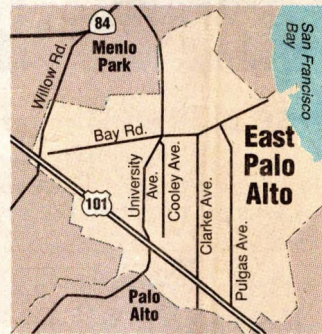


# Out of Service



Businesses avoid going into East Palo Alto because of stigma



RICHARD KOCI HERNANDEZ — MERCURY NEWS

Hortense Wright, left, and Fay Streeter share a laugh outside the senior center. Both say East Palo Alto is hurt by an unwarranted reputation.

## Residents insist crime reputation is outmoded

BY TINI TRAN  
Mercury News Staff Writer

When you live on the other side of the Bayshore Freeway in East Palo Alto, it's a fact of life that you've entered the no man's land of basic services.

What is taken for granted in any other community on the Peninsula is either impossible to get or more expensive to come by there.

Major pizza chains don't deliver. Cabs are hard to get. Home repair services are limited. Airport shuttles are twice as expensive.

Businesses that avoid East Palo Alto while serving its more affluent neighbors say they limit their services because of safety concerns and the absence of a profitable market.

But residents say an outdated reputation for crime in the past few

years only exacerbates the economic ostracism that has dogged this predominantly minority community for decades. And, many suspect, race is a factor.

This city of about 25,000 people is 41 percent black, 36 percent Hispanic, 9 percent Asian and Pacific Islander, and 12 percent white.

"When I need something done, I See EAST P.A., Back Page

# Businesses refuse to serve East

■ **Stigma:** They cite safety concerns and the absence of a profitable market.

■ **EAST P.A.**

from Page 1A

call someone in the community because I can't get that kind of service outside of East Palo Alto," said Aretha Lawrence, a resident for more than 20 years. "This has been the norm for so long, it doesn't even have to be conscious racism anymore. Now it's a practice that just happens."

Experts say the answer lies somewhere in the murky middle of economics, race and crime.

"It's hard to prove whether these are economic decisions, which in the end you can't argue with, or whether it's purely discrimination. The answer, I suspect, lies somewhere in between," said Wim Wiewel, professor of urban planning at the University of Illinois in Chicago.

An informal Mercury News survey of 30 businesses listed in the Palo Alto phone book found that, in general, the same services easily available to people who live on the west side of Highway 101 weren't available to those on the east side.

■ All the major pizza franchises and most of the independent pizza places refuse to deliver in East Palo Alto. The reasons given: "It's not in our service boundaries. It's not within our five-minute delivery area. We don't cross the freeway." The closest pizza restaurant is 1½ miles from East Palo Alto.

■ Plumbing, furnace repair and construction services are limited. Some say there's not a big-enough market. Others say they aren't licensed to operate in East Palo Alto, where a business license costs \$25 to \$65. Those who do work there do so only during daylight hours. "We just don't go there after dark," said one plumbing company representative.

■ Airport shuttles and taxicab drivers are selective, sometimes charging more than double the fare when it's in East Palo Alto. The higher risks justify the higher fare, they say.

**Drop in crime**

The violent crime rate is high in East Palo Alto, compared with most other Bay Area cities. But crime statistics have dropped drastically since 1992, when there were 42 homicides and East Palo Alto became notorious as the "murder capital" of the country. Last year, there were six homicides in the city, and the combined total of murders, rapes and robberies was about half what it was in 1992.

East Palo Alto's median household income is \$29,206, compared with \$42,962 for nearby Redwood City and \$55,333 for neighboring Palo Alto.

Though the situation worsened after that year of violence, it's always been hard to get services in East Palo Alto, said Zalika Sykes, executive director of the local non-profit agency EPA CAN DO.

"When the crime went up, it was a great excuse to keep doing what had been done," she said. "When an area becomes stigmatized, people avoid doing business where they perceive it's dangerous for themselves or not profitable."

**Police escorts**

In 1992, Pacific Gas & Electric Co. and Pacific Bell workers asked for police escorts on service calls, though company spokesmen acknowledge there was no history of attacks. During last month's storm, PG&E operators told dozens of East Palo Alto residents that repair crews were delayed for a number of reasons,

including a mob attack on crew members. It wasn't true, and the utility apologized publicly for the false reports.

