

THE EPACCI RESPONSE TO THE DRAFT ENVIRONMENTAL IMPACT REPORT  
FOR THE  
MENLO PARK/EAST PALO ALTO AND DISTRICTS SPHERE OF INFLUENCE STUDY

OCTOBER 10, 1980

SUBMITTED BY  
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## INTRODUCTION

On December 4, 1979, the East Palo Alto Municipal Council formally took action leading to the formation of the East Palo Alto Citizens' Committee on Incorporation (EPACCI). The EPACCI was formed in January, 1980, and the Municipal Council appointed its initial membership of twenty-five (25) residents. By mutual agreement, EPACCI now functions independently of the Municipal Council and determines its own goals and activities. Meetings are held on a weekly basis, and membership is open to all persons interested in working for the incorporation of East Palo Alto. EPACCI's active membership now exceeds one hundred twenty-five (125) persons, and there are an additional three hundred fifty (350) contributing supporters. The basic charge of EPACCI is to help effectuate the incorporation of East Palo Alto by November, 1981.

Immediately following EPACCI's formation, the San Mateo Local Agency Formation Commission (LAFCo) was duly notified of our intentions — the incorporation of East Palo Alto. On March 3, 1980, the Formation Commission authorized the LAFCo staff to prepare a Sphere of Influence Study and an Environmental Impact Report. As a result of this action, LAFCo staff prepared a Draft Environmental Impact Report for the Menlo Park/East Palo Alto and Districts Sphere of Influence Study, which was issued in August, 1980.

The EPACCI has determined that the draft EIR is inadequate, incomplete and heavily biased against incorporation and for annexation to Menlo Park. As a result, we find it necessary to respond to the spurious conclusions included therein. This statement is presented as an official response to the draft EIR.

The draft EIR considers four distinct alternatives as they pertain to the unincorporated community of East Palo Alto: (1) Status Quo; (2) Incorporation of East Palo Alto; (3) Annexation of all or part of East Palo Alto to Menlo Park; and (4) Annexation of all or part of East Palo Alto to Palo Alto. This response deals primarily with alternatives 1, 2, and 3, with very little emphasis on alternative 4.

The EPACCI response to the draft EIR is organized into two sections: (1) Overview of Discrepancies, Misstatements and Undocumented Conclusions; and (2) Analysis and Comments. The first section lists and reviews the spurious/biased statements and findings in the draft EIR; the second section presents a summary assessment of the findings.

The EPACCI urges that the Formation Commission and LAFCo staff give objective consideration to this response.

OVERVIEW OF DISCREPANCIES, MISSTATEMENTS, AND UNDOCUMENTED CONCLUSIONS

This section provides a detailed overview of the significant discrepancies, misstatements, and undocumented conclusions contained in the Draft Environmental Impact Report for the Menlo Park/East Palo Alto and Districts Sphere of Influence Study. The EPACCI comments are *italicized* and sequenced to correspond with the various sections of the draft EIR text.

SECTION I: EXECUTIVE SUMMARY (PAGES 8 - 16)

Status Quo

Page 9: "East Palo Alto will continue to be isolated from neighboring communities."

*The draft EIR does not define the term "isolation" and presents no data documenting this conclusion, which is a central thesis of the report.*

Page 9: "The already 'tight' new, used and rental housing market will continue, unless housing rehabilitation and new housing are encouraged". (italics added)

*There is currently a substantial program of housing rehabilitation underway in East Palo Alto, and also much new housing construction. The term "unless" suggests that housing rehabilitation and construction are not being "encouraged" in East Palo Alto, and thus misstates the current emphasis on housing in the San Mateo Housing and Community Development Program.*

Page 9: "... (East Palo Alto has a) deficit of approximately \$866,000 per year."

*The draft EIR presents no data on the income generated by East Palo Alto for San Mateo County (e.g., the Housing and Community Development entitlement) and, therefore, substantially misstates the net amount of actual subsidy provided to East Palo Alto by San Mateo County.*

Page 10: "The alternative (status quo) could have a short-term advantage because problems in East Palo Alto could *continue* to be ignored." (italics added)

*The draft EIR does not identify the so-called short-term advantages of ignoring certain unspecified problems. This is an undocumented conclusion, one which is discrepant with the statement on page 127 that East Palo Alto is provided with adequate municipal services under the status quo base condition, and one which disregards the increasingly visible efforts of East Palo Alto residents to implement constructive community development programs.*

Incorporation

Page 10: "The impact on demographic characteristics of East Palo Alto's population would be *severe* if incorporation were to occur under any of the three boundary alternatives." (italics added)

*This conclusion is not supported by data presented in the draft EIR. The term "severe" seems a gross misstatement of the potential impacts on population demography under incorporation alternatives 1 and 3 (i.e., County Service Area #5 and Detachment/Annexation of South of Willow Road). The use of this term is consistent, however, with an obvious LAFCo staff predisposition in favor of the annexation alternatives.*

Page 10:  
& 11: "To enhance the tax base, the incorporated community would probably favor commercial and industrial development over residential, thereby doing little to relieve the 'tight' housing market and the serious jobs/housing imbalance in the Mid-Peninsula."

