

THE PETITION TO INCORPORATE  
EAST PALO ALTO, CALIFORNIA

BACKGROUND INFORMATION, RECENT EVENTS, KEY FACTORS  
AND RELATED CONCERNS

Background Information

East Palo Alto is an unincorporated urban community in San Mateo County. Because of its unincorporated status, East Palo Alto is governed by the San Mateo County Board of Supervisors, which administers all unincorporated area within the county.

The San Mateo Board of Supervisors is a body of five public officials who are elected by the county-at-large. Since the residents of East Palo Alto comprise less than five percent (5%) of the total population, they have no determinant voice in their own governance. The supervisors are not accountable to the East Palo Alto community; in effect, the eighteen thousand (18,000) residents of East Palo Alto are powerless wards of San Mateo County.

There is growing community-wide dissatisfaction with local conditions. The environmental and physical character of the community; the nature and quality of municipal services; the limited economic and employment opportunities; the quality of police services, public works, and community planning; the limited influence and authority of the Municipal Advisory Council; and the general non-responsiveness of county government to local needs are the factors behind the revival of local concern about the long-range governance of East Palo Alto.

Historically, the first major development resulting from the desire of East Palo Altans for more political influence was the establishment of the East Palo Alto Municipal Council, which is empowered by the Board of Supervisors to serve as the quasi-governing body on community affairs. Since 1967, the Municipal Council has conscientiously served the community. However, in spite of a relatively productive and cooperative relationship with the Board of Supervisors, the Municipal Council is cognizant of the limitations of its advisory status.

It was no surprise, therefore, when in January 1980, the Municipal Council ordered the formation of a Citizens' Committee on Incorporation and appointed its initial membership of twenty-five (25) residents. The Municipal Council was responding to a growing mandate to provide leadership in mobilizing the community to consider the alternative of incorporation.

### The East Palo Alto Citizens' Committee on Incorporation

The East Palo Alto Citizens' Committee on Incorporation (EPACCI) is the community body with responsibility for coordinating the incorporation movement in East Palo Alto. The EPACCI functions independently of the East Palo Alto Municipal Council and determines its own goals, structure, activities and timetable.

The EPACCI is organized into four (4) subcommittees under the direction of a Coordinating Committee. The four (4) subcommittees and their functions are as follows:

- Incorporation Application Committee: to coordinate the preparation of an incorporation application and to advocate for incorporation with public boards, local agencies, and the county government.
- Publicity Committee: to produce informational materials in sufficient quantity and quality to create an informed public on the issue of incorporation.
- Mobilization Committee: to mobilize community residents to support incorporation; to disseminate information to all of the various stakeholders; and to register a sufficient number of voters to ensure broad community participation on the ballot question.
- Fund Raising Committee: to raise sufficient funds to support the cost of the incorporation effort and of the subcommittee work outlined above.

The EPACCI's membership is open to all persons interested in participating and working on these tasks. There are currently more than four hundred (400) supporting members and more than one hundred (100) active members - - mostly long-time residents of East Palo Alto representing public boards, local agencies, homeowners, churches, seniors and youth.

### Recent Events

In May, 1980, the EPACCI requested that a local non-profit professional firm coordinate the preparation of and raise the funds to pay for technical studies dealing with the incorporation issue -- specifically, (1) the fiscal feasibility of incorporation versus annexation to Menlo Park; (2) detailed three-year budgetary projections of revenues and expenditures for the proposed city; and (3) based upon these analyses, a municipal plan for the new city. In addition, the local firm was asked to prepare a formal incorporation application for EPACCI, and also to review and comment on various other studies that were published on the incorporation versus annexation question.

With the backing of EPACCI, the firm raised several thousands of dollars from local foundations for this technical work. The firm contracted with SRI International, whose professional staff completed the various reports that are detailed in the enclosed "Project Summary" report. (Attachment I)



EPACCI submitted a formal incorporation/municipal reorganization application to the San Mateo Local Agency Formation Commission (LAFCo) on April 10, 1981, which was substantially based upon the SRI International findings and recommendations.

In May and June, 1981, EPACCI appeared before the San Mateo LAFCo to request that the Commission immediately commence public hearings on the incorporation application, which was necessary to ensure an election in November, 1981. However, the Commission adopted a hearing schedule commencing in August, 1981 based upon an anticipated election in April, 1982. The Commission also decided to make a broader determination on the "Sphere of Influence" for East Palo Alto (i.e., status quo, incorporation, annexation to Menlo Park, or annexation to Palo Alto), prior to undertaking specific public hearings on the incorporation application.

