



## **Friends of Los Altos, Inc. (FOIA)**

A non-profit, non-partisan, volunteer-run organization

### **A House of Mirrors or Has Los Altos Politics Just Turned Dirty?**

Have you ever been to a carnival with a house of mirrors? You can make yourself look larger or even look like a crowd. Just a few people in the house of mirrors can look like a huge gathering. Here in Los Altos, special interests are doing the equivalent of a house of mirrors in the current City Council election. A small group of people is trying to appear as a large group of organizations who have reached a consensus on the best candidates. This small group is strongly pro-development and is not terribly interested in balancing the need for development versus what is best for the overall community.

Please don't get us wrong, we are not against development. Los Altos will absolutely not thrive without it. But in many instances, there needs to be a balanced approach between developing "just because we can", versus leaving things as they are, or developing on a more moderate scale. More importantly we are concerned that this small group can go around masquerading as something other than who and what they really are. We don't like being taken for fools and we suspect most Los Altos voters don't either.

So who are these people? It is a small core group of people, spearheaded by Los Altos Hills resident Kim Cranston (we point this out because while Cranston owns inherited property in Los Altos, he doesn't actually live here), who has formed a series of organizations with overlapping members, each organization making endorsements to make it seem as if multiple independent organizations have come to the same conclusion to support their candidates (just to be clear, this is not illegal—just unethical). He formed and continues as the President of the Los Altos Downtown Property Owners, with fellow commercial property owners Bart Nelson and Kent Nelson as co-board members. He co-founded Los Altos Forward with Bart Nelson, Kent Nelson, and Robin Abrams on his board. He is one of four steering committee members of Los Altos Community Voices with Robin Abrams and Bill Sheppard, whose family owns commercial real estate in Los Altos. Cranston also co-founded Los Altos Community Coalition, where he serves on the board. This allows just a few people (i.e., Cranston, the Nelson brothers, Abrams and Shepard) to give community members and voters the appearance that there are many independent and well-balanced community organizations supporting the same views and opinions.

A stealth member of this group is Jean Mordo, a former Mayor who failed in his re-election bid while serving as the Mayor<sup>1</sup>. Mordo was criticized by the Palo Alto Daily Post for having originally run as a pro-resident candidate but was actually pro-developer as a Council member. FOIA was also critical of his demeaning style and abrasiveness during Council meetings.

To be fair, some of these organizations run by the Cranston/Nelson/Abrams group do engage in worthwhile public activities: Los Altos Forward has sponsored First Friday events and Los Altos Community Coalition has held discussions about topics of interest (albeit most of those topics

have been one-sided focusing only on the pro-development point of view). Most of these organizations are for the most part inactive, however, only pop-up during election season to have the influence-multiplying “house-of-mirrors” effect. This small developer-centric group has the organizational discipline and financial interests to maintain these multiple organizations for many years, if not decades, to give the appearance of long-standing and wide-spread support.

It’s important to emphasize that the organizations we’re talking about, e.g., Los Altos Downtown Property Owners, Los Altos Community Voices, etc., essentially consist of just a few people who refer to themselves as a “Board of Directors” or a “Steering Committee”. With few exceptions, these organizations basically have no members, no formal meetings, no sponsored events and are essentially in place to provide lobbying and political influence during elections or critical City Council votes. They have organizational names which imply a community-wide membership and support, but as mentioned above, each were formed and run by the same small group of people<sup>2</sup>.

What we’re attempting to do in this article is to help residents understand how the group of overlapping pro-development organizations, controlled by just a few people, really works. A good example was the recent “hit-piece” mailer (soon to arrive in your mailbox) and full-page *Town Crier* ad earlier this week that heavily criticized the pro-resident candidates– Lynette Lee Eng, Scott Spielman, and Terri Couture. Both the ad and mailer were paid for by Los Altos Community Voices. The very name, Los Altos Community Voices (LACV), gives the impression that this is a legitimate community-wide organization that has concluded that those three candidates (Lee Eng, Spielman, and Couture) would be a disaster for the City should they be elected.

FOLA learned that the genesis of the ad and mailer was the product of just a few people. Jean Mordo prepared the piece, emailed it on September 24<sup>th</sup> to downtown property owners Cranston, Bart Nelson, and a few others. Later that evening Mordo again emailed Nelson that “LACV copied most of my ad and are making a mailer out of it.” The grading, the evaluations, and the wording all came from Mordo, all of which was then adopted by LACV which consists of only four directors – Cranston, Robin Abrams, Bill Sheppard and Curtis Cole (Cole is another former Mayor who failed in his re-election bid).

