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CALIFORNIA CITIES

San Jose

Mayor: Ron Ganzales (D)

- Elected in 1998, but has also served 2 terms as Mayor of Sunnyvale, CA
- Public education is hot-button issue; has developed teacher housing program and a future teacher scholarship program

Contact info: 801 N. 1st Street, Ste. 600 San Jose 95110 (408) 277-4237
Population: 782,248 (3rd largest in California; 11th largest in US)
Economic Base: High-tech, manufacturing

- Considered the hub of Silicon Valley
- Ranks 3rd in nation for disposable household income

Major Employers:

- IBM
- Cisco Systems

Community Characteristics:

- Strong manager form of government with 10 geographically elected Council Members
- Very diverse community: 27% Hispanic; 19% Asian; 46 languages
- Displaced workers or those in lower paying, non-tech jobs facing skyrocketing housing prices and are creating new segment of homeless

East Palo Alto

Mayor: Ms. Sharifa Jones (party affiliation unknown)
Contact info: 2415 University Ave., E. Palo Alto 94303 (650) 322-7667 (home)
Population: 25,000
Economic Base: service industry
Community Characteristics:

- Racial and ethnic minorities comprise majority of population
- Stark contrast to affluent neighbor of Palo Alto and surrounding Silicon Valley cities
- Facing challenges related to slow economic growth: crime, blight, inadequate school programs

Recent Issues:

- Police department has had several lawsuits or incidents requiring discipline in the last year ranging from brutality to sexual harassment
- School district recently settled lawsuit alleging violation of federal laws that guarantee public education tailored to the needs of disabled children – judged called services for the disabled in the city appalling
- Rev. Jesse Jackson opened a Rainbow/PUSH Coalition office in E. Palo Alto to address digital divide
- E. Palo Alto is part of the Administration's "Communities for Safer Guns Coalition" that was announced on March 22.

City/County Population Estimates with Annual Percent Change January 1, 1997 and 1998

Source: Calif. State Dept. of Finance (includes Excel file)

	Total Population		
COUNTY City	**1/1/97**	**1/1/98**	**Percent Change**
CALIFORNIA	32,670,000	33,252,000	1.8
S.F. BAY REGION	6,566,800	6,693,600	1.9
ALAMEDA	1,381,700	1,408,100	1.9
Alameda	76,700	72,500	-5.5
Albany	17,400	17,650	1.4
Berkeley	106,300	107,800	1.4
Dublin	26,800	27,750	3.5
Emeryville	6,575	7,025	6.8
Fremont	193,000	198,700	3.0
Hayward	124,500	126,500	1.6
Livermore	68,100	70,900	4.1
Newark	40,650	41,250	1.5
Oakland	389,700	396,300	1.7
Piedmont	11,350	11,500	1.3
Pleasanton	60,000	62,600	4.3
San Leandro	72,900	74,300	1.9
Union City	59,900	62,500	4.3
Unincorporated	127,800	130,900	2.4
CONTRA COSTA	887,100	900,700	1.5
Antioch	77,200	79,300	2.7
Brentwood	14,600	17,000	16.4
Clayton	10,100	10,600	5.0
Concord	112,800	113,400	0.5
Danville	38,450	39,150	1.8
El Cerrito	23,500	23,600	0.4
Hercules	18,950	19,050	0.5
Lafayette	23,800	24,000	0.8
Martinez	35,650	36,100	1.3
Moraga	16,450	16,550	0.6
Orinda	17,050	17,150	0.6
Pinole	18,350	18,450	0.5
Pittsburg	51,300	52,200	1.8
Pleasant Hill	31,750	32,500	2.4
Richmond	92,100	92,800	0.8

San Pablo	26,150	26,400	1.0
San Ramon	42,300	43,500	2.8
Walnut Creek	62,800	63,200	0.6
Unincorporated	173,700	175,700	1.2
MARIN	241,400	245,900	1.9
Belvedere	2,270	2,300	1.3
Corte Madera	8,725	8,900	2.0
Fairfax	7,075	7,150	1.1
Larkspur	11,700	11,900	1.7
Mill Valley	13,850	14,000	1.1
Novato	45,950	47,100	2.5
Ross	2,260	2,280	0.9
San Anselmo	12,250	12,400	1.2
San Rafael	53,300	54,000	1.3
Sausalito	7,700	7,775	1.0
Tiburon	8,525	8,650	1.5
Unincorporated	67,900	69,400	2.2
NAPA	120,100	123,300	2.7
American Canyon	8,950	9,175	2.5
Calistoga	4,760	4,900	2.9
Napa	67,600	69,300	2.5
St Helena	5,700	5,925	3.9
Yountville	3,470	3,630	4.6
Unincorporated	29,650	30,400	2.5
SAN FRANCISCO	772,800	789,600	2.2
San Francisco	772,800	789,600	2.2
SAN MATEO	704,800	715,400	1.5
Atherton	7,400	7,475	1.0
Belmont	25,350	25,900	2.2
Brisbane	3,220	3,310	2.8
Burlingame	28,700	29,050	1.2
Colma	1,250	1,280	2.4
Daly City	101,900	103,400	1.5
East Palo Alto	25,200	25,450	1.0
Foster City	29,950	30,350	1.3
Half Moon Bay	10,900	11,100	1.8
Hillsborough	11,400	11,550	1.3
Menlo Park	30,700	31,250	1.8
Millbrae	21,550	21,800	1.2
Pacifica	39,900	40,400	1.3

Portola Valley	4,490	4,550	1.3
Redwood City	73,600	75,200	2.2
San Bruno	41,050	41,450	1.0
San Carlos	28,250	28,550	1.1
San Mateo	92,700	93,600	1.0
South San Francisco	57,900	59,200	2.2
Woodside	5,500	5,625	2.3
Unincorporated	64,000	64,900	1.4
SANTA CLARA	1,654,800	1,689,900	2.1
Campbell	39,350	39,700	0.9
Cupertino	44,800	46,700	4.2
Gilroy	35,300	37,450	6.1
Los Altos	28,000	28,400	1.4
Los Altos Hills	8,000	8,175	2.2
Los Gatos	29,700	30,100	1.3
Milpitas	61,300	62,600	2.1
Monte Sereno	3,370	3,420	1.5
Morgan Hill	29,300	30,800	5.1
Mountain View	73,100	74,700	2.2
Palo Alto	59,900	60,500	1.0
San Jose	874,200	894,000	2.3
Santa Clara	100,100	101,900	1.8
Saratoga	30,600	31,100	1.6
Sunnyvale	129,400	131,100	1.3
Unincorporated	108,300	109,300	0.9
SOLANO	375,500	383,600	2.2
Benicia	27,350	27,850	1.8
Dixon	13,650	14,450	5.9
Fairfield	89,100	91,600	2.8
Rio Vista	3,710	3,920	5.7
Suisun City	25,850	26,300	1.7
Vacaville	85,100	87,700	3.1
Vallejo	110,500	111,400	0.8
Unincorporated	20,200	20,400	1.0
SONOMA	428,600	437,100	2.0
Cloverdale	5,550	5,675	2.3
Cotati	6,575	6,700	1.9
Healdsburg	9,675	9,900	2.3
Petaluma	49,200	50,400	2.4

Rohnert Park	38,850	39,550	1.8
Santa Rosa	128,200	136,100	6.2
Sebastopol	7,625	7,800	2.3
Sonoma	8,975	9,200	2.5
Windsor	19,250	19,900	3.4
Unincorporated	154,700	151,800	-1.9

OICW – Rosemary Steele
650-462-6309

Peninsula Community Foundation

EAST PALO ALTO – CROSSROADS TO TECHNOLOGICAL ADVANCEMENT

In 1983, the City of East Palo Alto incorporated. Over the past 17 years, the City has struggled to keep pace with its neighboring cities in both San Mateo and Santa Clara counties. While surrounding cities have witnessed unprecedented economic growth including: high employment rates and accelerated home values, East Palo Alto has struggled with high levels of unemployment, highest dropout rates for high school students in the Bay Area, and the lowest property values in San Mateo County.

Roger
888-506-3647

San Jose Mercury News

City officials have a Strategy to carry East Palo Alto into the new millenium walking stride-by-stride with its neighbors. No longer will this "Dusty Jewel" be considered the bread basket of Silicon Valley. The City's Plan focuses on seizing the opportunity to take advantage of its strategic location in the heart of Silicon Valley and bridging the Digital Divide. This will be accomplished through the implementation of an Urban Design Master Plan for the City's new Ravenswood Business District and Heart of the City.

More specifically, the City will establish the following new venues:

income disparities race and demographics this time last year.

Ravenswood Business District. An area encompassing between 70-80 acres of reusable land in a federally-supported Brownsfield Showcase Community, will be home to high growth and employment generating industries such as: biotech, telecommunications, software and internet based companies. The City will join forces with its community-based partners such as OICW, Ravenswood and Sequoia School Districts, community colleges and Silicon Valley-based high tech firms to establish employment training programs for local residents. Corporate trainers will play key roles in training local residents the essential skills necessary to fill the newly created positions resulting from the strong economy. Corporations will also commit to employing trained locals to ensure they're not left behind. This will truly represent a joint partnership between the Silicon Valley high-tech community, city officials and community-based organizations.

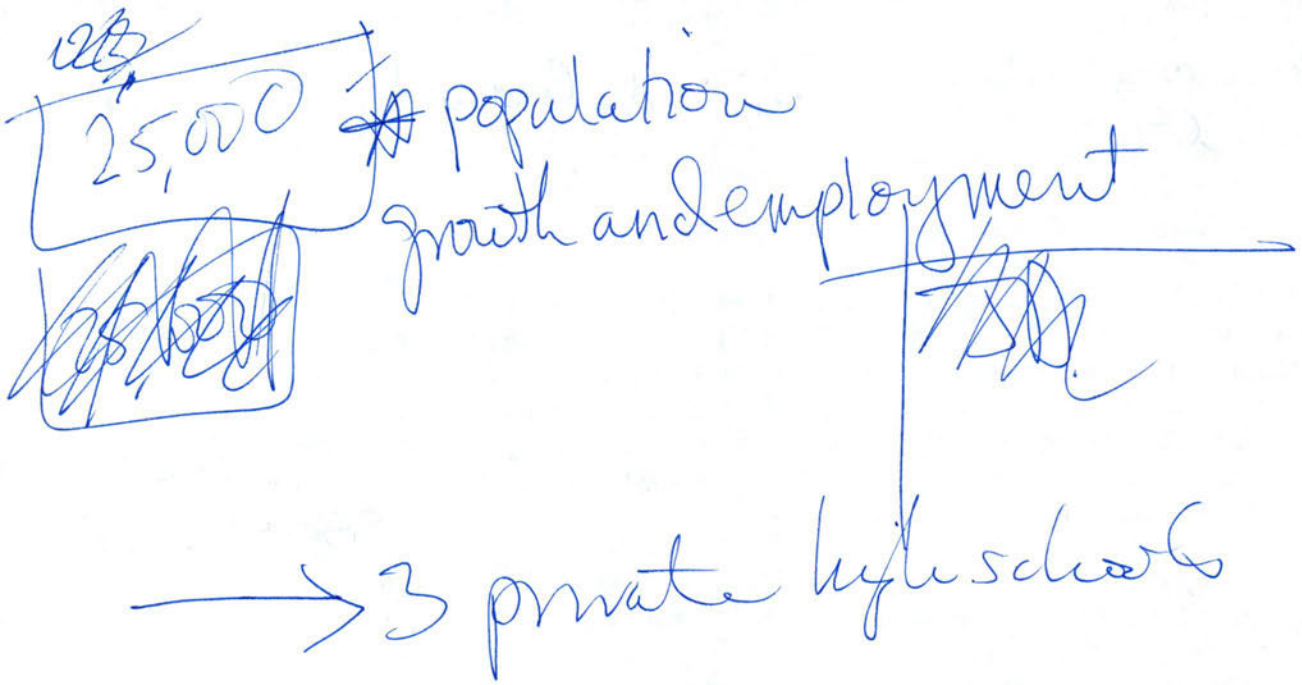
Heart of the City. City officials and corporate representatives are currently exploring the opportunity to establish a High-Tech Training Facility as a major anchor of the Heart of the City. This heart will be situated at the City's main interior intersection; Bay Road and University Avenue. The Center will represent one key component of the City's new Town Square serving as a hub for local residents to obtain classroom training necessary to fill high-tech positions. Meanwhile, less than ½ mile along Bay Road, high-tech companies will be situated. This situation poses an excellent opportunity to house training facilities in close proximity to high-tech power houses with high employment needs.

What will it take to realize the Ravenswood Business District and Heart of the Downtown?

Hugh Burroughs
650-917-7131 Fax 650-948-5793
h.burroughs@packfound.org

Packard Foundation

Paul Poston
Enterprise Foundation
650-321-9639
650-218-3272


25,000
population
growth and employment
3 private hifi schools

It will take a collaborative effort on the part of the City, its community-based partners, Silicon Valley and State/Federal agencies. The City is currently a Brownsfield Showcase Community and is seeking federal dollars to support the following:

- Infrastructure upgrades of Bay Road leading to the new Ravenswood Business District;
- Transportation dollars to improve circulation throughout the City and enhance roadways entering and exiting the City;
- Affordable housing dollars to support much needed housing for workers to remain living near their workplace;
- Job Training Dollars to support local residents needs to improve their skill level so they can fill the positions opening in Silicon Valley.

Through a partnership between the City, Community and State/Federal Agencies, this tiny jewel will shine and serve as a model for other communities across the nation to follow.

FAX

'o: Tom Kalil

oice Phone Number:

rom: Butch Wing

mpany: rainbow/push coalition

ax Number: 510 486 1536

oice Number: 510-486-1095

MESSAGE

T -

FYI, nfo from the City of East Palo Alto re: economic development strategy.

butc

ate: 4/12/00 Pages: 1 of 1

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The Comprehensive Guide to California Public Schools

Community

Overview
Academics
Community
Student/Teacher Ratio
Demographics
Language Skills
Economic Level
Resources

Info on District

Ravenswood City Elementary School District
2160 Euclid Ave.
East Palo Alto, CA 94303
Map This District
Phone:(650) 329-2800
Fax: (650) 323-1072

STUDENT/TEACHER RATIO

Student/Teacher Ratio	
Number of students	5370
Number of teachers	244
Students per teacher	22

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DEMOGRAPHICS

Student/Teacher Ethnic Makeup



Students		Teachers
0%	American Indian	0%
0%	Asian	3%
10%	Pacific Islander	0%
0%	Filipino	1%
64%	Hispanic	14%
24%	Black	33%
1%	White	49%

Click **Issues to Consider** for more about demographics.

STUDENT LANGUAGE SKILLS

Many students in California schools do not yet speak English fluently. This table provides insight into the number of "Limited English Proficient" students in this district and the rate at which they are acquiring English language skills.

Student Language Skills	This District	State
Limited English Proficient (LEP) students [1]	65%	25%
Fluent English Proficient (FEP) students [2]	5%	13%
Advancement rate to English proficiency [3]	2%	7%

1 - Limited English Proficient (LEP) students: students classified by the district as not yet proficient in English
2 - Fluent English Proficient (FEP) students: students who have been reclassified by the district from Limited English Proficient status to English Proficient status.
3 - Advancement rate to English proficiency: number of students reclassified as English Proficient divided by the number of Limited English Proficient students during the previous year.

Home languages of students not proficient in English	
Spanish	87%
Hindi	2%
Tongan	8%
Samoan	3%
Other	3%

STUDENT ECONOMIC LEVEL

In this district, the percentage of students who receive free or reduced-price lunch is 81%.