The Commission held six "sphere of influence" hearings (August 5 and 19, September 16 and 21, and October 15 and 21). At the first two hearings, the Commission received public testimony and examined the "Sphere of Influence Report" issued in July, 1981 by its consultant, Angus McDonald and Associates of Berkeley, California (Attachment II). At the September 16th meeting, the Commission received public testimony AND adopted (by 3/2 vote) an annexation-to-Menlo-Park sphere for East Palo Alto, however, without adopting the associated legal resolution and findings due to the lateness of the hour.\*

The meeting on September 21st was called for the purpose of considering and acting on the legal findings for the sphere determination of annexation to Menlo Park. However, on September 21st, the Commission instead adopted (by 3/2 vote) a motion to reconsider the prior action taken on September 16th and set another meeting for October 15, 1981.

On October 15th, the Commission received public testimony AND adopted (by 3/2 vote) an incorporation sphere for all of East Palo Alto except the north western section west of the Bayshore Freeway, which was assigned an annexation-to-Menlo-Park Sphere.

On October 21st, the Commission considered and adopted (by 3/2 vote) the enclosed resolution pertaining to the October 15th decision. (Attachment III)

Key Factors:

From the beginning, there have been several key factors influencing the evolution of events:

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\* The specific motion was to annex the West of Bayshore area to Menlo Park; to keep the East of Bayshore in a holding sphere for at least one year following adoption of the local general Plan by the Board of Supervisors; to form crime and economic development task forces; and to annex East of Bayshore after the task forces had implemented a development program and reduced crime.

1. the strong opposition to incorporation and advocacy for annexation to Menlo Park by the LAFCo Executive Officer. The Executive Officer refused to issue a Certificate of Filing until October 22nd, despite his acknowledgement that the EPACCI application (submitted April 10, 1981) was complete; despite a very favorable legal ruling from the Legislative Counsel of California (Attachment IV); and based upon the claim that the Certificate of Filing should not be issued until after adoption of a sphere of influence by the Commission. It is fair to state that the Executive Officer has used, and is using, every possible administrative and political tool to thwart incorporation.
2. the recommendation of the LAFCo Consultant, Angus McDonald and Associates. In December, 1979, the McDonald firm issued a report strongly recommending against incorporation and for annexation to Menlo Park or Palo Alto. In May, 1981, LAFCo contracted with this firm for a study of all four sphere alternatives. The McDonald report, issued in July, 1981, strongly recommended incorporation over every other alternative. However, this recommendation was contingent on several stringent fiscal conditions requiring the approval of the Board of Supervisors. Without Board approval of these fiscal conditions (road improvements, property tax transfer, etc.), the McDonald report strongly recommended the alternative of annexation to Menlo Park. In early September, 1981, prior to the first LAFCo action described in the previous footnote, the Board of Supervisors unanimously agreed to the conditions set forth in the McDonald report.
3. the technical studies and related work completed by SRI International. As early as September, 1980, SRI strongly concluded that incorporation was fiscally feasible, recommended an incorporation sphere, and called attention to the potential exorbitant costs of annexation to Menlo Park. As important, SRI reviewed and commented on all of the McDonald work and, reasonably, may have influenced the reversal in the recommendation by the McDonald firm between December, 1979 and July, 1981.
4. the strong majority support for the incorporation of ALL of East Palo Alto by the Menlo Park City Council and also every homeowners association in the city. The Menlo Park City Council passed a resolution in early September favoring incorporation, but not necessarily opposing annexation. When this matter was questioned by the LAFCo Commission in public hearings, three members of the Council wrote letters to LAFCo clarifying their support for the incorporation of all of East Palo Alto and opposition to the annexation of any part of it.
5. the written endorsement of elected officials (Congressman McCloskey, Senator Garcia, and Assemblyman Sher); resolutions by six of the nineteen city councils in San Mateo County, and public testimony or letters from a variety of civic groups throughout the county.

6. the technical analyses by the San Mateo County Managers Office. On numerous occasions, the County Manager's office was requested by LAFCo or the Board of Supervisors to analyze the fiscal impact of various alternative proposals. In virtually every instance, the findings and recommendations were favorable for incorporation.
7. EPACCI's hiring of an Advocate, who is thoroughly familiar with the procedures and protocol of San Mateo County politics. The Advocate has been generally effective in negotiations on behalf of the EPACCI.
8. the strong opposition to incorporation of the West of Bayshore area with East Palo Alto by property owners from this section, many of whom are absentee owners of apartment complexes. It is this group that was most opposed to the incorporation of all of East Palo Alto, and this group that successfully lobbied for annexation of the West of Bayshore area/North of Euclid Avenue.
9. the formation of the West of Bayshore Renters and Homeowners Association. This is a recently organized group of resident property owners who favor the incorporation of all of East Palo Alto.
10. the steadfast, constructive leadership of the EPACCI which has been meeting regularly for two years. EPACCI has raised several thousands of dollars; has registered several thousand voters, has mobilized a large sector of the community; and has not wavered in its purpose or its task.