*There is no documented information in the draft EIR justifying a conclusion about what the incorporated community would "probably favor". The objective evidence, in fact, indicates that there is considerable priority being given to housing needs in the San Mateo Housing and Community Development Program. Further, although there is no proposed plan for addressing the jobs/housing imbalance problem in the draft EIR, it is stated, without justification, that the incorporated community would be unresponsive to this problem, while somehow implying that annexation would necessarily solve it.*

Page 12: "No substantial cost savings can be achieved through incorporation. In fact, Alternative A might be somewhat more costly than the present situation."

*The text of the draft EIR does not state that Alternative B would be somewhat less costly than the present situation (based upon the data provided in the draft EIR). We believe that the incorporation alternative merits more serious and objective consideration.*

Page 12: "A key conclusion of the revenue projections contained in the Fiscal Analysis was that East Palo Alto, under either incorporation alternative, could expect an increase in its revenue base over the projected five year period, 1980 through 1985. However, a substantial revenue short-fall is indicated under either alternative."

*The draft EIR fails to report, in this respect, the findings and conclusions of the "East Palo Alto Fiscal Analysis: Staff Analysis" and fails to state the errors in projected costs contained in the Fiscal Analysis, which are detailed in the cited "Staff Analysis".*

Page 13: "Incorporation has limited short-term benefits."

*This is an undocumented conclusion.*

SECTION II: DESCRIPTION OF THE PROJECT (PAGES 17 - 24)

Page 23: The draft EIR lists the areas of environmental significance under consideration in this report.

*There is failure to cite jobs, education and land use as significant environmental elements, and no justification offered for this striking omission. These elements are fundamental in any consideration of East Palo Alto's future.*

SECTION III: BASE CONDITIONS (PAGES 25 - 52)

Pages 25: The draft EIR presents the "base conditions" for the City of Menlo  
- 34 Park.

*The draft EIR does not distinguish the base condition for Belle Haven or present any separate data on Belle Haven which, by virtually any definition, is an isolated section of the City of Menlo Park. This is a significant shortcoming of the draft EIR, for the stark reality of Belle Haven affords the best example of what East Palo Alto might become if it were annexed to Menlo Park.*

Page 33: "19.9%" of Menlo Park's population is non-white.

*The draft EIR does not indicate that, in 1974, 93% of the Black population in Menlo Park was isolated in the Belle Haven community (source: Menlo Park Comprehensive Plan, "Towards 2,000", 1974)*

Page 38: "The East Palo Alto community's 'tight' housing market presents a problem for moderate and low income families in the area who have a difficult time finding housing which they can afford."

*The draft EIR fails to acknowledge the significant consideration being given to this problem under the Housing and Community Development Program. It also fails to note that, in Menlo Park, Belle Haven is the only area where low and moderate income families can find affordable housing.*

Page 46: "Currently, about half the families of the (EPA) community are in the 'low-moderate' income range, by HUD standards."

*Comparable data is not cited in the draft EIR for the Belle Haven section of the City of Menlo Park.*

Page 46: "6.5% of East Palo Alto's (housing) units were overcrowded in 1970."

*Comparable data is not cited for the Belle Haven section of the City of Menlo Park. Further, there is no detailed analysis of types of housing structures versus the factor of "overcrowding". Nor is there any objective explanation of how this problem might be more effectively alleviated under either annexation proposal.*

SECTION IV: ALTERNATIVE ORGANIZATIONAL STRUCTURES - A FRAMEWORK (PAGES 53 - 68)

Status Quo

Page 53: "The unincorporated urbanized East Palo Alto community relies heavily upon the County of San Mateo and eight special districts for public services."

*Disregarding the negative connotation implicit in this statement, the county is legally required to provide public services to unincorporated areas. The draft EIR cites estimates of tax revenue generated in East Palo Alto but, significantly, fails to provide any data on how much other revenue the county accrues from federal and state entitlements, based largely upon the demographic character of East Palo Alto.*

Incorporation

Page 61: "Menlo Park has a public service infrastructure that might be expanded more economically than creating a new city government."

*This conclusion is based upon insufficient data and is, therefore, an undocumented supposition. Presently, the extension of public services into Belle Haven is significantly impacted by the isolation of this community on the eastside of the Bayshore Freeway. There is a rational basis for concluding that a similar situation would prevail under either of the two annexation proposals.*

Page 62: "The City of Menlo Park owns and maintains approximately 60 acres of recreational open space."

