

RAVENSWOOD SHORES BUSINESS DISTRICT, LLC (RSBD)

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Jeff Poetsch, President -

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February 2, 2024

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

Via e-mail - lafco@smcgov.org

RE: Special Meeting of LAFCo Commission on February 7, 2023- Agenda Item #4
Reconsideration 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 voice our strong opposition to the reconsideration of SMLAFCo Resolution No 1312 approving the City of East Palo Alto's proposal to establish the East Palo Alto Sanitary District as a subsidiary district of the City. The Ravenswood Business district strongly supports the reorganization of the District as a subsidiary district of the City and strongly opposes 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 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.

To justify the District's request for reconsideration, the December 15, 2023 letter from legal counsel for the District argues that actions taken on December 14, 2023 by the District provides clear demonstration that the District can best provide sewer service to local ratepayers. In reality, the fact that the District only took these actions almost 2 years AFTER, the Municipal Service Review of 2022 recommended these actions, is a clear demonstration that the District is inadequately suited to provide sewer services to their local ratepayers. A capital improvement plan, correction of inaccurate capacity fee charges, and needed increases in annual service rates are all actions that should not have been necessary with adequate management. These actions would have already been implemented. Additionally, the District fails to address the numerous other significant justifications for the reorganization of the District as a subsidiary district of the City.

Reorganization of the EPASD as a subsidiary district of the 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 long past time that this recommendation is implemented.

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." With the the establishment of the District as a subsidiary District of the City, the City is moving forward with that LAFCo recommendation. The ratepayers of EPASD will be best served by the denial of EPASD's request for reconsideration. As such, the Ravenswood Shores Business District oppose the request for reconsideration.

Thank you for your consideration.

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