"The PG&E incident shocked me," said Councilwoman Myrtle Walker. "I thought PG&E was beyond that. Nobody has ever been harmed coming into East Palo Alto to provide a service, even during the time they had all the shootings. If people want to use it as an excuse, that's their problem, but it's not an issue in this community anymore."

Unfortunately, some people still think it is, said Hortense Wright, a city resident who works at the East Palo Alto Senior Center.

"I thought we had shaken off our bad rap, but by looking at how many of our seniors can't get some services, I guess I'm wrong," she said.

Safety risks are the prime reason cab and shuttle drivers tend to steer clear of the city, said Bill Schweitzer, owner of Palo Alto's Yellow Cab Co., explaining why his drivers won't take calls from East Palo Alto though they do from Sunnyvale up to Millbrae.

"Three years ago, we had someone who was shot and killed at University at Donohoe," he said. "I've had other drivers threatened or attacked. The frequency of incidents has declined, but it's still a reality that there are many problems over there. I can't ask my guys to go where

«To avoid an area because of its reputation (is) just a convenient way to excuse not taking a harder look.»

— Developer Eric Willis

they don't feel safe."

That's not a legitimate excuse any longer, said Roger Barnes, owner of Ace Cab Co., a three-car operation that works in East Palo Alto.

**Calls it redlining**

"You can call it anything you like, but it's redlining," Barnes said. "When they're in Mountain View and a call comes up in Los Altos, it's automatically routed to someone. But if they're in Palo Alto and a call comes up from East Palo Alto, no one is obliged to take it."

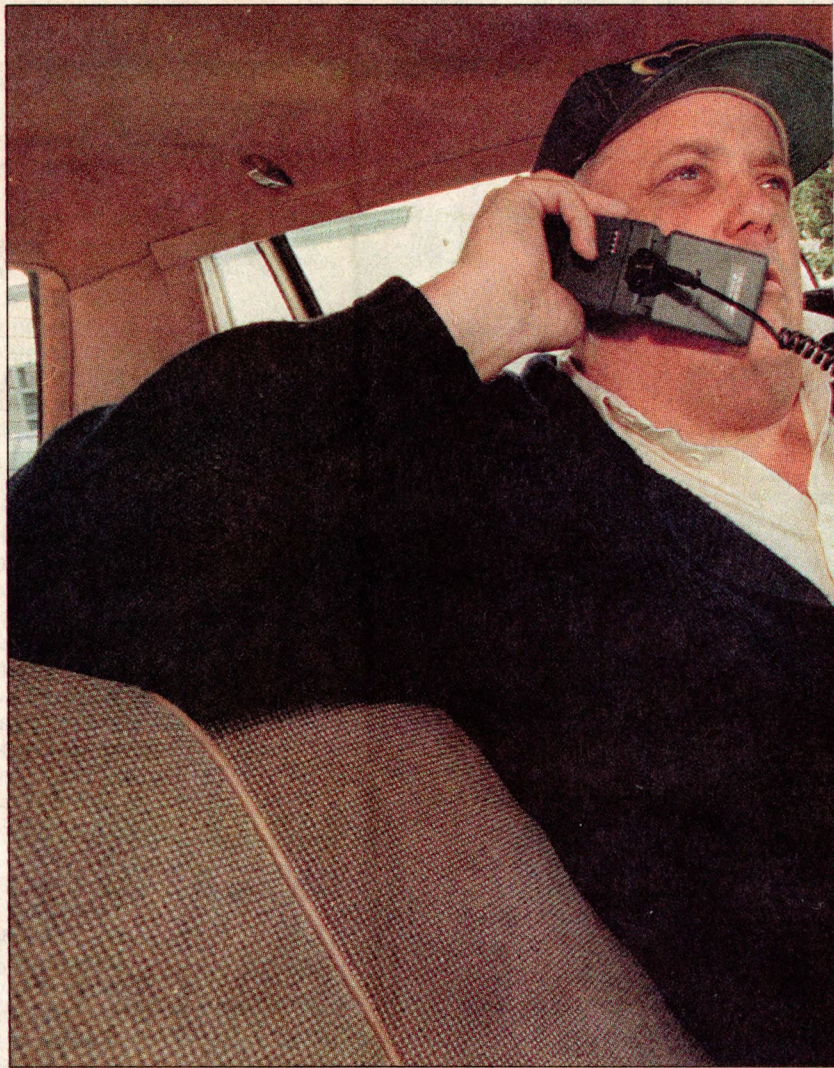
"Their dispatcher calls us all the time. We're a little hungrier, so we'll take risks. If you take precautions, it's no more dangerous than anywhere else."