Last update of public data: Dec 13, 1999 14:37

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All data is for 1999 unless otherwise indicated. (1998 data is marked with ** .) All data is provided by the California Department of Education. "NR" means "Not Reported." See the Explanatory Notes for more information.

STAR TEST SCORES

% of STAR test takers at this school in each national grouping

Reading

Top Quarter	1999	5%
	1998	4%
Third Quarter	1999	13%
	1998	14%
Second Quarter	1999	23%
	1998	24%
Bottom Quarter	1999	58%
	1998	58%

Mathematics

Top Quarter	1999	9%
	1998	10%
Third Quarter	1999	17%
	1998	18%
Second Quarter	1999	23%
	1998	23%
Bottom Quarter	1999	51%
	1998	49%

Students scoring above national average on SAT-9 [1]	District	State
Reading		
All Students	18%	41%
Limited English Proficient (LEP) [2]	10%	10%
English Proficient Students [3]	27%	50%
Males	18%	38%
Females	19%	43%
Economically Disadvantaged	18%	23%
Not Economically Disadvantaged	18%	51%

Students scoring above national average on SAT-9 [1]	District	State
Mathematics		
All Students	26%	46%
Limited English Proficient (LEP) [2]	21%	23%
English Proficient Students [3]	31%	54%
Males	26%	46%
Females	26%	46%
Economically Disadvantaged	27%	31%
Not Economically Disadvantaged	24%	55%

Click **Issues to Consider** for more about student performance.

1 - Stanford Achievement Test, Ninth Edition. The test used by California as its standardized achievement test.
2 - Limited English Proficient (LEP) students: students classified by the district as not yet proficient in English. In this district, that percentage is 65%.
3 - English Proficient students: students classified by the district as fully fluent in English.
4 - Economically Disadvantaged: student who receive free or reduced-price lunch at school. In this district, that percentage is 81%.
5 - We are unable to report this number because of the small number of students in this group in this district.

More STAR score details, including scores by subject area and grade level for all subjects.

TEACHER QUALIFICATIONS

Teacher experience	District	State
Average years teaching	11	14
Average years teaching in district	7.2	11

Credentials held by staff [1]	District
Full	179
Emergency or trainee	103

Click **Issues to Consider** for more about teachers.

1 -Credentials: Note that a single teacher may hold more than one credential

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Ravenswood City Elementary School District
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RESOURCES

District Expenditures (per student)	District	State
Teachers	33%	43%
Administrative Staff	7%	5%
Librarians	<1%	<1%
Other Staff	15%	17%
Books/Supplies	6%	4%
Services/Operating	11%	8%
Other	24%	20%
TOTAL	$5563	$5183

Technology Resources	District	State
Number of computers	183	NA
Students per computer	28	9.9
Classrooms with Internet connections	15	NA

Click **Issues to Consider** for more about resources.

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San Mateo County

POPULATION

Land area (acres):	287,430
Population, 7-1-98	721,400
Percent of California	2.2
Population, 1-1-99	722,800
1-1-99	
Population in households	710,771
Population/household	2.830

Cities	Population 1-1-99	Cities	Population 1-1-99
Daly City	104,200	East Palo Alto	25,550
San Mateo	94,100	Millbrae	21,600
Redwood City	76,600	Hillsborough	11,600
South San Francisco	60,900	Half Moon Bay	11,200
San Bruno	41,600	Atherton	7,525
Pacifica	40,700	Woodside	5,700
Menlo Park	31,550	Portola Valley	4,590
Foster City	30,700	Brisbane	3,380
Burlingame	29,300	Colma	1,280
San Carlos	28,750	Unincorporated	65,900
Belmont	26,100		

EDUCATION

Median years of school, 1990 ***	14.2
Enrollment, Fall 1998 (public & private schools)	
Kindergarten-12	109,397
Enrollment, Fall 1997	31,722
College/University	29,758
Community colleges	1,964
Private colleges	

Spending on education:	1997-98 ($ mill)
School districts*	661.7
Community colleges**	88.3

* Not including community college districts.
** Includes governmental, proprietary and fiduciary group funds.
*** May not be comparable to the 1980 census. The 1990 median was computed on the basis of educational attainment. The 1980 median was based on actual years of school completed.

LABOR FORCE AND EMPLOYMENT

Civilian labor force, 1999	399,100
Civilian employment	391,300
Unemployment	7,800
Unemployment rate	2.0
Nonagricultural wage & salary employment, 1999 (BLS series) *	1,043,100
Percent of California	7.5
Mining & Construction	42,500
Manufacturing	74,600
Transportation-utility	81,700
Trade	217,700
Finance-insurance-real estate	108,000
Services	392,900
Federal government	24,500
State-local government	101,200

* Includes Marin and San Francisco counties.
Totals may not add due to rounding.

Number of establishments by industry and employment size, 1997

Employment size	All industries **	Mining/ Construction	Manufacturing	TCU ***	Trade	FIRE ****	Services
1-4	10,846	1,109	377	466	2,473	1,421	4,586
5-9	3,717	309	192	201	1,214	344	1,372
10-19	2,428	198	174	160	850	188	822
20-49	1,649	102	170	113	587	140	515
50-99	615	28	68	48	217	45	206
100-249	345	12	44	26	101	21	140
250-499	83	3	10	6	24	10	30
500-999	41	2	4	6	3	8	18
1000 +	16	1	3	2	2	1	7
Total	19,740	1,764	1,042	1,028	5,471	2,178	7,696

** Includes agricultural services, forestry, and fishing.
*** Transportation, communication, and public utilities
**** Finance, insurance, and real estate

INCOME AND SALES

	1979	1989

Personal income, 1997 (mill.)	27,775.3	Median family income, Census	27,279	53,430	
Percent of California	3.3	Median household income, Census	23,175	46,437	
County Rank	11				
			1997	1998	
Per capita income, 1997	39,989	Total taxable sales, ($ mill.)	10,733.8	11,035.0	
Percent of California	152.0	*Percent of California*	3.1	3.1	
County Rank	3	Taxable retail sales	6,347.0	6,609.2	
		Sales and Use tax rate (includes state, local, and district taxes)			8.25%
Avg. earnings per job, 1997	41,916				
Avg. wages per job, 1997	42,132	Median adjusted gross income based on personal income tax returns, 1997:			
Avg. earnings per nontarm proprietor, 1997	25,289	Individual	$35,555		
		Joint	$66,904		

HOUSING AND CONSTRUCTION

	4-1-90	1-1-99
Housing stock	251,782	261,434
Percent of California	2.3	2.2
Single family	164,701	169,831
Multiple family	80,188	88,049
Mobile homes, trailers, etc.	6,893	3,554
Vacancy rate (percent):	3.9	3.9

Housing authorizations, 1998	Units	Valuation ($ mill.)
Total	2,175	$545.7
Percent of California	1.7	2.5
Single family	988	254.5
Multi-family	1,187	132.5
Nonresidential permits	--	$421.8
Percent of California		2.8

Median home price, *	
November 1998	$325,000
November 1999	$408,000

* Derived from all types of home sales: new and existing, condos and single-family

San Mateo County (continued)

MANUFACTURING

	1987	1992
Value added by manufacture, ($ mill.)	2,353.8	3,743.6
Percent of California	*1.8*	*2.4*
Leading industries:		
Electronic and other electric equipment		843.8
Chemicals and allied products		643.0
Food and kindred products		575.5
Printing and publishing		459.8
Rubber and miscellaneous plastics products		353.5
Industrial machinery and equipment		336.5
Instruments and related products		210.4
Timber production, 1998 (Thous. of board ft.)	3,561	
Percent of California	*0.2*	

Capital expenditures:	($ mill.)
1987	126.7
1992	221.1
Payroll in manufacturing:	**($ mill.)**
1990	1,495.3
1997	1,722.4
Number of mfg. establishments:	
1990	1,114
1997	1,042

AGRICULTURE

Number of farms, 1997	240
Acreage in farms, 1997	44,588
% of land area	*15.5*
Agricultural employment, 1999 *	3,600
Value of production, 1998 ($ mill.)	184.1
Percent of California	*0.7*
County Rank	29
Livestock and livestock products	1.1
Poultry and poultry products	0.0
Field crops	1.2
Vegetables	38.6
Fruits and nuts	0.7
Nursery products	142.5
Seed crops	0.0
Apiary products	0.1

Leading commodities with value of production, 1998	$ mill.
Nursery, ornamental stock	30.7
Plants, potted foliage	24.6
Mushrooms	23.1
Flowers, snapdragons	6.6
Flowers, potted lilies	5.6
Flowers, potted orchids	3.5
Flowers, potted poinsettias	3.3
Flowers, iris	2.7
Flowers, herbaceous perennials	2.5
Brussels sprouts	2.4

* Includes San Francisco and Marin counties.

TRANSPORTATION

Vehicle registrations, 1998	
Total	711,936
Automobiles	548,039
Per capita (7-1-98 pop.)	0.76
Trucks	98,595
Motorcycles	10,629
Trailers	54,673
Miles of streets, roads and highways, 1998	2,023.7

PUBLIC FINANCE

Revenues:

1996-97	$ mill.	Per capita*	Per $1,000 income**
County government tax collections, total	111.7	160.00	4.25
Property tax	91.7	131.41	3.49
Sales tax	14.0	20.01	0.53
Total receipts, local government, 1995-96	1,973.1		

* 7-1-96 population
** 1996 personal income

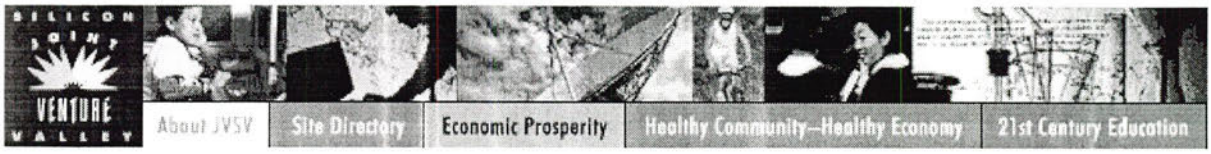
n.a. Not available at the time of publication.

Expenditures:

1997-98	$ mill.
Federal	2,617.1
Defense	246.1
1996-97	**$ mill.**
County	485.1
City	563.4
School districts	562.5
Special districts	n.a.
Redevelopment agencies	96.6

California Department of Finance
Economic Research
(916) 322-2263 Internet address: www.dof.ca.gov

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OVERVIEW

Welcome to the *Index of Silicon Valley* for the year 2000.

Joint Venture developed the annual *Index of Silicon Valley* to provide a reliable source of objective information about the economy and quality of life in Silicon Valley. Good information about ourselves as a region has helped create a sense of regional identity. It has also helped Joint Venture and others to improve many aspects of our Silicon Valley community.

By measuring a broad base of indicators cutting across Silicon Valley's economy, community and environment, the *Index* identifies emerging challenges and opportunities facing the region. When the *Index* was first produced, Silicon Valley was feeling the effects of the worst recession in California since the Great Depression. At that time, the *Index* highlighted the need to sustain the Valley's economic vitality. This year's *Index* reveals a very different problem-an emerging Digital Divide in Silicon Valley- and the new challenge of connecting all people in our community to the unparalleled opportunities in the new Digital Economy.

This year's *Index* continues the tradition begun last year of measuring progress toward the 17 goals for the economy, environment, society and regional stewardship established in *Silicon Valley 2010: A Regional Framework for Growing Together*. Joint Venture released Silicon Valley 2010 in October 1998, after more than 2000 community members participated in developing 17 goals for our region's future.

This *2000 Index* includes 25 indicators measuring progress toward the 17 goals. In addition, the *2000 Index* includes 10 important regional trend indicators.

To access the full library of Joint Venture reports, visit us on the Web at www.jointventure.org. We wish you fascinating reading, and new insight into how you can make a difference achieving the goals of *Silicon Valley 2010*.

Ruben Barrales
President & CEO
Joint Venture: Silicon Valley Network

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INTRODUCTION

WHAT IS SILICON VALLEY?

Joint Venture defines Silicon Valley as Santa Clara County plus adjacent parts of San Mateo, Alameda, and Santa Cruz counties (*view map*). This definition reflects the core location of the Valley's driving industries and most of its workforce.

With a population of more than 2.5 million people, this region has more residents than 18 of the U.S. states.

The indicators reflect this definition of Silicon Valley, except where noted as different.

WHAT IS A GOOD INDICATOR?

Indicators are measurements that tell us how we are doing: whether we are going up or down; going forward or backward; getting better, worse, or staying the same. Good indicators:

- are bellwethers that reflect fundamentals of long-term regional health;
- reflect the interests and concerns of the community;
- are statistically measurable on a frequent basis; and
- measure outcomes, rather than inputs.

The 35 indicators that follow were chosen in consultation with the *Index* Advisory Board, the Joint Venture Board, and more than 60 community experts.

Appendix A provides detail on data sources for each indicator.

WHAT IS AN INDUSTRY CLUSTER?

Several of the economic indicators relate to "industry clusters." An industry cluster is a geographic concentration of interdependent firms in related industries, and includes a significant number of companies that sell their products and services outside the region.

Healthy, outward-oriented industry clusters are a critical prerequisite for a healthy economy. The driving clusters in Silicon Valley are:

- computers/communications
- semiconductors/semiconductor equipment
- software
- bioscience
- defense/space
- innovation services
- professional services.

Together, these clusters represent nearly 40% of all jobs in Silicon Valley.

Clusters are dynamic. Over time, existing clusters will transform and new clusters will develop from our region's talent and technology base. The Internet cluster is a good example. In July 1999, Joint Venture released an analysis of the emerging Internet cluster in Silicon Valley. Prepared by A.T. Kearney, the report found that the emerging Internet cluster is comprised of companies from established industry clusters such as computers/communications, software, financial services and retail, as well as companies from the new "dot com" sector.

Although it is possible to identify local companies with Internet-related activities, government statistics do not yet track employment in these companies as a separate sector. The widespread adoption of a new federal industry classification

STATE OF CALIFORNIA
EMPLOYMENT DEVELOPMENT DEPARTMENT
LABOR MARKET INFORMATION DIVISION
916-262-2162

March 24, 2000

LABOR FORCE DATA FOR SUB-COUNTY AREAS
(Data Not Seasonally Adjusted)
1999 BENCHMARK

Monthly sub-county data are derived by multiplying current estimates of county-wide employment and unemployment by the respective employment and unemployment shares (percentages) in each sub-county area at the time of the 1990 Census. Sub-county labor force is then obtained by summing employment and unemployment, and the result is divided into unemployment to calculate the unemployment rate. Based on Each Area's 1990 Census Share of County Employment and Unemployment

This method assumes that the rates of change in employment and unemployment, since 1990, are exactly the same in each sub-county area as at the county level (i.e., that the shares are still accurate). If this assumption is not true for a specific sub-county area, then the estimates for that area may not be representative of the current economic conditions. Since this assumption is untested, caution should be employed when using these data.

All unemployment rates shown are calculated on unrounded data. These data are not seasonally adjusted.

CCD stands for Census County Division.
CDP stands for Census Designated Place.