#### The Timetable

On October 22, 1981, the LAFCo Executive Officer issued a Certificate of Filing and scheduled a public hearing on the incorporation/municipal reorganization application for November 16, 1981 at 9 a.m. in the Board of Supervisors chambers, Redwood City. If LAFCo approves the EPACCI application, the matter will be considered by the Board of Supervisors in mid-December and, upon their approval, placed on the ballot for an April 13, 1982 election. It is anticipated that the LAFCo Executive Officer along with selected property owners from the West of Bayshore will present a strong case and lobby for denial of the application. There is also the possibility of a legal challenge to the LAFCo decision by the West of Bayshore opposition. These factors may affect the indicated timeline, which has been essentially accepted by the majority of LAFCo Commissioners and the Board of Supervisors.

#### Our Concerns

Following are basic concerns that we call to your attention!

1. The Incorporation of all of East Palo Alto is of grave importance to the EPACCI. WE RESPECTFULLY REQUEST THAT THE HONORABLE SPEAKER COMMUNICATE TO THE SAN MATEO LAFCo AND BOARD OF SUPERVISORS HIS SUPPORT FOR INCORPORATION. PLEASE ADVISE US OF THE SPEAKER'S ACTION BY LETTER.

2. The LAFCo Executive Officer is lobbying the Commission regarding the potential impact of the Governor's recent decision to reduce state subventions to cities. It is being argued that such an action will bankrupt the new city. WE RESPECTFULLY REQUEST THAT THE HONORABLE SPEAKER, BY LETTER, PHONE, PERSONAL APPEARANCE, OR THE APPEARANCE OF A SURROGATE, INFORM THE LAFCo THAT HE STRONGLY OPPOSES THE REDUCTION OF STATE SUBVENTIONS TO CITIES UNDER 30,000 RESIDENTS AND/OR NEWLY FORMED CITIES. PLEASE ADVISE US BY LETTER OF THE SPEAKER'S ACTION.
3. If the northwestern section of East Palo Alto is not incorporated AT THIS TIME with the remainder of East Palo Alto, then the new city will probably not be able to subsequently annex this area due to the current provision of the Government Code that fifty percent of the resident voters OR PROPERTY OWNERS can protest, and thereby prevent, an annexation proceeding. WE RESPECTFULLY REQUEST THAT THE HONORABLE SPEAKER SEEK TO ENACT A CHANGE IN THE RELEVANT SECTIONS OF THE GOVERNMENT CODE, WHEREBY ANNEXATION PROCEEDINGS INITIATED BY RESIDENT-VOTERS AS CURRENTLY PROVIDED BY LAW CANNOT BE PREVENTED BY A MAJORITY PROTEST OF PROPERTY-OWNERS, BUT RATHER ONLY BY THE MAJORITY PROTEST OF A MAJORITY OF RESIDENT-VOTERS.
4. EPACCI continues to seek the support of organizations throughout California. At the Black Political Association of California (BAPAC) meeting in October, 1980, a resolution was passed supporting the incorporation of East Palo Alto. Despite several written requests, an official copy of the resolution was never provided to EPACCI. WE RESPECTFULLY REQUEST THAT THE HONORABLE SPEAKER SPONSOR A SUPPORTING RESOLUTION AT THE UPCOMING BAPAC MEETING AND TRANSMIT COPIES TO THE SAN MATEO LAFCo, BOARD OF SUPERVISORS, AND THE EPACCI.

Thank you kindly for considering this matter. We are enclosing what are deemed to be the most important documents for your consideration. There is an extensive file of additional information which is immediately available upon request.



## ENCLOSURES

- Attachment I: "Project Summary", Report issued by the ISCED Community Development Institute, October 30, 1981, to the foundations funding the incorporation studies
- Attachment II: "Sphere of Influence for East Palo Alto", issued by Angus McDonald and Associates, Berkeley, California, July, 1981
- Attachment III: "Designation of Spheres of Influence for the City of Menlo Park, East Palo Alto Neighborhood, etc.", Resolution No. 639, Local Agency Formation Commission, October 21, 1981
- Attachment IV: Legal Opinion, Legislative Counsel of California, August 25, 1981
- Attachment V: Various Newspaper Articles