Airport shuttles do serve the area, but their fear of crime translates into double the price. It costs about \$15 to take a shuttle from Palo Alto to the San Jose or San Francisco airports. But if you live a few blocks away in East Palo Alto, you have to pay more than twice as much, from \$29 to \$39.

Though companies acknowledge their shuttles have not been targets of crimes, they say their two-tiered pricing system is justified because of the additional risk they take.

Businesses that don't tend to work nights, such as furnace repair or plumbing companies, give yet another reason for not serving East Palo Alto: The economic market is just not there.

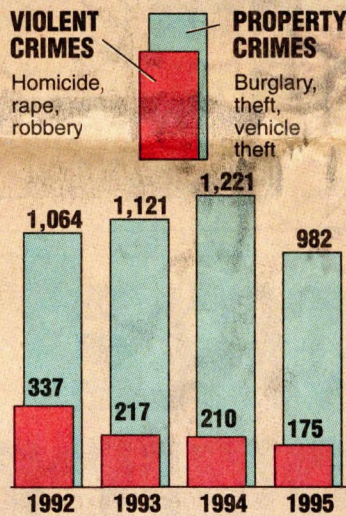
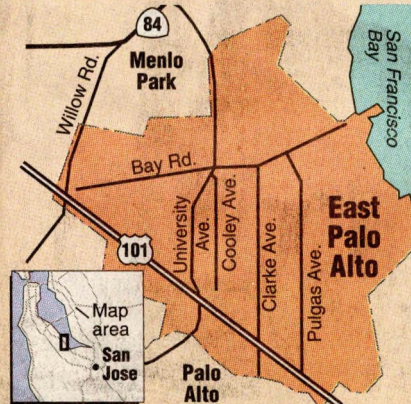
"Predominantly, we're thinking higher incomes: Los Altos, Palo Alto, Menlo Park, Hillsborough,"



Roger Barnes, owner of Ace Cab Co., serves East Palo Alto, saying that

## Tracking crime in East Palo Alto

The number of violent crimes in East Palo Alto fell 48 percent from 1992 to 1995. As of 1993, the last year for which state figures were available, the violent crime rate was more than triple that in nearby cities. The figures at left, from the East Palo Alto police, are not directly comparable with the state figures at the right. State figures are limited to major crimes, while East Palo Alto figures count minor thefts in the totals.



Sources: For East Palo Alto figures at left, East Palo Alto Police Department; for 1993 crime rates at right, Mercury News analysis of data from California Department of Justice

City	1993 rate per 100,000	Major violent crimes	Major property crimes
East Palo Alto	2,356.36	4,201.97	
Gilroy	816.51	5,626.91	
Redwood City	730.24	4,195.56	
San Jose	647.07	3,863.21	
Atherton	614.30	2,653.25	
Menlo Park	601.58	4,291.72	
Santa Clara	476.64	5,383.18	
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Campbell	396.23	5,091.64	
Mountain View	389.13	5,695.28	
Cupertino	358.85	4,023.92	
Milpitas	324.51	4,074.07	
Los Gatos	302.10	3,701.72	
Millbrae	292.30	2,563.61	
Sunnyvale	245.50	3,877.25	
Palo Alto	240.84	5,734.73	
San Carlos	206.59	2,824.58	
Saratoga	196.97	1,992.42	
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Belmont	166.98	2,727.42	
Los Altos	110.91	2,103.51	
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CARL NEIBURGER — MERCURY NEWS

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Wiewel, the University of Illinois professor who has made a study of urban services, said it's difficult to blame businesses when they point to lagging profits or refuse to go into high-crime areas but that studies back up the idea that discrimination does play a part in the economic decision-making.