County Data are for Annual Average (Revised) 1997

Area Name	Labor Force	Employ- ment	Unemployment Number	Rate	Census Ratios Emp	Unemp
Alameda County	698,800	668,000	30,800	4.4%	1.000000	1.000000
Alameda - city	38,540	37,320	1,220	3.2%	0.055868	0.039678
Albany - city	9,210	9,010	200	2.1%	0.013489	0.006382
Ashland - CDP	8,380	7,760	610	7.3%	0.011618	0.019948
Berkeley - city	61,320	58,820	2,500	4.1%	0.088057	0.081182
Castro Valley - CDP	27,310	26,340	970	3.5%	0.039436	0.031445
Cherryland - CDP	5,420	5,110	310	5.7%	0.007651	0.009938
Dublin - city	11,790	11,490	300	2.6%	0.017198	0.009767
Emeryville - city	3,800	3,640	160	4.3%	0.005451	0.005310
Fairview - CDP	5,370	5,210	170	3.1%	0.007794	0.005456
Fremont - city	104,300	101,130	3,170	3.0%	0.151393	0.102908
Hayward - city	61,010	58,290	2,730	4.5%	0.087256	0.088489
Livermore - city	33,880	32,850	1,030	3.0%	0.049179	0.033369
Newark - city	22,450	21,580	860	3.9%	0.032307	0.028084
Oakland - city	183,480	170,710	12,770	7.0%	0.255549	0.414678
Piedmont - city	5,570	5,510	60	1.2%	0.008244	0.002095
Pleasanton - city	32,190	31,480	710	2.2%	0.047120	0.023115
San Leandro - city	37,040	35,610	1,430	3.9%	0.053304	0.046473
San Lorenzo - CDP	10,350	10,050	300	2.9%	0.015045	0.009621
Union City - city	30,130	29,150	980	3.3%	0.043638	0.031883
Alpine County	500	450	50	9.2%	1.000000	1.000000
Amador County	13,290	12,490	800	6.0%	1.000000	1.000000
Ione - city	1,490	1,430	60	4.1%	0.114657	0.075617
Jackson - city	1,660	1,560	100	5.9%	0.124729	0.121914

Sutter Creek - city	1,070	1,020	50	4.6%	0.081615	0.061728
Butte County	84,400	77,200	7,200	8.6%	1.000000	1.000000
Chico - city	21,790	20,000	1,800	8.2%	0.259015	0.249631
Durham - CDP	2,730	2,610	120	4.4%	0.033804	0.016490
Gridley - city	2,000	1,690	310	15.3%	0.021910	0.042499
Magalia - CDP	2,930	2,610	320	11.1%	0.033775	0.045046
Oroville - city	4,160	3,620	530	12.8%	0.046953	0.074005
Oroville East - CDP	3,550	3,270	290	8.0%	0.042297	0.039684
Palermo - CDP	2,210	1,950	260	11.8%	0.025240	0.036332
Paradise - town	9,900	9,240	660	6.7%	0.119639	0.091969
South Oroville - CDP	2,630	2,120	510	19.5%	0.027427	0.071457
Thermalito - CDP	2,380	2,050	330	13.8%	0.026552	0.045583
Calavaras County	14,140	12,870	1,270	9.0%	1.000000	1.000000
Angels - city	1,130	1,040	100	8.4%	0.080568	0.075055
Arnold - CDP	1,560	1,410	150	9.6%	0.109295	0.116998
Murphys - CDP	630	550	70	11.6%	0.043008	0.057395
San Andreas - CDP	930	830	100	10.6%	0.064553	0.077263
Colusa County	9,150	7,440	1,710	18.6%	1.000000	1.000000
Colusa - city	2,840	2,260	580	20.5%	0.303773	0.339934
Williams - city	1,310	1,070	240	18.5%	0.143544	0.141914
Contra Costa County	472,800	453,200	19,600	4.1%	1.000000	1.000000
Alamo - CDP	6,980	6,850	140	1.9%	0.015112	0.006918
Antioch - city	34,970	33,030	1,930	5.5%	0.072892	0.098621
Concord - city	69,950	67,260	2,680	3.8%	0.148418	0.136901
Danville - city	19,600	19,210	390	2.0%	0.042393	0.019958
El Cerrito - city	13,400	13,000	400	3.0%	0.028683	0.020612
El Sobrante - CDP	5,660	5,340	320	5.6%	0.011781	0.016172
Hercules - city	10,820	10,430	390	3.6%	0.023013	0.020098
Lafayette - city	14,220	13,950	260	1.8%	0.030789	0.013414
Martinez - city	20,110	19,430	680	3.4%	0.042880	0.034588
Moraga Town - city	9,180	9,050	130	1.4%	0.019973	0.006684
Oakley - CDP	9,940	9,520	420	4.2%	0.021013	0.021500
Orinda - city	9,360	9,130	230	2.5%	0.020140	0.011778
Pinole - city	10,650	10,260	400	3.7%	0.022629	0.020192
Pittsburg - city	25,880	24,370	1,520	5.9%	0.053763	0.077495
Pleasant Hill - city	20,750	20,200	550	2.7%	0.044575	0.028137
Richmond - city	47,000	43,280	3,720	7.9%	0.095504	0.189764
Rodeo - CDP	4,080	3,910	170	4.2%	0.008627	0.008740
San Pablo - city	12,310	11,260	1,050	8.5%	0.024853	0.053470
San Ramon - city	24,030	23,480	550	2.3%	0.051817	0.028091
Tara Hills - CDP	3,010	2,860	150	5.0%	0.006317	0.007712
Vine Hill - CDP	1,810	1,730	80	4.2%	0.003828	0.003879
Walnut Creek - city	35,600	34,630	960	2.7%	0.076414	0.049217
West Pittsburg - CDP	9,020	8,400	620	6.9%	0.018529	0.031690
Del Norte County	10,230	9,200	1,030	10.1%	1.000000	1.000000
Crescent City - city	2,070	1,830	230	11.3%	0.199160	0.226943
Crescent City North - C	1,780	1,630	150	8.5%	0.177399	0.147150
El Dorado County	76,200	72,100	4,100	5.4%	1.000000	1.000000

Cameron Park - CDP	7,610	7,310	290	3.9%	0.101455	0.071684
Diamond Springs - CDP	1,510	1,420	90	5.7%	0.019748	0.021118
El Dorado Hills - CDP	3,750	3,670	80	2.0%	0.050957	0.018739
Placerville - city	4,430	4,080	350	7.9%	0.056645	0.085366
Pollock Pines - CDP	2,360	2,200	160	6.7%	0.030581	0.038667
South Lake Tahoe - city	15,850	14,700	1,150	7.3%	0.203827	0.280785
Fresno County	374,400	324,500	49,900	13.3%	1.000000	1.000000
Auberry - CDP	890	820	80	8.4%	0.002516	0.001509
Caruthers - CDP	940	840	100	11.0%	0.002583	0.002071
Clovis - city	32,340	29,670	2,670	8.3%	0.091448	0.053498
Coalinga - city	4,470	3,960	510	11.3%	0.012200	0.010145
Del Rey - CDP	400	330	80	18.6%	0.001015	0.001509
Easton - CDP	1,010	910	100	10.2%	0.002798	0.002071
Firebaugh - city	2,390	1,870	510	21.4%	0.005778	0.010250
Fowler - city	1,750	1,370	380	21.6%	0.004225	0.007547
Fresno - city	190,720	167,900	22,830	12.0%	0.517396	0.457472
Huron - city	2,830	2,440	390	13.8%	0.007520	0.007828
Kerman - city	2,900	2,350	550	19.0%	0.007234	0.011023
Kingsburg - city	4,090	3,460	630	15.4%	0.010662	0.012637
Laton - CDP	580	460	120	20.2%	0.001431	0.002352
Mendota - city	3,840	2,530	1,300	33.9%	0.007809	0.026082
Orange Cove - city	3,070	2,200	870	28.3%	0.006790	0.017411
Parlier - city	4,930	3,310	1,620	32.8%	0.010207	0.032436
Reedley - city	9,390	7,410	1,980	21.1%	0.022830	0.039737
Riverdale - CDP	960	860	110	10.9%	0.002642	0.002106
Sanger - city	9,870	7,760	2,110	21.4%	0.023908	0.042265
San Joaquin - city	1,150	770	380	33.1%	0.002364	0.007618
Selma - city	8,170	6,270	1,910	23.3%	0.019316	0.038193
Squaw Valley - CDP	990	840	150	14.9%	0.002598	0.002949
Glenn County	11,030	9,570	1,460	13.2%	1.000000	1.000000
Orland - city	2,330	1,890	440	18.8%	0.197251	0.300000
Willows - city	2,510	2,210	300	11.8%	0.231407	0.203738
Humboldt County	60,800	56,400	4,400	7.2%	1.000000	1.000000
Arcata - city	8,300	7,630	660	8.0%	0.135370	0.150722
Blue Lake - city	680	640	40	5.5%	0.011410	0.008583
Eureka - city	13,430	12,450	980	7.3%	0.220731	0.223153
Ferndale - city	620	600	20	2.7%	0.010682	0.003768
Fortuna - city	4,120	3,870	240	5.9%	0.068659	0.055474
McKinleyville - CDP	5,460	5,140	310	5.7%	0.091204	0.070756
Rio Dell - city	1,240	1,050	190	15.3%	0.018650	0.043333
Imperial County	56,400	41,400	15,000	26.6%	1.000000	1.000000
Brawley - city	10,220	7,440	2,770	27.1%	0.179803	0.184860
Calexico - city	9,240	6,020	3,220	34.9%	0.145392	0.214912
El Centro - city	17,100	12,690	4,410	25.8%	0.306630	0.293697
Inyo County	7,340	6,740	600	8.1%	1.000000	1.000000
Big Pine - CDP	400	400	0	1.2%	0.059103	0.007828
Bishop - city	1,480	1,390	90	5.9%	0.206923	0.146771
Dixon Lane-Meadow Creek	920	850	70	7.9%	0.126282	0.121331

Lone Pine - CDP	690	630	60	8.9%	0.093205	0.101761
West Bishop - CDP	1,190	1,150	40	3.5%	0.170513	0.070450
Kern County	280,000	245,700	34,300	12.2%	1.000000	1.000000
Arvin - city	5,030	3,650	1,370	27.3%	0.014869	0.040033
Bakersfield - city	97,670	88,830	8,840	9.0%	0.361544	0.257653
Bear Valley Springs - C	630	580	60	9.1%	0.002348	0.001693
Bodfish - CDP	450	420	30	7.3%	0.001705	0.000955
Boron - CDP	1,310	1,140	170	12.8%	0.004654	0.004906
Buttonwillow - CDP	560	540	20	3.7%	0.002203	0.000608
California City - city	3,230	2,870	360	11.2%	0.011683	0.010551
Delano - city	12,310	8,740	3,570	29.0%	0.035590	0.103990
Edwards AFB - CDP	1,930	1,720	210	11.0%	0.006983	0.006209
Ford City - CDP	1,740	1,570	170	9.6%	0.006401	0.004863
Frazier Park - CDP	1,170	1,100	80	6.5%	0.004472	0.002214
Golden Hills - CDP	2,960	2,710	240	8.2%	0.011045	0.007077
Greenacres - CDP	4,280	3,960	320	7.4%	0.016137	0.009205
Kernville - CDP	790	740	50	6.2%	0.003028	0.001433
Lake Isabella - CDP	1,100	990	120	10.5%	0.004020	0.003387
Lamont - CDP	5,910	4,640	1,270	21.5%	0.018880	0.037037
Lost Hills - CDP	760	510	240	32.1%	0.002092	0.007077
McFarland - city	3,360	2,230	1,120	33.5%	0.009084	0.032782
Maricopa - city	580	540	40	6.7%	0.002185	0.001129
Mojave - CDP	2,030	1,880	150	7.2%	0.007663	0.004255
Mountain Mesa - CDP	420	380	40	9.5%	0.001551	0.001172
North Edwards - CDP	650	620	40	5.5%	0.002511	0.001042
Oildale - CDP	13,620	11,660	1,960	14.4%	0.047455	0.057054
Ridgecrest - city	16,790	15,690	1,100	6.5%	0.063866	0.031957
Rosamond - CDP	4,100	3,540	560	13.6%	0.014422	0.016239
Rosedale - CDP	2,520	2,380	140	5.6%	0.009675	0.004081
Shafter - city	4,120	3,450	670	16.3%	0.014040	0.019626
South Lake - CDP	290	250	40	13.0%	0.001011	0.001085
South Taft - CDP	1,120	1,050	70	6.2%	0.004276	0.002041
Taft - city	3,210	2,960	250	7.7%	0.012056	0.007164
Taft Heights - CDP	980	890	90	9.0%	0.003629	0.002562
Tehachapi - city	3,050	2,730	320	10.4%	0.011115	0.009248
Wasco - city	6,070	4,730	1,340	22.1%	0.019234	0.039121
Weedpatch - CDP	880	520	360	40.9%	0.002115	0.010464
Wofford Heights - CDP	750	700	50	6.8%	0.002832	0.001476
Kings County	43,900	38,170	5,730	13.0%	1.000000	1.000000
Armona - CDP	1,600	1,400	200	12.5%	0.036565	0.034893
Avenal - city	2,330	1,870	460	19.9%	0.049006	0.080910
Corcoran - city	3,750	3,180	560	15.0%	0.083391	0.098357
Hanford - city	16,180	14,330	1,850	11.4%	0.375337	0.323135
Home Garden - CDP	680	510	170	24.7%	0.013439	0.029330
Kettleman City - CDP	860	710	140	16.9%	0.018706	0.025284
Lemoore - city	6,660	5,770	890	13.4%	0.151134	0.155499
Lake County	23,150	20,700	2,450	10.6%	1.000000	1.000000
Clearlake - city	4,620	3,890	730	15.8%	0.188007	0.298235
Hidden Valley Lake - CD	1,110	1,050	60	5.6%	0.050691	0.025221
Kelseyville - CDP	1,430	1,290	130	9.4%	0.062416	0.054855
Lakeport - city	2,330	2,100	230	10.0%	0.101499	0.095208
Lassen County	11,720	10,610	1,110	9.5%	1.000000	1.000000
Susanville - city	3,650	3,360	290	7.9%	0.316974	0.258451