*The draft EIR does not present an analysis of recreational acreage in terms of the additional burden of 17,000 plus East Palo Alto residents. Nor does it define "substandard level of recreation" (p. 126):*

Page 63: Data is presented on the staffing patterns in the Menlo Park Community Development Department.

*There is no analysis presented in the draft EIR of the impacts on planning which a 40 per cent, mostly non-white population increase would entail.*

SECTION V: IMPACTS OF ALTERNATIVE ORGANIZATIONAL STRUCTURES UPON AREAS OF ENVIRONMENTAL SIGNIFICANCE (PAGES 69 - 165)

Status Quo

Page 71: "The impact on population would be the continued isolation of a predominantly minority community,...from some of the most affluent, predominantly white communities in the nation."

*The draft EIR does not present data on the changing ethnic character of East Palo Alto over the past five years, nor on the trend toward an increasing non-Black population. Significantly, the draft EIR fails to address the unavoidable adverse impacts of intra-city isolation under both of the annexation alternatives. It also fails to address the isolated character of the Belle Haven community in Menlo Park.*

Page 71: "The adoption of a status quo sphere of influence...would probably mean a continuation of the housing situation...."

*The draft EIR disregards the significant housing rehabilitation activities under the San Mateo Housing and Community Development Program and, therefore, misstates the impacts on housing under the status quo condition.*

Page 72: The cited mitigation measures for housing under the status quo condition are "encourage housing rehabilitation...and...new housing construction".

*The draft EIR implies that housing rehabilitation and construction are not being "encouraged", which contradicts the well-known evidence regarding the substantial housing activities underway in East Palo Alto. It also fails to propose a specific mitigation measure dealing with the jobs/housing imbalance on the Mid-Peninsula.*

Page 77: "The balance of costs not covered by local revenue represents a subsidy to East Palo Alto by other areas of San Mateo County."

*The draft EIR does not present data on or state the net benefits to San Mateo County from the funds generated by East Palo Alto under federal and state entitlement programs. As a result, the draft EIR implies that East Palo Alto does not generate the dollars, either directly or indirectly, to pay for the cost of services provided by San Mateo County. This is an unwarranted conclusion.*

Page 80: "The community's (EPA) aesthetics would definitely be changed by the selection of this alternative (status quo). An example of such change is the continued deterioration of the Nairobi Shopping Center."

*The draft EIR disregards the positive planning that is underway regarding rehabilitation of the Nairobi Shopping Center, and fails to acknowledge that such revitalization is a program activity under the San Mateo Housing and Community Development Program.*

Page 80: "Taking no action would have the effect of ensuring a continuation of the present situation. This could have a short-term advantage for some, i.e., the problem could be ignored...."

*The draft EIR misstates the current state of development and revitalization in East Palo Alto, principally under the auspices of the San Mateo Housing and Community Development Program and the East Palo Alto Economic Development Council. It is unreasonable to conclude that deterioration in East Palo Alto is not being responsibly addressed, and to disregard the constructive impacts of the two development agencies noted above.*



## Incorporation

Page 84: "(incorporation would serve)...to isolate a predominantly minority community,...from some of the most affluent predominantly white communities in the nation."

*The term "isolated" is not defined and there is no data in the draft EIR documenting this conclusion.*

Page 84: The draft EIR lists four areas with development potential in East Palo Alto.

*The draft EIR fails to cite the development potential of Cooley Landing and nearby acreage.*

Page 85: "The impact of incorporation on housing will be that commercial and industrial development will probably be preferred over more residential development."

*This is an undocumented conclusion.*

Page 85: "Converting apartments to condominiums could have the effect of displacing persons of low and moderate income who cannot afford to purchase a home."

*The recent evidence is that the East Palo Alto Municipal Council and many local residents are opposed to condominium conversions resulting in the displacement of local citizenry. Neither the San Mateo Planning Commission nor the San Mateo Board of Supervisors have supported this recommendation from the Municipal Council. To suggest that the incorporated community would enact policy that encouraged displacement is a misstatement of the evidence and also an unwarranted conjecture.*

Page 86: "Adequate public transportation is essential", principally because of the dependency of East Palo Alto residents "on outside communities for goods and services".

*This need is as valid for both of the annexation proposals as for the incorporation proposal. Further, the draft EIR suggests, without justification, that transportation and circulation problems can be more responsibly addressed under either of the annexation alternatives. This conclusion is speculative, and not based upon data documented in the draft EIR. Belle Haven experiences the same type of inadequate public transportation as does East Palo Alto. If Menlo Park cannot solve Belle Haven's problem, how can one conclude that it can solve East Palo Alto's?*

Page 88: "If... streets are brought to minimum county standards right of ways will reduce property boundaries and reduce parking on already narrow streets and will change the rural character of the area."

