resources.

With the experience of adding 2500 housing units over the past 12 years, the city needs to recalibrate it's zoning to the reality learned – are the number of parking spaces allocated enough? does the ratio of school age kids per unit need to be increased? Etc.

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?

[H] Leon Leong: www.leonleong.com

This approach to providing affordable units will not work with the current ABAG housing allocation – it requires 5 to 6 market rate units to support an affordable housing unit. In order to meet the ABAG allocation, roughly 7,500 – 9,000 housing units would need to be zoned for, and if built, would significantly degrade the quality of life in our city.

One proposal is to band together with surrounding cities, and be able to trade/fund housing units to meet affordable housing goals.

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.

[H] Leon Leong: www.leonleong.com

In some cases, PC Zoning has been used to achieve higher density housing than what would be allowed. There is suppose to be a "public benefit" provided to offset the increased density. My perspective is that additional considerations need to be factored in beyond the "public benefit": traffic congestion, school overcrowding & over-utilitization of city services before granting a change to PC. One of more recent examples is the Alma Plaza – a "grocery store", a community room, and 14 BMR housing units were deemed the "public benefits". This plan would allow 51 housing units to built on that site – in my perspective the traffic issues (including parking issues), and potential school overcrowding issues have not been adequately addressed.

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?

[H] Leon Leong: <u>www.leonleong.com</u>

I believe that Stanford should show how the housing and traffic needs can be addressed, not just within Palo Alto, but on a regional basis, not just within Palo Alto. Stanford has already offered an "in-lieu" contribution to the housing fund of \$22 million, even though they are not required to do so under current law. This contribution is perhaps one of the largest in the history of development in Palo Alto.

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

[H] Leon Leong: www.leonleong.com

I believe "civic engagement" should be a two-way street – the council needs to engage the residents on issues that they feel are important, as well as issues the council thinks are important. I believe it should be a priority to get "new faces" and "new voices" involved.

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

[H] Leon Leong: www.leonleong.com

Neighborhood associations have been an important part of getting parts of the community involved. The neighborhood associations have also provided the city an opportunity to get residents aware of issues such as "disaster planning" that they might not ordinarily pay attention to.

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?

[H] Leon Leong: www.leonleong.com

Many issues are complex and the public needs to be heard on the issues, and a robust discussion are needed on decisions that may have long lasting implications.

The agenda should be arrange so that public input can heard at reasonable hours. On more complex issues, the members of public who choose to do so, should be allowed to "collect their minutes" together, and a pro/con/rebuttal type of arguments be heard.

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.

[H] Leon Leong: www.leonleong.com

I believe the council should focus more on the issues of oversight of city operations – improving government efficiency, budget, infrastructure backlog. Much work has already been done on Climate Change/Global Warming, and the council now needs to refocus on one of it's core mission – making sure the city has a firm financial basis and structure to continue it's operations.

- **18. (Optional) Unasked Question:** If there is a question you think we should have asked, ask and answer it.
- [H] Option not exercised.