Westwood - CDP	900	730	170	18.6%	0.069207	0.151581
Los Angeles County	4,491,900	4,184,800	307,100	6.8%	1.000000	1.000000
Agoura Hills - city	11,300	10,920	380	3.3%	0.002609	0.001228
Alhambra - city	40,820	38,530	2,290	5.6%	0.009206	0.007451
Alondra Park - CDP	6,260	5,800	460	7.3%	0.001386	0.001494
Altadena - CDP	22,100	20,760	1,340	6.1%	0.004960	0.004364
Arcadia - city	24,270	23,450	820	3.4%	0.005605	0.002657
Artesia - city	7,250	6,800	450	6.1%	0.001625	0.001450
Avocado Heights - CDP	6,940	6,290	650	9.4%	0.001503	0.002119
Azusa - city	21,060	19,440	1,620	7.7%	0.004646	0.005278
Baldwin Park - city	30,870	28,440	2,420	7.8%	0.006797	0.007885
Bell - city	14,530	12,860	1,670	11.5%	0.003073	0.005449
Bellflower - city	31,970	30,220	1,750	5.5%	0.007221	0.005688
Bell Gardens - city	17,210	15,060	2,150	12.5%	0.003600	0.006985
Beverly Hills - city	17,340	16,730	610	3.5%	0.003999	0.001985
Burbank - city	52,400	49,920	2,490	4.7%	0.011928	0.008094
Carson - city	43,800	40,880	2,920	6.7%	0.009769	0.009520
Cerritos - city	28,890	27,910	980	3.4%	0.006669	0.003207
Charter Oak - CDP	4,730	4,530	210	4.4%	0.001082	0.000673
Citrus - CDP	4,770	4,550	230	4.7%	0.001086	0.000735
Claremont - city	17,250	16,570	670	3.9%	0.003960	0.002191
Commerce - city	5,170	4,620	550	10.7%	0.001104	0.001799
Compton - city	34,980	30,310	4,670	13.4%	0.007243	0.015219
Covina - city	23,220	22,070	1,150	5.0%	0.005275	0.003751
Cudahy - city	9,290	8,400	880	9.5%	0.002008	0.002878
Culver City - city	22,760	21,890	870	3.8%	0.005230	0.002833
Del Aire - CDP	4,140	3,930	220	5.2%	0.000938	0.000708
Diamond Bar - city	30,320	29,320	1,000	3.3%	0.007006	0.003246
Downey - city	46,980	44,620	2,370	5.0%	0.010662	0.007708
Duarte - city	10,100	9,500	600	5.9%	0.002271	0.001955
East Compton - CDP	3,100	2,700	400	12.9%	0.000646	0.001300
East La Mirada - CDP	5,080	4,890	190	3.8%	0.001168	0.000622
East Los Angeles - CDP	50,430	45,020	5,420	10.7%	0.010757	0.017637
East Pasadena - CDP	2,950	2,790	170	5.6%	0.000666	0.000541
East San Gabriel - CDP	6,910	6,630	280	4.1%	0.001583	0.000912
El Monte - city	46,860	42,760	4,090	8.7%	0.010218	0.013333
El Segundo - city	9,470	9,170	290	3.1%	0.002192	0.000959
Florence-Graham - CDP	20,830	17,630	3,190	15.3%	0.004214	0.010398
Gardena - city	26,970	25,490	1,470	5.5%	0.006092	0.004794
Glendale - city	92,700	86,720	5,980	6.4%	0.020722	0.019464
Glendora - city	25,070	24,080	1,000	4.0%	0.005753	0.003249
Hacienda Heights - CDP	26,970	25,790	1,180	4.4%	0.006163	0.003847
Hawaiian Gardens - city	6,050	5,570	490	8.0%	0.001330	0.001584
Hawthorne - city	39,330	36,810	2,530	6.4%	0.008795	0.008222
Hermosa Beach - city	13,880	13,640	240	1.7%	0.003259	0.000789
Huntington Park - city	25,590	22,550	3,050	11.9%	0.005388	0.009926
Inglewood - city	54,950	49,830	5,120	9.3%	0.011908	0.016678
La Canada Flintridge-ci	9,800	9,550	260	2.6%	0.002282	0.000834
La Crescenta-Montrose-C	9,570	9,230	350	3.6%	0.002205	0.001133
Ladera Heights - CDP	3,230	3,100	130	3.9%	0.000742	0.000412
La Habra Heights - city	3,410	3,340	80	2.2%	0.000798	0.000245
Lake Los Angeles - CDP	3,330	3,060	270	8.2%	0.000732	0.000888
Lakewood - city	38,720	37,160	1,560	4.0%	0.008879	0.005072
La Mirada - city	21,380	20,480	910	4.2%	0.004893	0.002950
Lancaster - city	45,560	42,600	2,960	6.5%	0.010179	0.009648
La Puente - city	17,150	15,680	1,470	8.6%	0.003747	0.004788
La Verne - city	16,060	15,470	590	3.7%	0.003697	0.001910
Lawndale - city	14,900	13,860	1,040	7.0%	0.003311	0.003392
Lennox - CDP	10,320	9,210	1,110	10.7%	0.002201	0.003602
Lomita - city	10,670	10,200	460	4.4%	0.002438	0.001512
Long Beach - city	209,560	196,230	13,330	6.4%	0.046891	0.043399
Los Angeles - city	1,802,790	1,662,940	139,850	7.8%	0.397376	0.455391

Lynwood - city	24,830	21,950	2,880	11.6%	0.005245	0.009385
Manhattan Beach - city	20,770	20,310	450	2.2%	0.004853	0.001480
Marina del Rey - CDP	5,850	5,620	230	4.0%	0.001343	0.000756
Mayflower Village - CDP	2,570	2,480	90	3.6%	0.000592	0.000299
Maywood - city	12,680	11,240	1,440	11.4%	0.002686	0.004699
Monrovia - city	19,050	17,950	1,100	5.8%	0.004290	0.003572
Montebello - city	27,960	26,210	1,750	6.2%	0.006263	0.005688
Monterey Park - city	28,500	26,880	1,630	5.7%	0.006423	0.005293
Norwalk - city	44,940	42,170	2,770	6.2%	0.010076	0.009020
Palmdale - city	32,900	30,780	2,110	6.4%	0.007356	0.006880
Palos Verdes Estates-ci	6,880	6,650	230	3.3%	0.001590	0.000738
Paramount - city	21,510	19,530	1,980	9.2%	0.004667	0.006438
Pasadena - city	69,430	65,370	4,060	5.8%	0.015620	0.013217
Pico Rivera - city	27,060	24,940	2,120	7.8%	0.005959	0.006907
Pomona - city	60,420	55,320	5,100	8.4%	0.013219	0.016621
Quartz Hill - CDP	4,570	4,340	230	5.0%	0.001038	0.000741
Rancho Palos Verdes - c	21,750	21,280	470	2.2%	0.005084	0.001533
Redondo Beach - city	41,120	39,830	1,300	3.2%	0.009517	0.004226
R. Hills Estates - city	3,960	3,850	110	2.8%	0.000919	0.000365
Rosemead - city	22,860	21,080	1,780	7.8%	0.005037	0.005810
Rowland Heights - CDP	22,280	21,170	1,100	5.0%	0.005059	0.003596
San Dimas - city	17,900	17,330	570	3.2%	0.004141	0.001844
San Fernando - city	10,350	9,420	930	9.0%	0.002251	0.003025
San Gabriel - city	18,210	17,170	1,040	5.7%	0.004103	0.003383
San Marino - city	5,830	5,680	150	2.6%	0.001357	0.000493
Santa Clarita - city	62,890	60,840	2,040	3.2%	0.014539	0.006653
Santa Fe Springs - city	7,240	6,660	580	8.0%	0.001593	0.001889
Santa Monica - city	52,490	50,150	2,340	4.5%	0.011983	0.007616
Sierra Madre - city	6,090	5,960	140	2.2%	0.001423	0.000445
Signal Hill - city	4,870	4,630	240	4.9%	0.001106	0.000783
South El Monte - city	9,370	8,360	1,000	10.7%	0.001999	0.003264
South Gate - city	38,290	34,430	3,850	10.1%	0.008228	0.012547
South Pasadena - city	13,770	13,450	320	2.4%	0.003214	0.001055
South San Gabriel - CDP	3,580	3,320	250	7.1%	0.000795	0.000828
South San Jose Hills -	8,140	7,420	730	8.9%	0.001773	0.002361
South Whittier - CDP	24,780	23,340	1,450	5.8%	0.005577	0.004713
Temple City - city	15,850	15,180	680	4.3%	0.003627	0.002200
Torrance - city	75,420	72,650	2,770	3.7%	0.017361	0.009009
Valinda - CDP	8,750	8,040	710	8.1%	0.001922	0.002310
View Pk-Windsor Hills-C	6,540	6,210	320	5.0%	0.001484	0.001055
Vincent - CDP	6,800	6,430	370	5.4%	0.001537	0.001190
Walnut - city	15,440	14,830	610	4.0%	0.003543	0.001994
Walnut Park - CDP	6,690	6,160	530	7.9%	0.001471	0.001722
West Athens - CDP	4,200	3,760	440	10.4%	0.000899	0.001429
West Carson - CDP	11,060	10,660	400	3.6%	0.002548	0.001309
West Compton - CDP	2,490	2,210	270	11.0%	0.000529	0.000888
West Covina - city	49,800	47,510	2,290	4.6%	0.011353	0.007457
West Hollywood - city	23,480	21,950	1,530	6.5%	0.005245	0.004994
Westlake Village - city	4,130	4,020	110	2.6%	0.000961	0.000347
Westmont - CDP	12,830	11,280	1,550	12.1%	0.002696	0.005039
West Puente Valley - CD	9,450	8,690	760	8.1%	0.002076	0.002484
W Whittier-Los Nietos-C	11,430	10,580	850	7.4%	0.002529	0.002762
Whittier - city	38,680	36,950	1,740	4.5%	0.008829	0.005655
Willowbrook - CDP	11,450	9,910	1,540	13.4%	0.002369	0.005006
Madera County	52,380	45,380	7,000	13.4%	1.000000	1.000000
Chowchilla - city	2,900	2,640	260	8.9%	0.058203	0.036640
Madera Acres - CDP	3,600	3,250	360	9.9%	0.071521	0.050715
Madera - city	17,100	13,840	3,250	19.0%	0.305054	0.464924
Madera Ranchos CDP	3,830	3,600	230	6.0%	0.079398	0.032842
Oakhurst - CDP	1,360	1,240	120	9.0%	0.027268	0.017426
Oakhurst Mountain Area	16,260	14,780	1,480	9.1%	0.325650	0.212020
Parksdale - CDP	1,100	840	260	23.4%	0.018579	0.036863

Parkwood - CDP	1,140	1,040	100	9.2%	0.022908	0.014969
Yosemite Lakes - CDP	1,350	1,280	70	4.9%	0.028230	0.009383
Marin County	131,800	128,100	3,700	2.8%	1.000000	1.000000
Larkspur - city	6,680	6,550	140	2.1%	0.051094	0.037187
Mill Valley - city	7,840	7,670	180	2.3%	0.059840	0.048231
Novato - city	26,270	25,610	670	2.5%	0.199903	0.179851
San Anselmo - town	7,140	6,970	170	2.4%	0.054414	0.045752
San Rafael - city	28,150	27,040	1,110	4.0%	0.211104	0.300654
Sausalito - city	5,350	5,180	170	3.2%	0.040418	0.045752
Tamalpais-Hmstead Vly-C	6,480	6,300	170	2.7%	0.049203	0.047104
Mariposa County	6,900	6,220	680	9.9%	1.000000	1.000000
Bootjack - CDP	490	470	30	5.2%	0.075152	0.038005
Mariposa - CDP	390	320	60	16.3%	0.052133	0.092637
Mendocino County	42,720	39,340	3,380	7.9%	1.000000	1.000000
Covelo - CDP	480	430	50	10.0%	0.011034	0.014331
Fort Bragg - city	3,320	3,100	220	6.5%	0.078838	0.064313
Point Arena - city	220	180	40	19.5%	0.004459	0.012583
Ukiah - city	7,390	6,830	560	7.5%	0.173599	0.164977
Willits - city	2,470	2,280	190	7.8%	0.057914	0.056973
Merced County	83,700	70,800	12,900	15.4%	1.000000	1.000000
Atwater - city	9,820	8,460	1,360	13.8%	0.119502	0.105083
Delhi - CDP	1,530	1,290	240	15.4%	0.018256	0.018297
Dos Palos - city	1,930	1,490	440	22.6%	0.021039	0.033799
Gustine - city	1,850	1,600	250	13.7%	0.022582	0.019695
Hilmar-Irwin - CDP	1,710	1,510	200	12.0%	0.021296	0.015883
Le Grand - CDP	500	430	70	13.4%	0.006126	0.005210
Livingston - city	3,950	2,980	970	24.5%	0.042138	0.075095
Los Banos - city	7,120	6,070	1,060	14.8%	0.085698	0.081830
Merced - city	25,420	21,540	3,880	15.3%	0.304208	0.301017
Planada - CDP	1,750	1,230	520	29.7%	0.017333	0.040152
South Dos Palos - CDP	550	290	250	46.2%	0.004144	0.019568
Winton - CDP	3,360	2,690	670	19.8%	0.038039	0.051588
Modoc County	3,930	3,480	450	11.5%	1.000000	1.000000
Alturas - city	1,340	1,200	140	10.1%	0.345120	0.301435
Mono County	6,110	5,480	630	10.3%	1.000000	1.000000
Mammoth Lakes - town	3,470	3,010	460	13.4%	0.549451	0.736413
Monterey County	182,900	163,200	19,700	10.8%	1.000000	1.000000
Marina - city	10,940	10,170	770	7.1%	0.062294	0.039239
Monterey - city	16,290	15,650	640	3.9%	0.095878	0.032451
Monterey Pennisula	71,710	67,510	4,200	5.9%	0.413671	0.213129
Pacific Grove - city	9,920	9,430	490	4.9%	0.057759	0.024841
Salinas - city	60,550	52,050	8,500	14.0%	0.318943	0.431332
Seaside - city	15,870	14,410	1,450	9.2%	0.088321	0.073778

Napa County	59,600	56,600	3,000	5.1%	1.000000	1.000000
American Canyon - CDP	4,010	3,850	160	4.0%	0.068071	0.053982
Angwin - CDP	2,370	2,250	120	5.2%	0.039689	0.040708
Calistoga - city	2,270	2,130	140	6.1%	0.037672	0.046460
Napa - city	33,870	31,890	1,980	5.8%	0.563474	0.658850
St. Helena - city	2,620	2,560	60	2.3%	0.045229	0.019912
Yountville - town	940	910	30	3.3%	0.016047	0.010177
Nevada County	41,070	38,570	2,500	6.1%	1.000000	1.000000
Alta Sierra - CDP	2,780	2,630	140	5.2%	0.068232	0.057870
Glenshire-Devonshire -	1,430	1,380	50	3.7%	0.035682	0.021296
Grass Valley - city	4,670	4,260	410	8.7%	0.110449	0.162500
Lake Of The Pines - CDP	1,760	1,720	40	2.4%	0.044595	0.016667
Nevada City - city	1,720	1,610	110	6.2%	0.041825	0.042593
Truckee - CDP	2,360	2,230	130	5.3%	0.057874	0.050000
Orange County	1,385,100	1,339,900	45,200	3.3%	1.000000	1.000000
Aliso Viejo - CDP	5,210	5,100	110	2.1%	0.003807	0.002371
Anaheim - city	152,970	147,170	5,800	3.8%	0.109835	0.128275
Brea - city	20,120	19,670	450	2.2%	0.014683	0.009958
Buena Park - city	38,070	36,590	1,480	3.9%	0.027311	0.032688
Costa Mesa - city	62,810	61,040	1,770	2.8%	0.045552	0.039250
Coto De Caza - CDP	1,610	1,610	0	0.3%	0.001200	0.000092
Cypress - city	25,250	24,480	770	3.1%	0.018272	0.017040
Dana Point - city	19,410	18,910	500	2.6%	0.014113	0.011105
El Toro - CDP	37,160	36,260	900	2.4%	0.027062	0.019824
El Toro Station - CDP	1,010	990	20	2.2%	0.000736	0.000489
Fountain Valley - city	32,270	31,400	860	2.7%	0.023436	0.019136
Fullerton - city	66,650	64,550	2,100	3.2%	0.048174	0.046532
Garden Grove - city	77,590	74,300	3,290	4.2%	0.055450	0.072826
Huntington Beach - city	115,240	112,410	2,830	2.5%	0.083893	0.062577
Irvine - city	65,470	63,990	1,480	2.3%	0.047758	0.032826
Laguna Beach - city	15,570	15,380	190	1.2%	0.011478	0.004268
Laguna Hills - CDP	18,930	18,580	350	1.8%	0.013865	0.007725
Laguna Niguel - city	27,140	26,620	520	1.9%	0.019868	0.011549
La Habra - city	28,890	27,810	1,080	3.7%	0.020756	0.023969
La Palma - city	9,390	9,230	160	1.7%	0.006891	0.003503
Los Alamitos - city	6,360	6,170	190	3.0%	0.004604	0.004252
Mission Viejo - city	41,640	40,820	820	2.0%	0.030466	0.018096
Newport Beach - city	42,040	41,190	850	2.0%	0.030738	0.018876
Orange - city	64,740	62,730	2,010	3.1%	0.046820	0.044467
Placentia - city	24,550	23,840	720	2.9%	0.017789	0.015847
Portola Hills - CDP	1,630	1,610	30	1.7%	0.001198	0.000612
Rancho Santa Margarita-	7,470	7,380	90	1.2%	0.005507	0.002050
Rossmoor - CDP	5,380	5,260	130	2.3%	0.003924	0.002799
San Clemente - city	23,520	22,930	590	2.5%	0.017115	0.013094
San Juan Capistrano - c	14,150	13,800	350	2.5%	0.010297	0.007755
Santa Ana - city	155,080	145,990	9,090	5.9%	0.108956	0.201040
Seal Beach - city	11,250	11,020	230	2.0%	0.008228	0.004987
Stanton - city	16,710	15,740	970	5.8%	0.011748	0.021446
Trabuco Highlands - CDP	1,920	1,880	30	1.6%	0.001407	0.000673
Tustin - city	29,250	28,270	970	3.3%	0.021102	0.021507
Tustin Foothills - CDP	13,520	13,260	260	1.9%	0.009898	0.005675
Villa Park - city	3,580	3,510	70	2.0%	0.002620	0.001621
Westminster - city	42,970	41,290	1,680	3.9%	0.030818	0.037124
Yorba Linda - city	30,740	30,170	560	1.8%	0.022518	0.012482
Placer County	110,700	105,600	5,100	4.6%	1.000000	1.000000