**Unexplained factors**

"Studies have shown that even when you take into account factors like the labor force, types of business, etc., there are always

some unexplained factors about why firms move out of black areas more often than other areas," Wiewel said. "The fact that a neighborhood is black has an independent effect; that suggests that racism is real."

When minority communities get left out of the business loop, the arguments are usually economic and class-based, said Victor Rubin, with the Institute of Urban and Regional Development at the University of California, Berkeley.

Companies say they are unable to make money because there's not enough of a market to make a profit or that the costs of doing business in a high-crime area

# Refuse to serve East Palo Alto

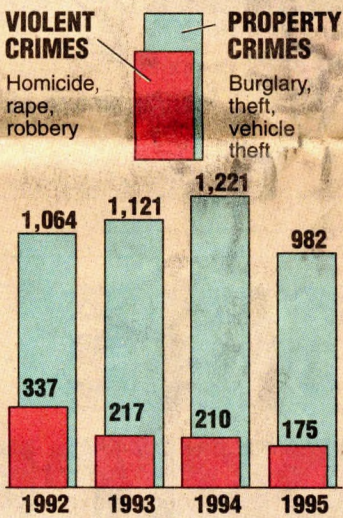
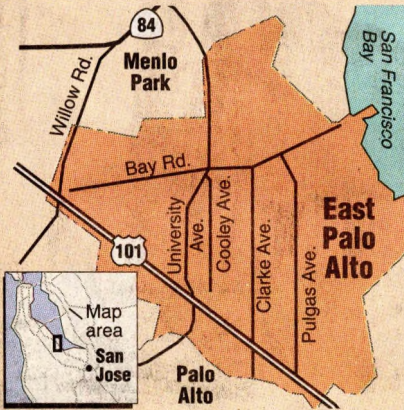


JUDITH CALSON — MERCURY NEWS

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## Residents drop the 'East' to cope with notoriety

BY TINI TRAN  
Mercury News Staff Writer

It's almost beside the point whether East Palo Alto's notorious reputation is deserved. For residents and business owners, coping with the associated stigma is a real-enough burden.

It has been such a long-standing problem that some people resort to putting Palo Alto as their home address on everything from checks to driver's licenses to job applications to avoid the discrimination suffered by East Palo Alto residents.

"From experience, people know you have a better chance at selling products or being accepted as a consumer if East Palo Alto is not attached to your name," said Zalika Sykes, executive director of EPA CAN DO, a local economic development non-profit agency.

Aretha Lawrence, a resident of more than 20 years, vigorously agrees, saying she has been harassed at various times over the years when she tried to use her credit card and driver's license to make purchases in Palo Alto.

"If you wanted to get a check cashed, you always dropped the 'East.' If you wanted to get hired for a job, you dropped the 'East.' I love it here, but living in East Palo Alto is a liability. That has been a reality for a long, long time," she said.

Simply put, your credibility is at stake if you're associated with East Palo Alto, she said.

The city is seen as a violent, poverty-stricken place where all residents are considered credit risks, she explained.

Some business owners do the same — taking out a post office box and then advertising in the phone book and on their business cards as being based in Palo Alto, Menlo Park or Redwood City.

Paul Bains, owner of Bains Facilities Management, a moving and storage company, said he advertises under a Palo Alto address in the Yellow Pages because it helps boost his credibility as a business.

"I go to business functions and hear what people say about cities," he said. "They put a dark cloud over East Palo Alto and anything related to the city. They figure it's not going to be as good in quality or service. I know that's not true, but that's what people think."

But William Webster, a longtime resident and a community activist, thinks it's only a matter of time before the city's public image is turned around.

"We're talking about a reputation that's been building after years, even decades of decline," he said. "Things have only been reversed in the last three years or so. For a city to have experienced a 180-degree reversal of the symptoms of a decaying community, it's almost shocking. It will take some time before the rest of the world catches up."

aren't worth the investment.

Yet such an argument seems outdated in East Palo Alto, which recently began several major economic projects, including the multimillion-dollar retail center Gateway 101.

"You see too many stores go

into these types of neighborhoods and be a success. To avoid an area because of its reputation, that's just a convenient way to excuse not taking a harder look," said developer Eric Willis, who is working on the city's Market Plaza supermarket center.