

Property assessment skyrockets in East P.A.

By Suzanne Zalev

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EAST PALO ALTO — Timing may be everything.

In the midst of what the acting city manager called an “odd recession,” tax rolls in East Palo Alto went through the roof this year, far outpacing every other city in the County.

East Palo Alto’s assessment roll was up by 25.61 percent this year, while the city with the second-highest increase, San Bruno, saw its tax rolls rise 10.08 percent. Cities that have seen huge percentage increases in recent years, such as Atherton and Woodside, saw their assessments decline this year.

Sandy Salerno, East Palo Alto’s acting city manager and finance director, said the city wasn’t a player in the building that resulted from the technology boom. While other cities have empty buildings, projects are still under way and coming online in East Palo Alto, she said.

“It makes our numbers look really big,” she said Tuesday after the rolls were announced. But for the recession, she said, the increase in East Palo Alto would have

been overshadowed.

The city has several redevelopment projects completed or under way, including an IKEA store, the Ravenswood 101 Retail Center and University Circle, which will include office buildings and a five-star hotel.

The city’s rolls increased 23.6 percent in 2001, placing it second after Atherton, according to the Assessor-County Clerk-Recorder’s office. But 13 other cities in the County had double-digit increases last year.

Also, the actual dollar amount of East Palo Alto’s rolls — about \$1.065 billion — is lower than every city in the County except Colma, and in terms of the dollar amount of its increase — \$217 million — the city is 10th of 20 cities.

Tom Martinez, a spokesman with the assessor’s office, said Wednesday that the increased construction in East Palo Alto is the main factor in the increase. When homes change ownership, they are reassessed at current market rates, and that has also factored into the increase, he said.

“The home values are obviously nowhere near Atherton levels but they are increasing,” he said.

County Supervisor Rose Jacobs Gibson,

who was on the East Palo Alto City Council from 1992 to 1999, said she was surprised and “ecstatic” by the city’s standing on the tax rolls.

“We were there to really lay the foundation for what we’re experiencing now,” she said, adding the retail developments in the city and new housing are a result of decisions made in the 1990s.

This means more money for the city — about 12 percent of property tax goes to cities — and more services will be able to be provided, Jacobs Gibson said.

“East Palo Alto has become a very desirable place to live and do business even during these troubling economic times,” she said.

Jacobs Gibson and Martinez both expect East Palo Alto’s tax rolls to jump again next year, as construction is still occurring.

“The numbers indicate that it’s not going to stop,” Martinez said.

None of the members of East Palo Alto’s City Council could be reached for comment Wednesday.

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