Auburn - city	6,370	6,110	250	4.0%	0.057875	0.049988
Lincoln - city	4,210	3,980	230	5.4%	0.037675	0.044434
Loomis - town	3,540	3,380	160	4.5%	0.032031	0.031152
Meadow Vista - CDP	1,910	1,870	40	2.3%	0.017692	0.008452
Rocklin - city	12,890	12,330	560	4.3%	0.116799	0.109635
Roseville - city	29,130	27,720	1,420	4.9%	0.262458	0.277711
Tahoe-North Shore	5,520	5,200	320	5.7%	0.049276	0.061821
Plumas County	9,910	8,880	1,030	10.4%	1.000000	1.000000
Chester - CDP	1,130	950	180	15.6%	0.107157	0.170732
Quincy-East Quincy - CD	2,350	2,070	280	11.8%	0.232815	0.269727
Riverside County	642,900	594,800	48,100	7.5%	1.000000	1.000000
Banning - city	8,960	7,920	1,040	11.6%	0.013315	0.021528
Cathedral City - city	18,200	16,990	1,220	6.7%	0.028559	0.025284
Coachella - city	8,780	7,340	1,440	16.4%	0.012334	0.029992
Corona - city	48,580	45,570	3,000	6.2%	0.076619	0.062461
Desert Hot Springs - ci	6,130	5,660	480	7.8%	0.009509	0.009934
East Hemet - CDP	9,190	8,530	660	7.2%	0.014341	0.013799
Glen Avon - CDP	6,820	6,250	560	8.3%	0.010511	0.011730
Hemet - city	13,340	11,940	1,400	10.5%	0.020080	0.029040
Indio - city	20,530	18,380	2,150	10.5%	0.030898	0.044798
La Quinta - city	7,000	6,540	460	6.5%	0.010994	0.009526
Mira Loma - CDP	9,240	8,600	650	7.0%	0.014451	0.013418
Moreno Valley - city	68,440	62,950	5,490	8.0%	0.105838	0.114035
Norco - city	11,670	11,040	640	5.5%	0.018554	0.013254
Palm Desert - city	14,820	14,160	660	4.4%	0.023805	0.013662
Palm Springs - city	24,100	22,700	1,400	5.8%	0.038168	0.029012
Perris - city	10,640	9,500	1,140	10.7%	0.015971	0.023732
Riverside - city	136,680	126,530	10,150	7.4%	0.212728	0.210952
Rubidoux - CDP	12,830	11,700	1,130	8.8%	0.019670	0.023515
San Jacinto - city	7,130	6,500	630	8.9%	0.010925	0.013145
Temecula - city	16,800	16,010	790	4.7%	0.026916	0.016439
Sacramento County	554,800	524,300	30,500	5.5%	1.000000	1.000000
Arden-Arcade - CDP	52,630	50,380	2,250	4.3%	0.096091	0.073775
Carmichael - CDP	27,170	26,060	1,110	4.1%	0.049709	0.036409
Citrus Heights - CDP	63,030	60,310	2,720	4.3%	0.115020	0.089229
Elk Grove - CDP	9,680	9,270	410	4.3%	0.017678	0.013537
Fair Oaks - CDP	15,820	15,190	630	4.0%	0.028974	0.020646
Florin - CDP	11,710	11,130	570	4.9%	0.021230	0.018822
Folsom - city	13,170	12,690	480	3.7%	0.024205	0.015794
Foothill Farms - CDP	10,170	9,610	570	5.6%	0.018323	0.018606
Galt - city	4,330	3,870	460	10.5%	0.007380	0.014959
Laguna - CDP	6,150	5,910	240	4.0%	0.011273	0.008005
La Riviera - CDP	7,110	6,740	380	5.3%	0.012850	0.012301
North Highlands - CDP	21,150	19,490	1,660	7.8%	0.037183	0.054397
Orangevale - CDP	14,410	13,710	700	4.9%	0.026153	0.022964
Parkway-S. Sacramento -	13,190	11,840	1,340	10.2%	0.022589	0.044012
Rancho Cordova - CDP	27,700	26,250	1,450	5.2%	0.050064	0.047473
Rio Linda - CDP	4,720	4,360	360	7.6%	0.008323	0.011745
Rosemont - CDP	13,520	13,040	480	3.6%	0.024869	0.015824
Sacramento - city	187,520	174,900	12,610	6.7%	0.333590	0.413599
San Benito County	26,290	23,400	2,890	11.0%	1.000000	1.000000
Hollister - city	13,670	11,780	1,890	13.8%	0.503393	0.653942

San Bernardino County	709,400	664,400	45,000	6.3%	1.000000	1.000000
Adelanto - city	3,030	2,560	470	15.5%	0.003849	0.010424
Apple Valley - town	21,910	20,430	1,480	6.8%	0.030751	0.032908
Barstow - city	10,230	9,400	830	8.2%	0.014143	0.018539
Bloomington - CDP	7,140	6,430	710	9.9%	0.009678	0.015739
Chino - city	29,650	28,290	1,360	4.6%	0.042581	0.030169
Chino Hills - CDP	17,130	16,750	390	2.3%	0.025204	0.008605
Colton - city	21,120	19,390	1,720	8.2%	0.029190	0.038284
Fontana - city	44,180	41,470	2,710	6.1%	0.062419	0.060277
Grand Terrace - city	6,590	6,350	230	3.5%	0.009564	0.005151
Hesperia - city	22,550	20,810	1,740	7.7%	0.031320	0.038672
Highland - city	17,550	16,240	1,310	7.5%	0.024440	0.029106
Loma Linda - city	9,310	8,940	370	3.9%	0.013462	0.008156
Montclair - city	15,710	14,720	990	6.3%	0.022162	0.021993
Ontario - city	72,620	68,200	4,420	6.1%	0.102656	0.098193
Rancho Cucamonga - city	59,660	57,260	2,400	4.0%	0.086176	0.053368
Redlands - city	32,830	31,500	1,330	4.1%	0.047405	0.029576
Rialto - city	36,290	33,820	2,460	6.8%	0.050909	0.054758
San Bernardino - city	75,860	68,910	6,950	9.2%	0.103720	0.154464
Twentynine Palms - city	4,880	4,410	480	9.8%	0.006632	0.010629
Upland - city	38,070	36,430	1,640	4.3%	0.054839	0.036342
Victorville - city	18,240	16,650	1,580	8.7%	0.025064	0.035218
Yucaipa - city	15,040	14,390	650	4.3%	0.021655	0.014471
Yucca Valley - CDP	5,440	5,090	350	6.5%	0.007658	0.007849
San Diego County	1,285,100	1,230,800	54,300	4.2%	1.000000	1.000000
Bonita - CDP	6,900	6,620	270	4.0%	0.005382	0.005061
Bostonia - CDP	7,100	6,830	270	3.8%	0.005546	0.005008
Carlsbad - city	36,710	35,460	1,240	3.4%	0.028814	0.022917
Casa de Oro-Mt Helix -	17,290	16,880	400	2.3%	0.013716	0.007438
Chula Vista - city	67,340	64,340	3,010	4.5%	0.052272	0.055380
Coronado - city	8,020	7,790	230	2.8%	0.006333	0.004202
El Cajon - city	45,010	42,700	2,310	5.1%	0.034692	0.042572
Encinitas - city	35,000	34,000	1,000	2.9%	0.027621	0.018420
Escondido - city	58,320	55,770	2,550	4.4%	0.045313	0.046895
Fallbrook - CDP	10,090	9,640	450	4.5%	0.007831	0.008377
Imperial Beach - city	11,640	10,810	840	7.2%	0.008780	0.015439
Lakeside - CDP	20,910	20,080	830	4.0%	0.016315	0.015278
La Mesa - city	30,100	29,060	1,040	3.5%	0.023608	0.019225
Lemon Grove - city	11,860	11,260	600	5.0%	0.009151	0.011009
National City - city	20,780	19,170	1,610	7.7%	0.015573	0.029643
Oceanside - city	61,820	58,650	3,170	5.1%	0.047654	0.058333
Poway - city	24,490	23,820	660	2.7%	0.019357	0.012177
Ramona - CDP	6,890	6,610	280	4.1%	0.005366	0.005196
San Diego - city	589,400	564,040	25,360	4.3%	0.458270	0.466987
San Marcos - city	19,880	19,080	810	4.1%	0.015499	0.014848
Santee - city	29,130	28,090	1,040	3.6%	0.022820	0.019145
Solana Beach - city	8,170	7,960	210	2.6%	0.006467	0.003947
Spring Valley - CDP	27,920	26,670	1,250	4.5%	0.021672	0.022930
Vista - city	36,200	34,460	1,740	4.8%	0.027998	0.032127
San Francisco County	411,600	394,900	16,700	4.0%	1.000000	1.000000
San Francisco - city	411,600	394,900	16,700	4.0%	1.000000	1.000000
San Joaquin County	246,100	219,900	26,200	10.6%	1.000000	1.000000
August - CDP	3,090	2,520	570	18.5%	0.011443	0.021788

Country Club - CDP	5,250	4,910	330	6.3%	0.022344	0.012678
Escalon - city	2,300	2,150	140	6.3%	0.009797	0.005487
Garden Acres - CDP	4,130	3,400	730	17.7%	0.015442	0.027861
Lathrop - city	3,610	3,110	500	13.9%	0.014128	0.019177
Lincoln Village - CDP	2,370	2,200	170	7.1%	0.009991	0.006446
Lockeford - CDP	1,450	1,230	210	14.7%	0.005614	0.008097
Lodi - city	28,790	26,520	2,270	7.9%	0.120608	0.086725
Manteca - city	21,990	20,110	1,880	8.5%	0.091459	0.071649
Morada - CDP	2,060	1,950	110	5.6%	0.008856	0.004368
Ripon - city	4,030	3,730	300	7.4%	0.016970	0.011400
Stockton - city	101,730	89,010	12,730	12.5%	0.404765	0.485723
Tracy - city	19,560	17,820	1,740	8.9%	0.081048	0.066429
Woodbridge - CDP	2,030	1,880	150	7.6%	0.008534	0.005860
San Luis Obispo County	106,200	101,200	5,000	4.7%	1.000000	1.000000
Arroyo Grande - city	6,990	6,670	320	4.6%	0.065871	0.064870
Atascadero - city	12,450	12,000	450	3.6%	0.118614	0.090149
Baywood-Los Osos - CDP	7,520	7,280	240	3.2%	0.071938	0.048141
Cambria - CDP	2,580	2,500	80	3.0%	0.024729	0.015242
Cayucos - CDP	1,520	1,480	30	2.1%	0.014669	0.006506
Paso Robles - city	8,630	8,120	520	6.0%	0.080222	0.103160
Grover City - city	6,130	5,820	310	5.1%	0.057516	0.062082
Lake Nacimiento - CDP	600	530	60	10.3%	0.005287	0.012268
Morro Bay - city	4,860	4,700	170	3.4%	0.046398	0.033457
Nipomo - CDP	3,250	3,060	190	5.8%	0.030221	0.037361
Oceano - CDP	2,860	2,560	300	10.5%	0.025334	0.060037
Pismo Beach - city	4,140	3,960	180	4.3%	0.039172	0.035688
San Luis Obispo - city	23,060	21,890	1,180	5.1%	0.216256	0.235874
San Miguel - CDP	520	450	60	11.9%	0.004486	0.012268
Templeton - CDP	1,270	1,240	20	1.9%	0.012277	0.004833
San Mateo County	387,300	376,900	10,400	2.7%	1.000000	1.000000
Belmont - city	16,240	15,890	350	2.2%	0.042149	0.033928
Burlingame - city	16,390	16,090	290	1.8%	0.042701	0.028047
Daly City - city	53,880	52,000	1,880	3.5%	0.137955	0.181143
East Palo Alto - city	11,530	10,720	800	7.0%	0.028453	0.077162
Foster City - city	19,230	18,810	420	2.2%	0.049912	0.040067
Half Moon Bay - city	5,580	5,490	90	1.6%	0.014568	0.008337
Menlo Park - city	15,770	15,450	320	2.1%	0.040990	0.031214
Millbrae - city	11,010	10,790	220	2.0%	0.028626	0.021585
North Fair Oaks - CDP	7,710	7,240	460	6.0%	0.019220	0.044397
Pacifica - city	23,380	22,880	500	2.1%	0.060697	0.048145
Redwood City - city	39,950	38,970	980	2.4%	0.103399	0.093899
San Bruno - city	23,250	22,630	610	2.6%	0.060049	0.059067
San Carlos - city	16,350	16,100	250	1.5%	0.042715	0.024299
San Mateo - city	52,790	51,350	1,440	2.7%	0.136249	0.138296
South San Francisco - c	31,030	29,980	1,050	3.4%	0.079552	0.101073
Santa Barbara County	195,600	185,900	9,700	5.0%	1.000000	1.000000
Buellton - CDP	1,990	1,920	70	3.6%	0.010310	0.007448
Carpinteria - city	8,010	7,730	270	3.4%	0.041605	0.028245
Guadalupe - city	2,390	2,040	350	14.5%	0.010981	0.035597
Isla Vista - CDP	10,800	9,810	990	9.1%	0.052775	0.101664
Lompoc - city	17,610	16,410	1,200	6.8%	0.088271	0.124105
Mission Hills - CDP	1,570	1,450	120	7.8%	0.007791	0.012672
Santa Barbara - city	50,350	48,240	2,110	4.2%	0.259493	0.218031
Santa Maria - city	29,820	27,690	2,130	7.1%	0.148954	0.219482
Santa Ynez - CDP	2,250	2,230	20	1.0%	0.011980	0.002418
Solvang - city	2,600	2,480	120	4.7%	0.013339	0.012478