A revelatory item on the candidate report card relates to the Community Center and its costs. You may recall that the basic design was for a \$25M structure, but as Mayor, Mordo pushed through an additional \$10M expansion of the project. This was opposed by the City’s Financial Commission as irresponsible. The lone voice on the Council supporting the recommendations of the Financial Commission and in opposition to the more expensive project was Lynette Lee Eng. Events have since shown that she and the Financial Commission were correct, and the expansion of the original Community Center concept has now required the City to borrow an additional \$10M to \$14M to complete the project.

In the ad and mailer, Mordo, in his evaluation of the candidates, gives Lee Eng an “F” grade on the last criteria of the report card relating to City Infrastructure and Improvements on the grounds that she opposed the final Community Center plan and budget. We would suggest

that, in fact, Jean Mordo earns the “F” for being fiscally irresponsible and Lee Eng should get an “A” for her foresight and fiscal responsibility.

Just to be clear, FOLA is not against doing fact-based evaluations of candidates. In fact, FOLA did so during the 2016 elections and provided a similar analysis for the 2020 elections. However, in our case, a substantial amount of time was spent by multiple members not only personally interviewing each candidate, but in writing and re-writing an article that provides balanced pluses and minuses for each candidate.

The FOLA article on analyzing the 2020 candidates points out that all of the candidates have positive qualities that would be of benefit to Los Altos. Although FOLA does recommend three candidates, this is done in a thoughtful way that accurately represents candidates’ positions. More importantly FOLA didn’t conceal who was responsible for the analysis or the production of the article. Our recommendations were not based on which side of the developer/resident debate a particular candidate took. In our interviews we found that all the candidates understood the need for balance. Some were more supportive of residents, others of developers. FOLA looks for and wants Council members who think about what is best for the entire community, residents and commercial property owners alike.

We characterize LACV’s ad and mailer as a “hit piece” because it blatantly misrepresents the positions of the candidates LACV does not support. The statements in the ad and mailer distort the record and stated positions of Lee Eng, Couture and Spielman. It then warns voters that the City will be in a substantially poorer position if any or all of these three are elected. FOLA has checked with each of the three candidates and has been assured by each that the positions and statements attributed to them by LACV are simply not true.

The “hit-piece” mailer and ad also accuse Lee Eng, Couture and Spielman as having an attitude of “No change, no growth, no future, no Community Center, no vision.” None of the candidates we interviewed took any such position. Second, the mailer (along with a “Letter to the Editor” just published in the Town Crier) also claims that such an attitude has resulted in substantial legal fees and losses. Our suspicion is that the purpose of this accusation is to blame others for the legal and financial fiasco that was caused by an unfortunate attempt to re-shape the City’s key management to be more compliant to the desires of Council during the time Jean Mordo was on the Council.

During Mordo’s term on Council, Cranston and Mordo determined that both the City Planning Director and the City Attorney were individuals they would like to see removed from their jobs because they were not “yes people”, compliant with the pro-development views of Cranston and Mordo. When the Planning Director updated a City document laying out the history of downtown parking, he unfortunately failed to properly date and initial the update and Cranston publicly accused him of “forgery.” That accusation was then published in the local press, and the Planning Director was basically badgered until he finally resigned. Cranston’s allegations proved to be false: the City hired an outside expert to conduct an investigation and found no wrongdoing by the Planning Director.

Removing the City Attorney was not as easy. Jolie Houston of Berliner Cowen, LLC, the Los Altos

City Attorney at the time, was and is an excellent attorney and had served Los Altos for more than 10 years. She is extremely knowledgeable regarding the complex state and local laws that regulate what City governments can and cannot do, and has a well-earned reputation for keeping the City out of legal trouble. Councilman Mordo, however, convinced the majority of the Council to remove Ms. Houston as the City Attorney because she was too “conservative” and thereby inhibited “progress” (read “development”) in the City. Houston was replaced with an attorney from Walnut Creek who Mordo was familiar with, who was more hands-off, and was reluctant to say “no” to whatever whims the Council came up with. The only City Council person to vote against the hiring of this new attorney was Lynette Lee Eng, a decision which turned out to be correct.

The inability to say “no” to the Council by the new attorney caused the City to be sued on multiple occasions regarding land-use matters, including the 40 Main Street debacle. The 40 Main episode was a result of the new City Attorney not properly reviewing the Staff submission in response to the SB35 application by Ted and Jerry Sorensen. In fact, it’s not clear that the City Attorney actually understood what was required by SB35. Fortunately, the current Council, put in place after the same election cycle that removed Jean Mordo from office, finally had an epiphany regarding attorney competence. The individual who had replaced Jolie Houston was let go and the Council rehired Houston as his replacement. Houston is now in the process of cleaning up the mess caused by her predecessor.