*This is a speculative conclusion that is no more valid under incorporation than under any other alternative considered in the draft EIR. With efficient planning and engineering, these impacts will be minimized, as is the case on many streets throughout East Palo Alto and San Mateo County.*

Page 97: Charts are presented assessing the "effect of incorporation on service level" under Alternatives A and B of the Fiscal Analysis.  
& ff

*It is noteworthy that no negative impacts are cited for any of the sixteen (16) municipal services detailed in these charts.*

Page 115: "Presently, and for the base case condition, East Palo Alto enjoys a revenue subsidy from the remainder of San Mateo County."

*The draft EIR disregards the revenues generated by East Palo Alto for the county from federal and state entitlements, based largely upon the demographic character of East Palo Alto. Therefore, the draft EIR grossly misstates the actual amount and extent of the county's subsidy to East Palo Alto.*

Page 115: "The largest example of this subsidy is police services, where at least 50 per cent of the current budget of over \$1,200,000 is supported by the San Mateo County general fund."

*The draft EIR fails to cite that the San Mateo Criminal Justice Council receives federal and state entitlements at current levels in large part because of East Palo Alto. Funds from the San Mateo CJC are allocated to the Sheriff's Department for projects in East Palo Alto and projects in other parts of the county. This is similarly true for other agencies in the Criminal Justice System. The conclusion regarding the subsidy of police services by the San Mateo general fund disregards the San Mateo CJC entitlements and similar federal and state crime dollars, many of which subsidize police and crime prevention services throughout the county.*

*The draft EIR indicates on page 140 that East Palo Alto expends \$1,472,076 on police services. Presently, Menlo Park expends \$1,511,563 for police services. Menlo Park employs 53 personnel and East Palo Alto less than 30 personnel for these similar costs. It is possible, therefore, that police services in East Palo Alto are not cost-effective, and that cost savings will accrue under an efficiently administered municipality.*

Page 115: "Nearly 50 per cent of the county's road capital improvement program, funded primarily by gasoline taxes is related to East Palo Alto projects."

*Since East Palo Alto is the largest urbanized unincorporated area in the county, the use of these tax dollars in East Palo Alto for this purpose is substantially warranted. Again, the implication in the draft EIR is that East Palo Alto is "heavily" subsidized. To whatever degree this may be valid regarding capital improvements, it is equally as valid under each of the four alternatives addressed in the draft EIR when consideration is given to "unavoidable adverse impacts".*

Page 115: "In any event, the ultimate impact of incorporation would be a shift of municipal service costs, either in terms of higher taxes and fees or reduced services, from the balance of San Mateo County to the property owners and residents of East Palo Alto."

*The draft EIR fails to present a "best case" fiscal analysis of the incorporation alternatives employing, in part, the findings and conclusions of the "East Palo Alto Fiscal Analysis: Staff Analysis". Such a fiscal analysis is essential in order to justify the cited conclusion. Significantly, the draft EIR fails to cite the overprojected costs in the Fiscal Analysis, thereby overestimating the revenue/cost imbalance under the incorporation (#B) alternative.*

Page 122: "The net effect of not including the West of Bayshore area with East Palo Alto (incorporation) is estimated to be a twenty-two per cent reduction of potential revenue."

*The draft EIR fails to cite the estimated reduction in costs, stating only that "the elimination...would reduce municipal expenditures to some extent"... (italics added).*

Page 125: "Because of a significant reduction in revenue, if incorporation occurred within the next five years, community maintenance and service programs would be greatly reduced. The aesthetics of the community would, therefore, be impacted."

*This conclusion is unwarranted based upon the data presented in the draft EIR. Through effective municipal reorganization, it is as likely that aesthetics could be adequately provided for under the incorporation alternative.*

Page 127: "East Palo Alto currently is provided with few exceptions, an adequate level of municipal services."

*If this is the case, then what is the basis for claiming on page 132 that "many parts of East Palo Alto have been in a continuous state of deterioration for many years"? Is there no relationship between "adequate services" and community "deterioration"? Either the draft EIR misstates the quality of municipal services or it misstates the significance of deterioration, possibly both.*

Page 127: "Incorporation has the potential to achieve limited short-term advantages to the disadvantage of long-term environmental goals including human needs."

*This is an undocumented conclusion.*

Page 127: "(East Palo Alto under incorporation would be)...more dependent on outside agencies to offset the revenue deficit."

*This conclusion is based in large part upon the findings in the Fiscal Analysis, without regard for the errors in cost projections in this report that have been detailed in the "East Palo Alto Fiscal Analysis: Staff Analysis". Further, the draft EIR fails to distinguish the effect and cost savings of contracting selected public services from subsidization of these services.*

Annexation of All or Part to Menlo Park

Page 129: "An outstanding feature of population when comparing Menlo Park and East Palo Alto is the percentage of white and non-white residents. Menlo Park has a 19.9 per cent non-white population, whereas East Palo Alto has a 61 per cent black and a 66.3 per cent total non-white population."