Vandenberg AFB - CDP	2,180	2,060	120	5.6%	0.011081	0.012672
Vandenberg Village - CD	2,910	2,820	90	3.0%	0.015171	0.008996
Santa Clara County	937,500	909,200	28,300	3.0%	1.000000	1.000000
Campbell - city	25,130	24,580	550	2.2%	0.027036	0.019350
Cupertino - city	26,920	26,440	470	1.8%	0.029085	0.016650
East Foothills - CDP	8,120	7,860	260	3.2%	0.008643	0.009225
Gilroy - city	17,450	16,570	890	5.1%	0.018224	0.031274
Los Altos - city	15,720	15,440	290	1.8%	0.016979	0.010150
Los Gatos - town	18,400	18,060	340	1.9%	0.019861	0.012075
Milpitas - city	30,340	29,390	950	3.1%	0.032329	0.033499
Morgan Hill - city	14,210	13,870	340	2.4%	0.015257	0.011850
Mountain View - city	48,040	47,050	990	2.1%	0.051746	0.035149
Palo Alto - city	36,900	36,340	560	1.5%	0.039968	0.019875
San Jose - city	476,510	459,560	16,950	3.6%	0.505457	0.598885
Santa Clara - city	63,290	61,490	1,800	2.8%	0.067631	0.063473
Saratoga - city	16,570	16,270	300	1.8%	0.017892	0.010625
South County	44,490	42,830	1,670	3.7%	0.047104	0.058899
Stanford - CDP	10,160	9,920	240	2.4%	0.010909	0.008650
Sunnyvale - city	80,190	78,130	2,050	2.6%	0.085936	0.072573
Santa Cruz County	141,700	130,700	11,000	7.7%	1.000000	1.000000
Aptos - CDP	6,000	5,770	220	3.7%	0.044172	0.020399
Ben Lomond - CDP	5,140	4,850	290	5.7%	0.037106	0.026534
Capitola - city	6,550	6,170	380	5.7%	0.047225	0.034202
Live Oak - CDP	8,970	8,650	320	3.6%	0.066189	0.028988
Rio del Mar - CDP	5,750	5,520	240	4.1%	0.042204	0.021472
Santa Cruz - city	31,500	29,360	2,140	6.8%	0.224632	0.194632
Scotts Valley - city	5,090	4,870	220	4.3%	0.037276	0.019785
Soquel - CDP	5,830	5,520	320	5.4%	0.042212	0.028834
Watsonville - city	17,330	14,550	2,780	16.0%	0.111353	0.252454
Shasta County	73,100	66,500	6,600	9.1%	1.000000	1.000000
Burney - CDP	1,550	1,350	200	13.2%	0.020264	0.030944
Central Valley - CDP	1,870	1,580	300	15.9%	0.023712	0.045172
Redding - city	34,720	31,580	3,130	9.0%	0.474922	0.474658
Sierra County	1,740	1,560	180	10.3%	1.000000	1.000000
Siskiyou County	18,660	16,420	2,240	12.0%	1.000000	1.000000
Dunsmuir - city	820	690	130	15.8%	0.042048	0.057996
Weed - city	1,060	930	130	12.5%	0.056468	0.059168
Yreka - city	3,080	2,800	280	9.1%	0.170494	0.124780
Solano County	179,100	167,600	11,500	6.4%	1.000000	1.000000
Benicia - city	15,010	14,370	640	4.3%	0.085744	0.055978
Dixon - city	5,810	5,320	490	8.4%	0.031756	0.042715
Fairfield - city	39,320	36,560	2,760	7.0%	0.218148	0.240199
Rio Vista - city	1,730	1,660	70	4.0%	0.009913	0.006046
Suisun City - city	11,690	10,790	900	7.7%	0.064358	0.078213
Vacaville - city	36,210	34,320	1,890	5.2%	0.204778	0.164034
Vallejo - city	56,550	52,530	4,020	7.1%	0.313429	0.349230

Sonoma County	239,600	230,600	9,000	3.8%	1.000000	1.000000
Cloverdale-Geyserville	6,560	6,240	320	4.9%	0.027052	0.035560
Guerneville - CDP	920	860	60	7.0%	0.003720	0.007132
Healdsburg - city	5,780	5,590	200	3.4%	0.024227	0.022016
Petaluma - city	27,910	27,060	850	3.0%	0.117338	0.094574
Rohnert Park - city	23,960	22,950	1,010	4.2%	0.099521	0.112248
Russian River-Coastal C	14,120	13,640	480	3.4%	0.059168	0.053330
Santa Rosa - city	68,560	66,060	2,500	3.6%	0.286467	0.277933
Sebastopol - city	4,170	3,980	190	4.4%	0.017264	0.020568
Sonoma - CCD	21,750	21,060	690	3.2%	0.091326	0.076590
Stanislaus County	199,100	173,100	26,000	13.0%	1.000000	1.000000
Ceres - city	13,930	12,100	1,830	13.1%	0.069889	0.070298
Denair - CDP	1,970	1,820	150	7.6%	0.010536	0.005774
Hughson - city	1,790	1,500	290	16.4%	0.008642	0.011310
Keyes - CDP	1,470	1,120	360	24.2%	0.006443	0.013690
Modesto - city	90,420	79,850	10,570	11.7%	0.461314	0.406369
Newman - city	1,960	1,710	250	12.9%	0.009867	0.009702
Oakdale - city	6,390	5,530	860	13.5%	0.031932	0.033214
Patterson - city	4,480	3,770	720	15.9%	0.021773	0.027500
Riverbank - city	4,520	3,600	920	20.4%	0.020787	0.035476
Salida - CDP	2,530	2,120	410	16.1%	0.012251	0.015595
Turlock - city	23,090	20,440	2,660	11.5%	0.118058	0.102202
Waterford - city	2,240	1,830	410	18.3%	0.010589	0.015774
Sutter County	35,500	30,200	5,300	15.0%	1.000000	1.000000
Live Oak - city	2,020	1,460	560	27.8%	0.048371	0.106226
South Yuba City - CDP	5,540	5,000	550	9.9%	0.165522	0.103060
Sutter - CDP	1,460	1,250	210	14.6%	0.041314	0.040098
Tierra Buena - CDP	1,690	1,560	130	7.8%	0.051671	0.024974
Yuba City - city	15,220	12,610	2,610	17.2%	0.417467	0.492789
Tehama County	24,170	21,970	2,200	9.1%	1.000000	1.000000
Corning - city	2,680	2,330	350	13.0%	0.106157	0.158537
Red Bluff - city	6,000	5,470	520	8.7%	0.249134	0.238537
Trinity County	5,180	4,480	700	13.5%	1.000000	1.000000
Hayfork - CDP	900	750	160	17.5%	0.166483	0.225248
Lewiston - CDP	430	370	60	13.4%	0.082472	0.081683
Weaverville - CDP	1,400	1,330	70	5.1%	0.297339	0.101485
Tulare County	161,100	136,600	24,500	15.2%	1.000000	1.000000
Cutler - CDP	2,450	1,830	630	25.6%	0.013374	0.025610
Dinuba - city	6,800	5,380	1,420	20.8%	0.039415	0.057816
Earlimart - CDP	3,440	1,950	1,490	43.4%	0.014265	0.060974
East Porterville - CDP	2,600	2,200	400	15.5%	0.016089	0.016419
Exeter - city	3,430	2,990	440	12.8%	0.021906	0.017892
Farmersville - city	2,970	2,340	630	21.3%	0.017098	0.025821
Ivanhoe - CDP	1,510	1,280	230	15.3%	0.009381	0.009472
Lindsay - city	4,300	3,740	560	13.0%	0.027370	0.022734
London - CDP	830	530	300	36.3%	0.003850	0.012209
Orosi - CDP	3,080	2,080	1,000	32.3%	0.015248	0.040626

Pixley - CDP	1,050	820	240	22.5%	0.005985	0.009683
Poplar-Cotton Center -	880	680	200	22.8%	0.004985	0.008209
Porterville - city	14,720	12,060	2,660	18.0%	0.088321	0.108406
Richgrove - CDP	920	630	290	31.3%	0.004648	0.011788
Strathmore - CDP	1,090	890	200	18.6%	0.006515	0.008280
Terra Bella - CDP	1,330	990	340	25.5%	0.007246	0.013823
Tipton - CDP	620	500	130	20.6%	0.003631	0.005262
Tulare - city	16,790	14,590	2,200	13.1%	0.106789	0.089742
Visalia - city	40,460	36,450	4,010	9.9%	0.266812	0.163766
Woodlake - city	2,720	2,270	450	16.6%	0.016602	0.018454
Woodville - CDP	910	700	210	23.1%	0.005119	0.008560
Tuolumne County	19,840	18,120	1,720	8.7%	1.000000	1.000000
Columbia - CDP	860	800	60	7.3%	0.043975	0.036476
East Sonora - CDP	760	680	90	11.5%	0.037271	0.050929
Groveland-Big Oak Flat-	1,130	1,020	100	9.2%	0.056417	0.060564
James- town - CDP	920	830	90	9.7%	0.045963	0.052306
Mi-Wuk Village - CDP	540	510	30	6.1%	0.028067	0.019270
Mono Vista - CDP	1,230	1,130	100	8.0%	0.062496	0.057123
Phoenix Lks-Cedar Rdge-	1,540	1,450	90	5.7%	0.080223	0.050929
Sonora - city	2,050	1,880	170	8.3%	0.103687	0.098417
Soulsbyville - CDP	720	660	60	8.0%	0.036646	0.033723
Tuolumne City - CDP	720	590	120	17.2%	0.032782	0.071576
Twain Harte - CDP	830	770	70	8.0%	0.042327	0.038541
Ventura County	381,500	356,500	25,000	6.5%	1.000000	1.000000
Camarillo - city	27,880	26,430	1,450	5.2%	0.074136	0.057954
Fillmore - city	6,090	5,540	550	9.0%	0.015536	0.021911
Moorpark - city	14,950	14,210	740	5.0%	0.039858	0.029630
Ojai - city	3,990	3,850	140	3.4%	0.010797	0.005463
Oxnard - city	78,150	70,840	7,300	9.3%	0.198716	0.292144
Port Hueneme - city	9,670	8,870	800	8.2%	0.024892	0.031827
Santa Paula - city	13,220	11,840	1,380	10.4%	0.033209	0.055163
Simi Valley - city	63,110	59,530	3,590	5.7%	0.166974	0.143519
Thousand Oaks - city	64,240	60,730	3,510	5.5%	0.170347	0.140312
Ventura - city	53,340	50,590	2,750	5.2%	0.141909	0.109910
Yolo County	86,400	81,300	5,100	5.9%	1.000000	1.000000
Davis - city	31,810	30,390	1,430	4.5%	0.373755	0.279420
West Sacramento - city	15,270	14,090	1,180	7.7%	0.173347	0.230468
Winters - city	2,690	2,530	160	6.1%	0.031075	0.032113
Woodland - city	24,670	23,070	1,600	6.5%	0.283776	0.314079
Yuba County	21,100	18,300	2,800	13.1%	1.000000	1.000000
Beale AFB - CDP	1,340	1,170	160	12.2%	0.064106	0.058135
Linda - CDP	4,160	3,290	860	20.8%	0.179933	0.308438
Marysville - city	5,310	4,600	710	13.4%	0.251459	0.254744
Olivehurst - CDP	3,370	2,860	510	15.0%	0.156528	0.180460

U.S. DEPT. OF HOUSING & URBAN DEVELOPMENT
OFFICE OF COMMUNITY PLANNING AND DEVELOPMENT
OFFICE OF TECHNICAL ASST. & MANAGEMENT DIVISION
PROCESSING & CONTROL BRANCH
451 SEVENTH ST., SW, ROOM 7251
WASHINGTNO, DC 20410

DATE: 4/13/2000

(RECEIPANT)

FAX TO: (NAME) Kendra Proctor

ORGANIZATION:

CITY: WDC

FAX NUMBER: 456-5334

PHONE NUMBER: 456-5350

NUMBER OF PAGES (INCLUDING COVER SHEET: 18

(SENDER)

FROM: (NAME) Kris Sarri

ORGANIZATION: CPD/PROCESSING & CONTROL BRANCH

PHONE NUMBER: (202)708-0784 - EXT 4539 FAX NUMBER: (202)708-3363

SUBJECT/MESSAGE:

Long Fax - part 1 of 3

RECYCLING AMERICA'S LAND

HUMAN CAPITAL: COMMUNITY BUILDERS ASSIST NEIGHBORHOOD REVITALIZATION

Local brownfields redevelopment initiatives are bringing new jobs, homes and hopes to communities. HUD is proud to be a partner with communities in returning brownfields to productive use.

In 1998, Secretary Cuomo created HUD's Community Builders Fellows Program. Community Builder Fellows help HUD, state and local governments, businesses, non-profit groups and individuals work together to bring more jobs, housing and homeownership to America's cities. The Community Builders are a major element of HUD's management reform plan, which calls for a new focus on community outreach and direct customer service.

Bankers' Summit Helps the Private Sector Reach New Markets — In the City of Los Angeles, HUD initiated a series of meetings between officials of the City, EPA, Department of Commerce's Economic Development Administration, the Federal Home Loan Bank, the Federal Reserve Banks, institutional real estate investment funds and local bankers to bring the power of Wall Street to Main Street. The purpose of the meetings is to create a forum for the government, financial and development communities to share ideas, goals, concepts and plans for making the City of Los Angeles a more vibrant place to live and work. One of the hallmarks of the City is its diverse population. There are many financial institutions and development firms representing each of the City's various ethnic and racial groups, but all too often these groups are under-represented in policy discussions and program development The Bankers' Summits are designed to provide these institutions and firms with greater input and involvement in the shaping of government programs and policies affecting urban economic development and to foster greater cooperation and cross-cultural working relationships.

The idea for the Bankers' Summits came from HUD Community Builders engaged in outreach to the private sector development community. Developers expressed to HUD frustration with the reluctance of many bankers to finance inner city and urban developments. At the same time, bankers expressed a desire to invest in more inner city and urban deals. HUD initiatied the Bankers' Summits to introduce willing bankers to eager developers to help stimulate economic development activity in Los Angeles' low-income communities.

The Bankers' Summit demonstrates new opportunities for inter-governmental cooperation and public-private partnerships. Through the development of new relationships, developers and bankers will be better able to access financing for inner city projects and unearth the potential of urban markets. In addition the City, who is a co-sponsor of the Bankers' Summit, has a forum to showcase their economic revitalization efforts and projects to the private sector.

Creating Opportunity for All – East Palo Alto, CA is a predominantly lower income, minority community of 25,000 residents occupying 2.5 square miles in the Silicon Valley. Although surrounded by Silicon Valley, the community has never enjoyed the prosperity of the region's economy. While the result of many years of disinvestment are still evident here, the City's Redevelopment Agency has taken steps to revitalize the community by assisting development of a new retail center, an office/hotel complex, and the development of almost 300 new homes. Local commitment to redevelopment is extremely strong; however, residents in East Palo Alto want to ensure that redevelopment does not negatively impact the community through gentrification and a decrease in affordable housing.

HUD is supporting the City's efforts by providing East Palo Alto with technical assistance to: (1) assess the needs and capacity of local businesses and develop strategies to address these needs; and, (2) identify barriers to housing and assist in the formation of partnerships to address obstacles to affordable housing for City residents. The City of East Palo Alto, with funding provided by the Enterprise Foundation, conducted a survey of local business to identify the needs and assess the capacity of local businesses. The purpose of the survey was to determine whether the formation of a small business assistance program would be a productive business growth and retention strategy for the City's small business community. The City collected information from business owners about the fiscal, marketing, and management information currently available to these businesses. The survey provided valuable information about the nature of the business sector in the community, and it identified specific recommendations to improve the business climate in East Palo Alto. HUD Community Builders helped identify options for the City in undertaking a survey, and assisted the consultant engaged by the City to create the survey instrument to ensure it would provide the information necessary to guide the development of a business assistance program. HUD is now working with a team to undertake specific strategic actions to assist business development.