Instead of Mordo-Cranson taking responsibility for the large legal fees and damages resulting from what we believe was poor legal advice and the loss of a key City staff person, the “hit piece” mailer and ad attempt to give the impression, clearly false, that the fault lies with others. One of the most egregious and unfair claims in the “hit piece” is to blame Lee Eng for the litigation over 40 Main, while conveniently leaving out the fact that the Council’s decision to pursue all the lawsuits, including 40 Main, were unanimous.

The mailer and ad also mention that the *Town Crier* has endorsed the three candidates favored by LACV. Normally, this kind of endorsement would carry some weight with many voters. What many residents in town are not aware of is that the majority ownership of the *Town Crier* was recently acquired by Dennis Young, the owner of a CPA business in Mountain View, who is now the *Town Crier* publisher. Young has a conflict of interest since he is one of small group of investors with Ted and Jerry Sorensen in their proposed 5-story building at 40 Main Street. The endorsement of the pro-development candidates by the *Town Crier* was made without the disclosure of the conflict of interest of the *Town Crier’s* publisher. Disclosure of financial conflicts of interest are part of basic ethical behavior for any journalist or any publication purporting to advise the public. In our opinion, that puts quite a cloud over the *Town Crier’s* endorsements.

During the last Los Altos election in 2018, LACV and this same small group raised over \$60,000. Almost all of it came from these pro-development advocates – over \$33,000 from Ann Wojcicki (a registered Los Altos voter by the way, for those of you who thought she domiciled in Los Altos Hills), over \$15,000 from Dennis Young, over \$6,000 from Robin Abrams, and between \$1,000 and \$2,000 from each of Kim Cranston, Jean Mordo, Roy Lave, King Lear, Ted Sorensen, and Bart Nelson. Ann Wojcicki owns a number of properties downtown and has made various

redevelopment proposals. The FPPC mandated filings, that will illuminate who has funded LACV in 2020, will not be available until October 24<sup>th</sup> at the earliest and we may not know until after the election.

There is another dirty trick that is being played in this campaign. An “anonymous” complaint was just filed with the Fair Political Practices Commission (FPPC) against Lynette Lee Eng. Given that there is a concerted effort to discredit Lee Eng, we think there is a very short list of suspects who might have filed that complaint. While the allegations against Lee Eng are based on bogus items that the FPPC will eventually disregard, in the meantime the filing and accusation will serve their intended purpose – to have an article published in the *Town Crier* raising questions about Lee Eng’s ethics. Dirty politics in Los Altos—and you thought this nonsense only happened in Sacramento and Washington DC?

There has been a healthy debate (some would call it a conflict) in Los Altos which has been going on for at least the last 30 years. Over this time period the debate / conflict has continued between those who are more supportive of development versus those who are more resident/community-centric. FOLA believes that this is not only normal and healthy in a community like Los Altos, but also inevitable. It is tempting, but not fair, to characterize one side or the other as being extremists. But that characterization of unreasonableness is precisely what is being done by LACV in the published ad as well as the mailer. We don’t believe that the three candidates advocated by the ad and mailer are entirely indifferent to the concerns of the residents. What we do bristle at, however, is the claim that the three candidates (supported by FOLA by the way) are extremists who demand “NO to all progress”. We also believe it is unethical to intentionally leave the impression that the grading of the candidates represents the consensus of the larger Los Altos community, rather than the reality that it was created by Jean Mordo.

In summary, we consider the ad, mailer and other tactics used by LACV, Cranston, Mordo, and others as a low mark for Los Altos politics. Hopefully, it will not be repeated. We continue to view all the candidates during this round of elections as capable and generally qualified, some more so than others. But as voters, we believe you should be aware of the behind the scenes machinations and not be fooled by a house of mirrors. A grade of F should go to Mordo and Cranston for their attempt to deceive the Los Altos community.

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1. For our readers who don't spend their days worrying about Los Altos politics, we should point out that it is almost a "slam dunk" for an incumbent to be re-elected. It's a rare, and somewhat embarrassing event, when the incumbent is voted out of office.
  2. By way of disclosure, FOLA is the successor to the Los Altos Neighborhood Network (LANN), which was organized nearly 30 years ago and has been in continuous operation for that entire period. During this time LANN / FOLA has regularly published short informative articles of interest to the Los Altos community, generally with a pro-resident, community focus. As former Mayors and Planning Commissioners, we supported orderly development during our tenures in our City positions, as we have in the time since leaving public service. One of our board members, Ron Packard owns the property at 4 Main Street, which is immediately adjacent to the property at 40 Main Street.

## **Friends of Los Altos**

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<https://friendsoflosaltos.org>