*The draft EIR significantly omits that 93 per cent of the Black population in Menlo Park, in 1974, resided in Belle Haven.*

Page 129: The draft EIR cites comparative data on East Palo Alto and Menlo Park regarding age, income, crime and unemployment of the populations.

*Significantly, the draft EIR does not present comparative data on the Belle Haven community.*

Page 129: "Annexation of only the West of Bayshore region to Menlo Park would mean the inclusion of an area with more homogeneous population characteristics."

*This conclusion is valid only to the extent that one totally disregards the Belle Haven community.*

Page 132: "Menlo Park, surrounding as it is by East Palo Alto on three sides (sic), is the recipient of many traffic and circulation problems generated by East Palo Alto."

*This is an undocumented conclusion.*

Page 132: "Annexation of the areas to Menlo Park would give the City the jurisdictional authority to control such adverse transportation/circulation related impacts."

*This conclusion is offered without regard to the potential unavoidable adverse impacts on East Palo Alto under this alternative.*

Page 134: It is stated that the impacts of annexation would be minimal in the following areas: streets, library, street lighting, animal control, civil defense, and emergency medical services.

*This is an undocumented conclusion.*

Page 135: The first mitigation measure recommends expanding the Menlo Park City Council from five to seven members.

*This recommendation is presumably to provide for up to 29 per cent representation on the Menlo Park City Council from the East Palo Alto community. East Palo Alto would have in excess of 40 per cent of Menlo Park's population under annexation. If Belle Haven is also considered, then their combined populations would certainly approach 50 per cent. Is two representatives out of seven considered "adequate representation"?*

Page 137: A comparison is made of the revenues and expenditures of Menlo Park and East Palo Alto.

*From the data presented, the only justifiable conclusion is that Menlo Park has higher revenues and spends more on municipal services, and that East Palo Alto has lower revenues and spends less on municipal services. The conjecture about income from East Palo Alto being roughly equivalent to the increased costs to Menlo Park is not supported by data presented in the draft EIR.*

Page 139: It is projected that there would be a potential \$500,000 savings under the annexation proposal as compared with the incorporation proposal.

*The draft EIR does not stipulate to whom the so-called savings is applicable. Further, the draft EIR states on page 158 that the cost of extending services from Palo Alto to East Palo Alto is \$2,142,000 and on page 140 that the cost to Menlo Park is \$1,210,000, or half as much. The projections for extending government services are \$801,000 and \$280,000 respectively, or three times as much. The draft EIR does not provide an explanation of these discrepancies.*

Page 141: One of the cited mitigation measures is programs to enhance the tax base of East Palo Alto to offset a revenue/expenditure imbalance.

*This is not presented as a mitigation measure under the incorporation alternative.*

Page 142: "Many parts of East Palo Alto have been in a continuous state of deterioration for many years."

*To juxtapose this statement against one claiming the benefits to be gained from annexation to a "mature and experienced city" is to distort a prior claim, cited above, that East Palo Alto has adequate municipal services (p.127) and that services would be adequate under the incorporation alternative (pp.97ff).*

Page 144: "By enhancing the tax base in East Palo Alto by a mix of residential, commercial and industrial development the long-term impact could be that the community would produce adequate revenue to cover the added costs to Menlo Park."

*This conclusion is as likely under the incorporation alternative as under the annexation-to-Menlo-Park proposal.*

#### Annexation of All or Part to Palo Alto

Page 150: "The city (Palo Alto) is opposed to this (southern) connection; however, if the area (East Palo Alto) were annexed to Palo Alto such a route would serve to join the two areas more closely."  
- 151

*On page 89, the draft EIR states that "as a practical matter, the possibilities of a Southern Connection are remote. The City of Palo Alto has made it clear that the City would not bend to any Southern Connection to the bridge". On what grounds is it suggested that annexation to Palo Alto would alter opposition to a Southern Connection, and why is the Dumbarton Bridge impact not cited as a mandatory finding of significance on pages 164 - 165?*

SECTION VI: UNAVOIDABLE ADVERSE IMPACTS (PAGES 166 - 168)

Page 166: The draft EIR cites the unavoidable adverse impacts under each of  
- 168 the four alternatives considered in the report.