To help local families improve their ability to qualify for housing and home loans, including new affordable housing opportunities in East Palo Alto, five nonprofit agencies established the Next Step Housing Assistance Center. The Center provides workshops and counseling:

- for renters to improve their ability to qualify for rental housing,
- for prospective homebuyers to improve their ability to qualify for home loans, and
- for existing homeowners to improve their ability to qualify for market rate home improvement, refinancing, and home equity loans.

The primary purpose of the Center is to prepare local families for the purchase and/or rental of housing in East Palo Alto, including new, below market rate units that becomes available in the City. The City of East Palo Alto has taken steps to help ensure that local residents benefit from the revitalization efforts underway in the community. Besides first source hiring policies that give residents priority consideration for new jobs created as a result of the City's assistance, residents are given priority consideration for the City assisted below market rate housing. In two housing developments now underway, 65 new apartments and 22 new single-family homes will be made available first to East Palo Alto residents meeting qualification requirements. In addition, the City has enacted a Below Market Rate Housing Ordinance which requires 15% of newly constructed housing in developments with ten or more units to include below market rate rental or for-sale units. By helping residents qualify for these below market rate housing opportunities, and other housing in the market, the partnership expects to improve the quality of life for low-and moderate-income residents, increase the stability of those living in the community, preserve the multi-ethnic character of the community, and increase equity ownership among residents.

There is a great concern that with spiraling housing costs and other pressures on the market, local renters will not be able to afford to continue living in the revitalized community. Experience has shown that many East Palo Alto residents have difficulty qualifying for home loans and even for rental housing. Analysis of available data indicates there are multiple reasons for the difficulties experienced by residents seeking to purchase homes or to rent, and by existing homeowners attempting to secure refinance, equity, or home improvement loans. The Next Step Housing Assistance Center provides the following services to help East Palo Alto residents reach their housing goals:

* Prescreen credit and counseling to re-establish credit worthiness;
* Individual home buyer and rental counseling with case management assistance;

* Workshops for first-time buyers, renters, and existing home owners tailored to address needs identified in pre-screening and orientation processes to improve participants' qualifications;
* Infomation on appropriate loan products and assistance with the home loan application process;
* Fair housing and fair lending practices; and,
* Post-purchase counseling for home buyers and post-rental counseling for tenants.

The lead agency for the Next Step Housing Assistance Center is East Palo Alto Community Alliance & Neighborhood Development Organization (EPA CAN DO), a local nonprofit community development corporation. EPA CAN DO works in collaboration with four other partners: the Home Buyer Assistance Center, East Palo Alto Community Law Project, Consumer Credit Counseling Service of Santa Clara Valley, Inc., and the Family Support Center of the Mid-Peninsula.

A HUD Community Builder provided technical assistance to identify barriers to housing, and to assist in the formation of the partnership. HUD staff took the lead role in preparing the documentation necessary for EPA CAN DO to establish the Next Step Center and providing technical assistance to implement the City of East Palo Alto's Below Market Rate Housing Program, which was adopted in 1994, but never utilized. The City is developing procedures and guidelines and revising the program in response to housing needs and market conditions. City planners estimate 30 new below market rate units may result from those applications now under review.

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San Jose Mercury News

February 12, 1999, Friday

SECTION: COMMENTARY

KR-ACC-NO: K2487

LENGTH: 693 words

HEADLINE: Income 101: Education is crucial

BYLINE: By Loretta Green

BODY:

The following editorial appeared in the **San Jose Mercury News** on Friday, 2-12:

A new study of the growing distance between rich and poor in California underlines the urgency of education reform. The economic value of a high school or college diploma has increased markedly in the last 30 years.

Income inequality in California is rising, and is more pronounced than in the nation as a whole, says a study by Deborah Reed of the California Public Policy Institute in San Francisco.

Daily tales of **Silicon Valley** stock jackpots may make that conclusion unsurprising. But Reed's numbers unfortunately do not support the theory that the income gap is growing because some are getting really rich while the rest are doing fine. In the state as a whole over the last three decades, the study found, "while the rich got a little richer, the poor got a whole lot poorer."

The "rich" might better be called the prosperous. One comparison the study makes is between individuals in the 90th percentile (10 points from the top) with the 10th percentile. An individual in the 90th percentile has income of about $ 70,000 a year.

In 1969, the 90th percentile earned 3.6 times as much as the 10th; in 1997, it earned 7.1 times as much. Over the three decades, income for the 90th percentile increased 13 percent, adjusted for inflation; for the 10th, it declined 40 percent.

In the rest of the nation, the poor did better, and the 90/10 ratio rose from 3.9 to only 5.7.

"The difference between California and the nation _ and one of the most troubling findings of the study _ is that in the nation at large, incomes of people at the lower levels rebounded more during upswings than they did in California," Reed writes in the study.

"The poor seemed to be on a more slippery income slope in California _ even before the recent recession hit."

Why is this happening? Reed found two significant factors: immigration and education.

Immigration brings more workers in at the low end of the wage scale. Individual immigrants may well move up the income ladder, but a continual influx of workers who, as a group, have fewer skills and less education will widen the disparity between prosperous and poor. California has a higher percentage of immigrants than the nation as a whole.

Education, the study found, pays off more handsomely today than it did 30 years ago. High school graduates had a 9 percent edge in wages over non-graduates in 1969. Today, the difference is 37 percent. The advantage of a bachelor's degree over a high school diploma increased from almost 50 percent to almost 70 percent.

That phenomenon is national. Technological progress increases the demand for workers with the skills to understand and further it. The technology that results reduces the demand for low-skilled workers, whose labor, whether clerical or manual, increasingly comes to be done by machines.

As increasing **income disparity** has become apparent across the country, numerous responses have been proposed: raising the minimum wage, curbing international trade, strengthening unions.

Reed's purpose was to gather data, not evaluate solutions. But she does throw cold water on the notion that the problem will fix itself, and she backs a response that is much on policy-makers' minds these days.

The answer is not as simple as growing the economy. Earnings for average and low income individuals have declined through good times and bad. "Thus," Reed writes, "it seems unlikely that the state can grow itself out of this situation _ even with a period of sustained, strong economic growth."

The figures do suggest that education is as vital as everyone these days thinks it is. The economic winds at the backs of the educated, and in the faces of the uneducated, will continue to blow. If the economic disparities are not to turn into economic determinism, the state must provide a staircase upward. None is more solid than a good education.

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SAN JOSE MERCURY NEWS

June 20, 1999, Sunday

KR-ACC-NO: SJ-TECH-SURVEY

LENGTH: 1212 words

HEADLINE: Survey Rates Quality-of-Life in Technology-Intensive Cities

BYLINE: By Michelle Quinn

BODY:

Silicon Valley may have cachet as the nation's technology capital. But people in Seattle, Austin and three other technology hubs are happier.

So say quality-of-life surveys conducted by IntelliQuest Inc., an Austin, Texas-based technology market-research firm, in six U.S. technology-intensive metropolitan areas.

Compared to the other cities, the San Jose region has plenty of economic opportunity but lacks other qualities necessary for the good life, such as affordability, uncongested freeways and public meeting places, the study found. And it takes considerably more **income** here than in other locales before residents' happiness quotient rises.

"I was surprised by how gloomy the outlook of life is in San Jose," said Peter Zandan, chairman and founder of IntelliQuest.

Taken alone, **Silicon Valley** receives high marks with 79 percent of residents saying their quality of life is good or excellent.

But stacked up against most of the other areas -- Austin, Boston, Raleigh-Durham, Atlanta and Seattle -- **Silicon Valley** residents are a miserable lot. Twenty-one percent of those surveyed said the San Jose area's overall quality of life was poor or fair -- the greatest percentage of unhappy people in any area. Boston was close behind, with 17 percent, a virtual tie considering the surveys' 5 percent margin of error.

In San Jose, 37 percent rated their lifestyle very good or excellent, while 63 percent did so in Seattle.

IntelliQuest's assessment is not particularly new. Organizations such as Joint Venture: **Silicon Valley** Network, Working Partnerships USA of San Jose and others have sounded the alarm that quality of life here is lacking and may eventually harm economic prosperity.

But the survey adds to the debate by trying to quantify what exactly "quality of life" means and then comparing cities that are **Silicon Valley's** greatest competition.

IntelliQuest's study is not scientific. "This is just perceptual," said Zandan. "But perception becomes

reality."

Between April 13 and May 3, IntelliQuest randomly telephoned 400 residents at home in each of the six cities and asked 50 questions on a variety of issues, such as education, public safety, employment opportunities, public transportation and cultural activities.

The good news for **Silicon Valley:** Its Mediterranean weather won high marks with 46 percent of Santa Clara County residents saying the climate is very good or excellent -- higher than any other city surveyed. (To the 57 people -- 14 percent -- who answered that the weather was fair or poor: What do you want?)

In **Silicon Valley,** there's a sizable minority happy with **race** relations with 17 percent saying **race** relations were very good to excellent. Forty-eight percent said they were satisfied, and 35 percent said the San Jose area had fair or poor **race** relations. Standing out with the worst ratings for **race** relations were Atlanta, where 42 percent pegged **race** relations fair or poor, and Boston where 51 percent did.

North San Jose resident Grace Long, one of those surveyed, appreciates **Silicon Valley's** diversity. When she travels for her job as national sales manager at Macrovision Corp., she is surprised by how monochromatic other technology hubs are. "It's weird," said the 30-year-old Asian-American. "When you come home, you see color. San Jose is more tolerant of different cultures."

Now the bad news: Seventy-nine percent rated San Jose's cost of living fair or poor -- worse than any other cities.

Boston residents came in second for griping about costs with 68 percent dissatisfied. Atlanta residents seem most happy with 18 percent saying living costs were excellent or very good.

As all who live **Silicon Valley** know, it's the cost of housing that makes life here expensive. "That's the nightmare," says Long.

Robin Hollands, 39, an unemployed buyer, agreed.

"I like San Jose," said Hollands, who lives in West San Jose. "But when you get a raise, you get 4 percent. But when your rent goes up, it goes up 8 percent. You don't get ahead here. I'm lucky to have my husband or it would be more of a struggle."

She and her husband pay $ 910 rent for a one-bedroom apartment -- a deal in San Jose -- except Hollands says the bedroom and the bathroom are the same size.

Three of JC Glasgow's eight children are over 18 but they haven't left home. "They can't afford to move out," said the 52-year-old entrepreneur who lives in a 3-bedroom house in San Jose's Cambrian neighborhood. Glasgow said he wants to leave the area because of the high costs and graffiti.

Money makes a difference in attitudes about quality of life, IntelliQuest found. For example, 51 percent of **Silicon Valley** households earning $ 100,000 or more pegged the quality of life as very good or excellent.

Compare that to those who make less. Just 29 percent of those making $ 25,000 to $ 99,000 said the

quality of life in **Silicon Valley** is very good or excellent.

When it comes to who rated quality of life fair or poor, 11 percent of top earners did, while 20 percent of households making $ 50,000 to $ 99,000 and roughly 30 percent making under $ 50,000 expressed unhappiness.

"It's not surprising that richer people are more satisfied with their quality of life," said Michelle Gray, an IntelliQuest research manager. "But it is surprising that in San Jose the **income** level for satisfaction is $ 100,000."

In Atlanta, people seem, well, happier at all household **income** levels. There, 43 percent with household **incomes** less than $ 50,000 called their satisfaction very good or excellent. Fifty-two percent of those earning between $ 50,000 and $ 100,000 did. And 70 percent of those earning $ 100,000 or more -- about 20 percentage points more than in the San Jose area -- said their quality of life was very good or excellent.

In fact, even those who earn more than $ 100,000 think **Silicon Valley** is too expensive -- 87 percent of those earning more than $ 100,000 expressed unhappiness with the cost of living here.

Race may be another dividing line in determining satisfaction levels. While 41 percent of whites here said the quality of life is very good or excellent, just 32 percent of Asians and just 32 percent of Hispanic origin said the same.

The story is starker when looking at dissatisfaction. While 19 percent of whites and 15 percent of Asians in **Silicon Valley** said the quality of life is fair or poor, 30 percent of those of Spanish or Hispanic origin said the same thing.

(Just nine African-Americans were interviewed -- 2.25 percent of those surveyed. U.S. Census numbers indicate 4 percent of Santa Clara County's residents are black. Two of the nine surveyed said quality of life in San Jose is very good and the other seven said it was simply good).

"If it's strictly economic growth, San Jose wins hands down," said Zandan of IntelliQuest. "But each community has economic opportunity now, so what do you turn to next? Do you chose nature? Do you chose education? Do you chose entertainment? What do you get known for?"

On the Web, information about the study is at www.intelliquest.com/press/communities/

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Introduction

The City of East Palo Alto enjoys a favorable position in terms of its regional location by being in close proximity to employment centers like Silicon Valley, Stanford University and the East Bay, and because of its affordable housing stock. However, despite its strategic location, the City has not achieved its economic potential nor experienced the level of development that has occurred in other South Bay cities. In fact, the City of East Palo Alto lags behind many of its more affluent neighboring communities and suffers from many of the ills plaguing other urban communities, such as municipal budget deficits, high unemployment, crime, drugs, and declining education systems.

However, East Palo Alto believes it is now poised to capture its share of the economic growth that will occur in the South Bay because it is one of the few communities with larger undeveloped parcels of land. ABAG Projections 96 indicates that East Palo Alto will experience substantial job growth by 2015 (approximately 4,600 new jobs) because it is the last remaining section of the county with development potential.

When the residents of East Palo Alto sought incorporation in 1983, it was their desire to have more direct control over economic development of the City and to create a healthy, diverse economy, with a strong employment base, vibrant retail sector, and solid tax base. The Economic Development Element examines the opportunities, constraints and issues associated with the long-term development and economic future of East Palo Alto. Through the implementation of the Economic Development Element, East Palo Alto plans to foster the types of growth and development which will ensure adequate revenues and services for all East Palo Alto residents and businesses.

Purpose of the Economic Development Element

The General Plan Guidelines define economic development as "the planned investment of the City's resources to induce private investments which advance specific community development goals." In East Palo Alto, the City's ability to attract private investment funds is critical to its economic development strategy. Because of the City's limited revenues, private investment dollars along with state and federal funds are key components in achieving economic development goals.

The primary purposes of this Economic Development Element are to ensure that growth and development in East Palo Alto will promote land uses, facilities and services that support the City's economic development goals, and that growth and development policies are consistent with community policy expressed in other elements of the General Plan. The Economic Development Element expresses the City's desire to enhance its vitality; promote a varied mix of land uses; improve employment opportunities; increase revenues for infrastructure and community improvements like roads, sewers, and parks; and upgrade the community image. The Economic Development Element will guide the City in

making choices regarding projects and uses that meet community economic development goals.

Scope and Content of the Economic Development Element

The Economic Development Element is provided in the General Plan as an optional element pursuant to the 1990 State of California General Plan Guidelines and Government Code Section 653023. Government Code Section 653023 provides that, "The general plan may include any other elements or address any other subjects which, in the judgment of the legislative body, relate to the physical development of the county or city". The City of East Palo Alto considers economic development to be a critical issue in terms of physical development and the fiscal future of the community.

