## RAVENSWOOD SHORES BUSINESS DISTRICT, LLC (RSBD)

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Jeff Poetsch, President Phone - 650-207-4994 / email - jeffcp@earthlink.net

November 13, 2023

San Mateo LAFCo Commission 455 County Center, 2<sup>nd</sup> Floor Redwood City, CA 94063-1663

Via e-mail - lafco@smcgov.org

RE: Special Meeting of LAFCo Commission on November 15, 2023 Agenda Item #4

Consideration of LAFCo File 22-09 1) City of East Palo Alto ("City"): To establish the East Palo Alto
Sanitary District ("EPASD" "District") as a subsidiary district of the City of East Palo Alto 2: East
Palo Alto Sanitary District Alternative Application.

## **Dear Honorable Commissioners:**

On behalf of the members of the Ravenswood Shores Business District, I wanted to (1) confirm our support for the reorganization of the District as a subsidiary district of the City of East Palo Alto and voice our strong opposition to the East Palo Alto Sanitary District's Alternative Application.

The Ravenswood Shores Business District is a California limited liability company comprised of the majority of the landowners and businesses located in the 100-acre Ravenswood Area of East Palo Alto. Membership includes about seventeen corporate and non-profit property owners and was established to speak with one voice for the benefit of our membership. Our members include small business such as Cal Spray, Tou-Bar Equipment, Catered Too, Knotty Hole Cabinets as well as not for profit and municipal organizations including Menlo Park Fire Department, the Primary School, EPACENTER Art and Ravenswood Family Health Center and some of the major landowners in the Ravenswood. The organization works in partnership with the City and other agencies / stakeholders such as the San Francisquito Creek JPA to coordinate and support necessary infrastructure improvements in the Ravenswood area of East Palo Alto.

Reorganization of the EPASD as a subsidiary district of the City of East Palo Alto insures that the City, as the appropriate land use authority, makes the decisions regarding the developments within the City and insures the services provided within the City meet the need of the residents and business it represents. Advantages of this reorganization option includes alignment with the City's land use planning, reduced inefficiencies and costs due to an additional layer of government, and enhanced management and supervisory structure of the City. The conclusion of LAFCo as stated in the Municipal Service Reviews of 2009 and 2022, is that the reorganization of the EPASD would be in the best interests of both the City and the ratepayers of EPASD. It is time to implement this recommendation.

The arguments against the reorganization of the District voiced by the District or a few community members are either inaccurate or do not outweigh the benefits of the reorganization. The claim that the MSR was prepared at the direction of the developers is inaccurate. The conclusion that annual service rates will double if the District is reorganized as a subsidiary district is not borne out by the either the Freyer & Lauretta Technical Memorandum or the third party peer review by V. W Housen. There is

San Mateo LAFCo November 13, 2023 Page 2 of 2

no evidence that reorganization of the District will result in the burden of expanded sewer capacity being transferred to the existing rate payers. Despite claims by the District to the contrary, new development has always agreed to "pay their fare share." And the concerns regarding the representation of the Menlo Park ratepayers in the governance structure are well addressed through the requirement of the advisory committee which will include one reserved seat for a resident of Menlo Park with sanitary service by the EPASD. This is better representation for the residents of Menlo Park than are currently provided by the current governance structure.

Since first adopted in 1985, and as reaffirmed in the 2009 and 2022 MSRs, LAFCo has identified the Sphere of Influence for EPASD as "dissolution" and recommended that the District be reorganized as a subsidiary district of the City of East Palo Alto. With the application to establish the District as a subsidiary District of the City, the City is moving forward with that LAFCo recommendation. The Ravenswood Shores Business District and our members support the reorganization of the District It is time to implement this long standing recommendation.

Sincerely,

Jeff Poetsch

Jeff Poetsch, President and Executive Director Ravenswood Shores Business District

cc: Members of the City Council of East Palo Alto
Melvin Gaines, City Manager, City of East Palo Alto
Members of the Ravenswood Shores Business District



November 13, 2023

LAFCo Commission Rob Bartoli, Executive Director 455 County Center, 2<sup>nd</sup> Floor Redwood City, CA 94073

Via e-mail - lafco@smcgov.org

Re: Special Meeting of LAFCo Commission on November 15, 2023 Agenda Item #4 Consideration of LAFCo File 22-09 1) City of East Palo Alto ("City"): To establish the East Palo Alto Sanitary District ("EPASD" "District") as a subsidiary district of the City of East Palo Alto 2) East Palo Alto Sanitary District Alternative Application

Dear Mr. Bartoli and LAFCo Commissioners,

I am writing on behalf of the Ravenswood Family Health Center in East Palo Alto California as I did in May of 2022. On behalf of our organization I am endorsing the proposal to reorganize the EPASD as a subsidiary of the City of East Palo Alto and to state our opposition to the East Palo Alto Sanitary District's Alternative Application.

Ravenswood Family Health Center (RFHC) has been serving the East Palo Alto community for the past 22 years and today provides medical, dental, optometry, podiatry, chiropractic, pharmacy, imaging, behavior health and social services to nearly 9,000 residents of all ages living in the City of East Palo Alto. We are also one of the City's largest local employers, as well as employing over 90 staff who are residents of the City. We care greatly for the future of the City and the patients we serve. As a health care provider, we cannot accept the unsanitary condition of the sewer system that leaks waste water into the soil from old cracked sewer lines. Despite this information available to the EPASD, there was no master plan initiated to address the upgrades required. Instead all property owners have been held hostage to million dollar charges to build in excess of our "fair share" for development with no assurances that the sewer system would ever be fixed.

RFHC and our sister non-profit agencies lost a one time opportunity in 2018 to have a 60,000 sf Sobrato Non-Profit Resource Center built on Pulgas Ave. where agencies would not pay leases only operational costs. The EPASD charged the project \$6.6 million to connect the sewer line ½ block to Bay Road. The project had to be abandoned because it was infeasible with this unreasonable and unsubstantiated price tag. This has left the non-profits including ourselves, who serve so many of residents on a daily basis leasing older buildings and modular facilities that don't meet the most current seismic standards in an earthquake A zone highly susceptible to liquefaction. The argument that the impact on residents outweigh the benefits of the reorganization by that standard is highly inaccurate.

Had the EPASD responsibly developed a Master Plan to upgrade the aged out sanitary system, and gotten a bond when the interest rates were more favorable, those of us who were prepared to develop projects in 2018 would have already been paying the cost of the upgrades through reasonable development fees and our monthly payments with little increases to the residents. The EPASD's last minute efforts to stop the reorganization is too little, too late. I ask the LAFCo Commissioners to support the reorganization of the EPASD as a subsidiary of the City of East Palo Alto and under the City's authority.

Sincerely,

Luisa Buada, RN BSN MPH Chief Executive Officer

CC: East Palo Alto City Council Members East Palo Alto City Manager