*The most significant shortcoming of the draft EIR is that it cites unavoidable adverse impacts for the status quo and incorporation conditions that are not also cited for the two annexation conditions, and which are equally as unavoidable and adverse under each of the four alternatives. There are nine unavoidable adverse impacts for the status quo condition, ten for incorporation, two for annexation to Menlo Park, and three for annexation to Palo Alto.*

*Each of the following factors is as likely to be unavoidable and adverse under every one of the four alternatives if, in fact, one were to conclude that the factor is properly classified as an unavoidable adverse impact.*

- inter-city or intra-city isolation (listed under status quo and incorporation, but not under either of the annexation conditions).*
- housing stock maintenance and rehabilitation (listed under status quo, but not under the other three conditions).*
- decrease in quantity and quality of housing stock in favor of commercial/industrial development to enhance the tax base (listed under incorporation, but not the other three alternatives).*
- need for road construction and reconstruction (listed under status quo and incorporation, but not under either of the annexation conditions).*
- continued high crime rate, rate of fires and medical emergencies (listed under status quo and incorporation, but not under either of the annexation conditions).*
- deterioration of the water distribution system (listed under status quo and incorporation, but not under either of the annexation conditions).*
- deterioration of the sanitary sewer lines (listed under status quo and incorporation, but not under either of the annexation conditions).*

*Each of the following factors is as likely to be unavoidable and adverse under every one of the four alternatives.*

- probable University Avenue access that would divide the community (listed under status quo and incorporation, but not under either of the annexation conditions).*

- probable University Avenue and partial Industrial Park Dumbar-ton Bridge access that would divide the community and infuse heavy vehicular traffic into residential neighborhoods (listed under incorporation, but not under the other three alternatives).

Each of the following factors is cited as an unavoidable adverse impact based upon spurious data, conjecture, and/or undocumented conclusions.

- decrease in police services (listed under incorporation).
- increasing revenue subsidy (listed under status quo).
- substantial revenue shortfall (listed under incorporation).
- probable decrease in overall municipal services (listed under incorporation).
- short-term advantage (of incorporation) to the disadvantage of long term environmental goals (listed under incorporation).

#### SECTION VII: GROWTH INDUCING IMPACTS OF THE PROJECT

Page 169: "The incorporated City of East Palo Alto would initially attempt to develop its tax base by means of commercial and industrial development. This type of development is not considered by LAFCo staff to be significant growth inducing with regards to population; however, it could foster economic growth."

*The draft EIR misstates the potential impacts of economic development on population growth and demographic character. Further, it fails to highlight the potential positive impacts of economic development on the quality of life in East Palo Alto, including jobs, housing, and environment, and on generating a revenue base necessary for the delivery of good municipal services.*

## ANALYSIS AND COMMENTS

This section provides a focused analysis of the spurious observations, recommendations and conclusions contained in the Draft Environmental Impact Report for the Menlo Park/East Palo Alto and Districts Sphere of Influence Study. The EPACCI comments are presented under the following headings: (1) Objectivity of the Draft EIR; (2) Level of Municipal Service in East Palo Alto; (3) Community Isolation; (4) County Revenue Subsidy; (5) Housing Maintenance and Rehabilitation; (6) Jobs/Housing Imbalance; (7) Transportation/Circulation Patterns; (8) Political Representation; (9) Incorporation - A Short Term Goal?; and (10) Unavoidable Adverse Impacts.

### Objectivity of the Draft EIR

A major issue of concern in East Palo Alto is the political future of the community. Since the ruling of the Local Agency Formation Commission (LAFCo) will be virtually decisive on this question, it is imperative that the Commission and that the public be provided an objective environmental impact report whose findings and recommendations are non-prejudicial and supported by data that is actually contained or referenced in the report. Such is in the best interest of San Mateo County, the LAFCo, and the affected jurisdictions.

At the very least, consideration must be given to the fact that the draft EIR was prepared under the direction of the Executive Director of LAFCo, who is known to have an a priori substantial bias against the formation of new municipalities in San Mateo County. For this reason alone, the draft EIR findings and recommendations are conceivably biased.

It may have been more prudent for the Formation Commission to have recognized the questionable implications of staff predisposition on this question, and to have solicited an independent reputable agency to prepare and issue on EIR and Sphere of Influence Report under its independent auspices.

### Level of Municipal Service in East Palo Alto

The draft EIR states that "because of the commitment of most of the special districts and San Mateo County, East Palo Alto for the most part enjoys good public services" (p. 74), and that "East Palo Alto currently is provided with few exceptions, an adequate level of municipal services" (p. 127). However, the draft EIR also indicates "the fact is that many parts of East Palo Alto have been in continuous deterioration for many years" (p. 142). It is emphasized that none of the key terminology in the phrases quoted above is defined, and that there is virtually no data presented justifying these conclusions. What then is the rationale and the data base for concluding that the level of public services has been "good" and "adequate", while at the same time alleging that "many parts" of East Palo Alto have been steadily deteriorating for "many years"? One would reasonably conclude that if the level and quality of public services are adequate, then there should not be a continuous deterioration in the quality of public life.



The fact is that the allegation of deterioration is juxtaposed against the supposition that "a mature and experienced city" such as Menlo Park can extend services to the immature and unsophisticated community of East Palo Alto, in partial justification of the a priori staff predisposition for annexation to Menlo Park.

To the contrary, there is substantial visible evidence that neighborhood revitalization is well underway in East Palo Alto, that constructive development programs are in place, and that deterioration has been reversed. Most significantly, these positive changes are principally the result of astute, deliberate action by the East Palo Alto Municipal Council, in cooperation with the San Mateo Board of Supervisors and county departments, and the East Palo Alto Economic Development Council.

#### Community Isolation

The draft EIR states that "incorporation...could significantly impact the environment by further serving to isolate a predominantly minority community, ...(that is non-affluent)...from some of the most affluent predominantly white communities in the nation" (pp. 83-84). The term "isolated" is not defined in the draft EIR and there is no objective data presented to support this conclusion.

By most definitions of the term, Belle Haven is a distinctly isolated section of the City of Menlo Park — geographically, ethnically, socially and culturally. East Palo Alto is geographically contiguous to Belle Haven, and is ethnically, socially and culturally more similar to Belle Haven than to the remainder of Menlo Park. On what basis, therefore, can one objectively conclude that East Palo Alto will not be isolated, or even less isolated, under the annexation-to-Menlo Park proposal.

Possibly the most obvious shortcoming of the report is the failure to highlight the unavoidable adverse environmental impact of intra-city isolation under the annexation proposal, which is to be recommended by the LAFCo staff for consideration by the Formation Commission. Is such a shortcoming basically the consequence of staff predisposition to recommend annexation to Menlo Park?

Over the past five years, it is probable that the ethnic character of East Palo Alto has steadily changed. The percentage of Black population is likely less today than ten years ago, and there has been a corresponding increase in the white and other non-Black populations.

The changing multi-ethnic character of East Palo Alto is of considerable significance given the supposition alleging sustained community isolation that obviously ignores this trend. With the proportion of whites and other non-Blacks increasing, it is reasonable to conclude that the environmental significance of isolation may be misrepresented or misjudged by the report.

#### County Revenue Subsidy

A central thesis of the draft EIR is that East Palo Alto is heavily subsidized by San Mateo County, and that this revenue subsidy is borne by the county's residents.

The draft EIR fails to denote that San Mateo County accrues considerable income from selected federal and state entitlement programs, at the current levels, principally because of the population demography in East Palo Alto. It, therefore, substantially misstates the net amount of actual revenue subsidy, if any, provided to East Palo Alto by the county. An objective analysis of the entitlement funds generated by East Palo Alto for San Mateo County might show that the county receives sufficient revenues to offset the so-called general fund subsidy.

#### Housing Maintenance and Rehabilitation

The draft EIR states that there is a "tight" housing market in East Palo Alto (p.38), that there is a significant need for housing rehabilitation and new construction (p.72), and that there is potential for the displacement of low and moderate income families resulting from condominium conversions to improve the local tax base (p.85).

Housing development is among the highest priorities in East Palo Alto, and there are substantial housing rehabilitation and maintenance activities underway, largely financed by the San Mateo Housing and Community Development Program. Furthermore, there is visible evidence throughout the community of new housing construction, and substantial evidence of local opposition to displacement through condominium conversions.

The draft EIR minimizes the significance of these factors and, consequently, grossly misstates the current status of housing development and, quite possibly, the potential environmental impacts under the status quo and incorporation conditions.

#### Jobs/Housing Imbalance

The draft EIR states that incorporation would "not help in relieving the severe jobs/housing imbalance in the Mid-Peninsula" (p.85). It also states that "the impact of incorporation on housing will be that commercial and industrial development will probably be preferred over more residential development" (p.85), and that "it is entirely possible that Menlo Park could perceive East Palo Alto as a location for much needed housing for the employees of local companies" (p.131). It further states that "plans for development in East Palo Alto could change if annexation...(is)...adopted by the Formation Commission" (p. 131).

What is the justification for this conjecture? Is the LAFCo staff suggesting that East Palo Alto become the pawn on the jobs/housing imbalance question? Is the LAFCo staff indirectly implying that the East Palo Alto Community Plan, once adopted, be scrapped because it anticipates what is judged to be an imbalance between residential and commercial/industrial land uses, disregarding the fact that the Community Plan will have undergone substantial review by East Palo Alto residents? Is the LAFCo staff so predisposed to annexation that its judgement is overly tainted in this direction?

With rational county-wide planning, it is feasible that Mid-Peninsula communities can responsibly address the jobs/housing imbalance problem, regardless of the determination of the Formation Commission on the LAFCo staff recommendation for annexation. Quite frankly, it will require such collaborative planning to effectively address the problem. To define East Palo Alto as the solution to such a complex issue is to be, at best, myopic. To suggest that the incorporated

community would be unresponsive to the jobs/housing imbalance problem is unfounded speculation.

### Transportation/Circulation Impacts

The draft EIR states that "Menlo Park...is the recipient of many traffic and circulation problems generated by East Palo Alto" (p.132). There is no data presented in the draft EIR to support this conclusion.

The draft EIR further states that "annexation to Menlo Park would give the City the jurisdictional authority to control such adverse transportation/circulation impacts" (p.132). In other words, the LAFCo staff is emphasizing that the section of Menlo Park west of the Bayshore Freeway, under annexation, could take action to control certain unspecified, adverse impacts resulting from transportation patterns in East Palo Alto, however, without regard for the environmental impacts of such action on East Palo Alto itself.

### Political Representation

The draft EIR recommends that consideration be given "to expanding the number of city council members in Menlo Park from five to seven to ensure adequate representation of the East Palo Alto Community" (p.136). It states that, according to the 1970 census, the population of Menlo Park was 26,734 and of East Palo Alto, 17,837. The total population of the new city based upon these census data would be 44,571. East Palo Alto would have approximately 40 per cent of the population with one or two seats on the city council. If the populations of East Palo Alto and Belle Haven are considered together, then these two areas would have at least 50 per cent of the total population of Menlo Park. On what basis is it concluded that two out of seven council members would be "adequate" representation?

### Incorporation - A Short Term Goal?

The draft EIR states that "incorporation addresses limited short-term goals of the community, i.e., greater community control through self-governance" (p.127). This supposition is not supported by any data presented in the draft EIR, and it appears based upon an inherent assumption that the so-called "short-term goals" of the community are conflictual with the long-term goals of the county.

Certainly, the Formation Commission, the affected jurisdictions, and the residents of East Palo Alto are aware that incorporation has both short-term and long-term implications for the organization, financing and delivery of municipal services.

### Unavoidable Adverse Impacts

The draft EIR argues that there are nine unavoidable adverse impacts under the status quo condition, ten under incorporation, two under annexation/Menlo Park, and three under annexation/Palo Alto. Herein is the most significant shortcoming of the draft EIR, demonstrating the LAFCo staff predisposition for annexation, namely, assigning unavoidable adverse impacts to the first two conditions, status

quo and incorporation, that should as likely be assigned to the two annexation conditions, given the data presented in the draft EIR.

For example, intra-city isolation is as likely under either annexation proposal as is inter-city isolation under the status quo and incorporation proposals - if, in fact, isolation is determined to be an unavoidable adverse impact.

Similarly, housing stock maintenance and rehabilitation are equally as unavoidable and adverse under any of the four alternatives.

The University Avenue connection to the Dumbarton Bridge is equally as probable under any of the four alternatives if, as the draft EIR states, Palo Alto "will not bend" on a Southern Connection. Is it assumed that if East Palo Alto were annexed to Palo Alto or Menlo Park, then the Palo Alto City Council and residents would approve a Southern Connection? What is the reason that this is not cited as an unavoidable adverse impact under the two annexation proposals?

The draft EIR indicates that road construction and reconstruction would not be an unavoidable adverse impact under annexation. There is insufficient data presented in the draft EIR to substantiate this conclusion. Over the short-term period, at a minimum, road construction/reconstruction would be equally as unavoidable and adverse under each of the four alternatives.

A continuing high crime rate, level of fires and medical emergencies are as likely to be unavoidable adverse impacts under each alternative. There is no data presented in the draft EIR to justify the exclusion of this factor under annexation.

The draft EIR states that the water distribution and sanitary sewer lines would further deteriorate under the status quo and incorporation conditions. Over the short-term period, these would also be unavoidable adverse impacts under both of the annexation conditions.

CONCLUSION

The Draft Environmental Impact Report for the Menlo Park/East Palo Alto and Districts Sphere of Influence Study purports to be an objective analysis of the "possible benefits and detriments" of each of four jurisdictional alternatives for the unincorporated community of East Palo Alto. In presenting a "worst case" analysis of the incorporation alternative, ignoring many of the tangible signs of recovery and development already underway in the community of East Palo Alto, and presenting a "best case" analysis of the annexation alternatives, understating many of the unavoidable adverse impacts, the draft EIR is judged to be inadequate, incomplete, and of questionable objectivity.

There is reason to believe that the Environmental Impact Report will be of considerable significance in the eventual determination of the future of East Palo Alto by the Formation Commission, and given its significance, the EPACCI calls for a substantially improved and balanced analysis.

Beyond all the data inconsistencies and spurious recommendations which have been enumerated in this critique, there lies a more serious question. If the community of East Palo Alto is to genuinely rebuild itself so as to establish roots for long-term productive development, who is better suited for guiding and channeling this development than the residents of East Palo Alto themselves? Does Menlo Park really need another Belle Haven? We think not!

What is basically required is that the East Palo Alto community obtain the legal jurisdiction and authority under a new city government to exercise the leadership to rebuild and rebound. Let us hope that this message will not be forgotten when the final decision on East Palo Alto is rendered.