The Economic Development Element is intended as a dynamic component of the General Plan which provides a broad policy framework, but allows for a variety of initiatives and flexibility in achieving the goals of the Plan. Although the Economic Development Element provides a long-term strategy for the City, it recognizes that capturing economic development and growth is affected by market conditions which have short-term windows of opportunity.

The Economic Development Element is comprised of three sections: 1) Introduction; 2) Issues, Goals and Policies; and 3) the Economic Development Plan. In the Issues, Goals and Policies section, major issues are discussed related to diversifying land uses in the City, generating development and revenues, and improving City image. The goals and policies which the City has established are also included in this section. The Issues, Goals and Policies section also establishes the basis for the Economic Development Plan and the Economic Development Implementation Program.

In addition to serving as a source of information and statement of public policy on issues and matters related to economic development of the City, the Economic Development Element also provides a framework to assist the City Council in analyzing and evaluating matters affecting the local economic future. The goals and policies of the Economic Development Element serve as guides for a) planning economic development activities and prioritizing the use of limited resources; b) balancing housing with non-residential uses; c) assessing job creation; and d) coordinating with investment and de-velopment strategies of other local and regional jurisdictions.

The Plan explains how the goals and policies will be achieved and implemented. Specific implementation programs for the Economic Development Element are contained in the General Plan Implementation Program (Appendix A).

Related Plans and Programs

The Economic Development Element is based on information contained in a number of existing economic development reports and documents, current development trends or activities, and opportunities and constraints within the City of East Palo Alto. The major documents, plans and programs relevant to the Economic Development Element are summarized as follows:

East Palo Alto Overall Economic Development Program

In 1994 the East Palo Alto City Council endorsed the East Palo Alto Overall Economic Development Program which provided a comprehensive assessment of the City's economic potential and constraints, and established the first East Palo Alto Overall Economic Development Program. The program provides: a) an assessment of the City's economy, social trends, housing, demographics, employment, resources, etc.; b) an overall economic development program strategy; c) an historical assessment of past development efforts; and d) constraints to development. The Program established the following eleven economic development policies:

1. The City shall work to ensure that the moneys brought into the community through new economic development projects are kept within the local economy for the maximum benefit of local business owners and residents who are employed within City boundaries. The recycling of funds through direct, indirect and induced impacts shall be highlighted whenever possible.

2. The City shall encourage the utilization of and professional improvement opportunities for the available labor force within its boundaries, including small business opportunities for residents.

3. The City shall actively encourage the development of new housing and rehabilitation of existing units which shall be affordable to very low and low income households based on East Palo Alto levels of affordability. Additionally, all residents displaced by a redevelopment project shall be given the opportunity to live within City boundaries in housing they can afford.

4. The City shall support the retention and expansion of all viable and attractive tourist, retail trade, urban agriculture, consumer and business establishments and existing businesses.

5. The City shall work to maintain adequate environmental quality controls to preserve and provide an attractive and healthy environment and to maintain strong controls to enhance the viability of neighborhoods. The City shall use its historic preservation strategies wherever appropriate to blend new development into the strong character of the East Palo Alto landscape.

6. The City shall promote the continued growth of compatible industry on sites designated for industry and commerce and strengthen, however possible, this policy in the forthcoming update of its General Plan.

7. The City shall encourage the development of a sector of the local economy that is neighborhood-based, that provides jobs and services to residents within their neighborhoods.

8. The City is dedicated to government service procedures which work promptly and efficiently to meet the needs of business and commerce. On a parallel track, the City will work with institutions, organizations and companies in the local area within public/private partnerships, that use the area's economic strengths to benefit directly the citizens of East Palo Alto.

9. The City shall cooperate with regional organizations in their individual programs of economic development that directly benefit the citizens of East Palo Alto.

10. The County shall be encouraged to stimulate effective coordination and targeted allocation of available public and private resources for economic development.

11. Open space provides an element of livability which can encourage people of diverse economic backgrounds to move to East Palo Alto. In order to provide a variety of community benefits while preserving open space, the City should encourage economic uses of open space.

To implement the above policies, the East Palo Alto Overall Economic Development Program set forth the following implementation actions:

- Leverage federal, state, corporate, institutional, etc. financial resources.
- Institute concentrated efforts to abate crime.
- Improve education and technical/ vocational training opportunities.
- Improve transportation systems and linkages.
- Empower residents and community organizations by providing technical assistance.
- Arrive at community consensus for Neighborhood Commercial Revitalization projects.
- Ensure that appropriate industrial development occurs as a mechanism for improving the quality of life and sense of place in East Palo Alto.
- Provide incentives consistent with economic development strategies.

East Palo Alto Community Profile

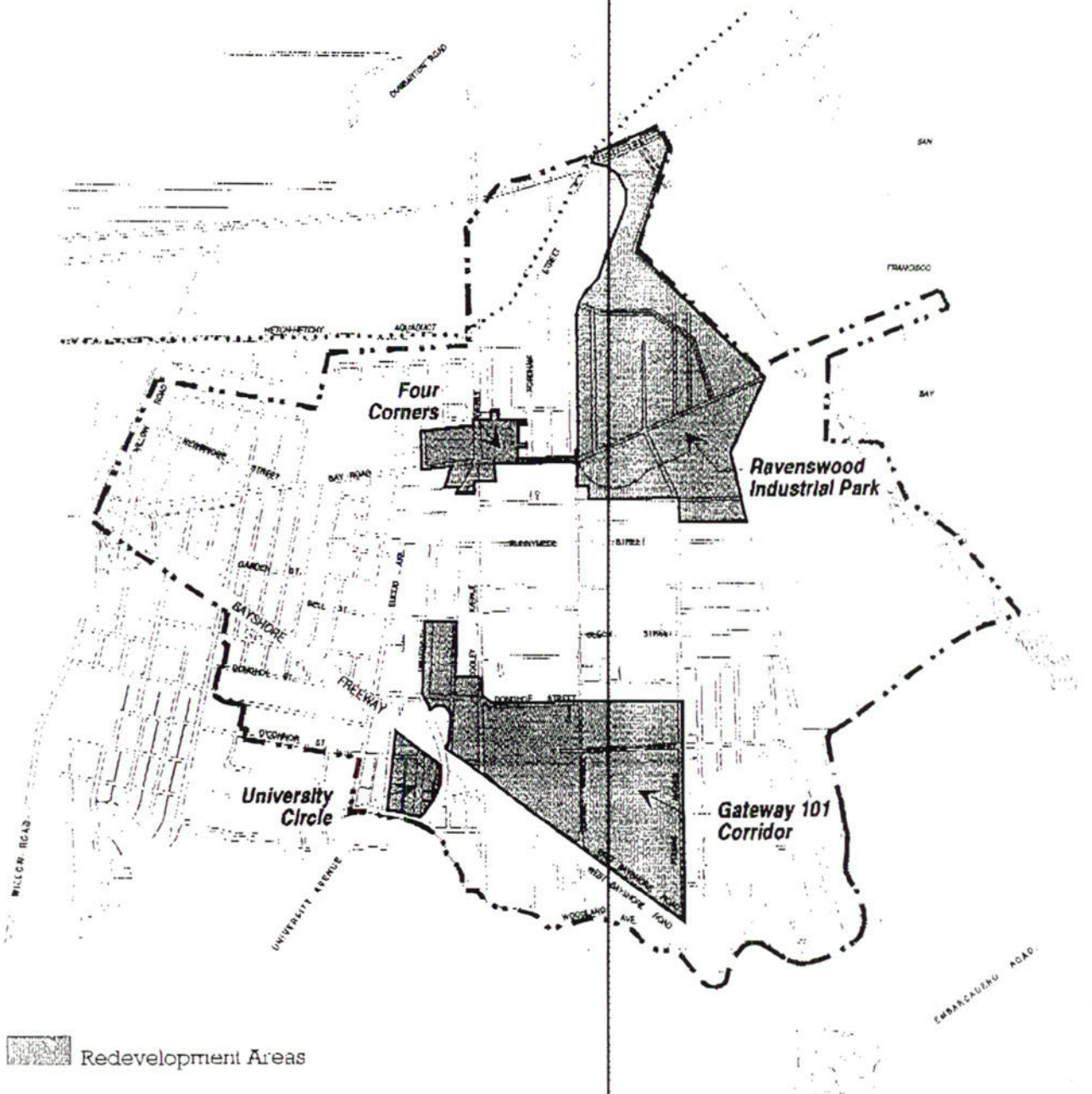
In 1995, the City and Regional Planning Department of California Polytechnic State University, San Luis Obispo prepared a Community Profile for East Palo Alto which reviewed land use, population, community services, environment, housing, economic, and governmental trends in the City. The report concluded that although future projections show only marginal improvement for residents of the City, if training and placement programs are effective, East Palo Alto residents would begin to prosper.

Redevelopment Projects

There are three redevelopment projects which could have a significant impact on the City's revenue base, as well as creating a substantial number of new jobs for local residents. These projects may change the mix of land uses and improve the City's housing stock, including the addition of new affordable housing units. The projects are the Gateway/101 Corridor, Ravenswood/Four Corners and University Circle. Each project is briefly described below and illustrated on the following page in Figure ED-1.

Gateway/101 Corridor Project

Located on an approximately 145 acres site near the University Avenue and Highway 101 interchange, the Project calls for the redevelopment of the area into a mixed-use neighborhood that would meet several of the



East Palo Alto General Plan

SOURCE: City of East Palo Alto

Figure ED-1
Redevelopment Project Areas

City's economic development objectives including: a) establishing a source of ongoing municipal revenues; b) providing new and improved retail opportunities; c) providing new affordable housing, including replacement housing for displaced residents; d) increasing employment opportunities for residents; and e) providing an attractive gateway into the City. The Project calls for general and neighborhood commercial, entertainment, residential and public open space uses.

The Gateway 101/Corridor Project is being developed to incorporate a number of existing residential, institutional and recreational facilities. The Project is expected to create 1,172 new jobs, which will primarily be in the retail and service sectors, and generate an estimated $1.2 to $1.5 million in tax revenues.

Ravenswood/Four Corners Project

Encompassing the primary industrially zoned area of the City, the Ravenswood portion of the Redevelopment Project consists of approximately 166 acres located in the northeasterly corner of the City between the Southern Pacific rail spur right-of way and Clarke Avenue, Weeks Street, and the Baylands. The Four Corners area consists of approximately 20 acres at the intersection of Bay Road and University Avenue. Although physically separated, Ravenswood and Four Corners are considered one redevelopment project. The Land Use Concept Plan for the project allows light industrial/research, office, general industrial open space and multi-family residential uses. The Four Corners portion of the project calls for mixed-use development which includes neighborhood commercial, multi-family and government uses.

University Circle Project

Often referred to as the Whiskey Gulch area, the University Circle Project consists of approximately 23 acres designated for mixed-use commercial, retail and hotel uses and is located adjacent to the Bayshore Freeway on the southern boundary of the City. Under a 1991 litigation settlement agreement, the maximum levels of development for the Project are:

Office Uses:	460,000 gross square feet
Retail Uses:	15,000-45,000 gross square feet
Hotel Uses:	220-230 rooms and 190,000 gross square feet

Development of the site could generate between $2,000,000 to $3,000,000 in new tax revenues for the City.

Relationship to Other General Plan Elements

Although the Economic Development Element is an optional element, state law requires that it must be consistent with the other General Plan Elements. The Economic Development Element becomes an integral part of the general plan and has the same force and effect as the mandatory elements. This Element relates most closely to the Land Use Element, Circulation Element, Housing Element, Safety Element, and Conservation and Open Space Element

Land use designations must support the mix of uses necessary to achieve the economic development goals of diversifying land uses and generating additional revenues and jobs. The Economic Development Element Plan to improve the City's image through marketing its qualities is also supported by policies in both the Land Use and Conservation and Open Space Elements.

The Circulation Element includes policies to improve regional transportation routes which will be critical to attracting commercial and industrial development and for improving the City's image. Improvements in transportation linkages, as described in the Circulation Element, are also critical to the Economic Development Element because they address the need for residents to commute to work locations both in and outside of East Palo Alto, and for improving resident employment opportunities.

Since incorporation, East Palo Alto has continuously pursued a number of economic initiatives and strategies aimed at improving its financial revenue base and strengthening the City's economic position. ABAG has projected that East Palo Alto will experience significant development pressure by the year 2000 which will result in a tremendous increase in jobs in the City. These development opportunities should enable the City to reverse past trends which have left the City in a weaker position due to the lack of a sound retail base and having lower assessed property values. The projected growth should increase the amount of public revenues that are generated and enable the City to address the growing need for public improvements and municipal services.

Six major issues, and related goals and policies, address a broad range of long-term economic development issues faced by East Palo Alto. The goals and policies reflect the City's desire to establish a framework to address economic development issues. Economic development implementation actions are included in the Implementation Program section of the General Plan.

Economic Growth and Fiscal Solvency

Economic Development Issue 1: Need to use economic development as foundation for City improvement.

East Palo Alto needs to improve its revenue base so it will be able to provide basic city services necessary to new businesses. Economic development will be an important tool in generating an improved revenue base for the City.

Economic Development Goal 1.0: Pursue neighborhood serving commercial business establishments which meet an identified need.

Policy 1.1: Encourage development of commercial businesses which are neighborhood-based and provide jobs, goods and services to residents within their neighborhoods.

Policy 1.2: Pursue commercial businesses which generate sales tax revenue by capturing both local and regional consumers.

Land Use Diversification

Economic Development Issue 2: Need to diversify mixture of land uses.

The City also needs to diversify its mix of land uses so it will be able to recapture a portion of the sales tax revenues that are being spent in other communities. To achieve this, the City will need to more proactively solicit the types of commercial and industrial development it desires. Additional sources of revenues required to support needed City services and infrastructure improvement programs, and to move the City to a solvent fiscal position, can be generated by diversifying the land uses in the City.

Economic Development Goal 2.0: Increase the City's ability to provide needed services and facilities by diversifying and expanding its revenue base.

Policy 2.1: Diversify the City's commercial and industrial base by targeting and soliciting firms in growth sectors such as environmental technology, high tech, bio-technology, research and development, and health care/health providers.

Policy 2.2. Encourage tourism as a local industry.

Policy 2.3. Encourage the location of tourist- and recreation-oriented commercial development along the freeway.

Policy 2.4: Ensure that the moneys brought into the community through new economic development projects are kept within the City's local economy for the maximum benefit of local business owners and residents.

Proactive Economic Development

Economic Development Issue 3: Need for pro-active approach to economic development.

East Palo Alto is one of the few communities in San Mateo and Santa Clara counties with reasonably priced lands available for commercial, industrial and residential development. The City is posed to capture its share of potential economic development if a pro-active approach to marketing its potential is taken.

Economic Development Goal 3.0: Actively pursue land uses which generate employment at levels comparable to Countywide-land job productivity.

Policy 3.1: Support the retention and expansion of all viable and attractive tourist, retail trade, urban agriculture, consumer and business establishments, and existing businesses.

Policy 3.2: Actively pursue targeted businesses and compatible industries for commercial and industrial development sites such as Gateway Center, Ravenswood Industrial, and University Circle areas.

Policy 3.3. Proactively pursue and attract land uses which serve regional needs.

Economic Development Issue 4: Need for cooperative economic alliances.

To achieve its economic development goals, East Palo Alto needs to establish alliances with other public and private sector partners. Such alliances will help the City overcome the inevitable obstacles to high quality growth and development.

Economic Development Goal 4.0: Develop public/private partnerships, public/public partnerships and cooperative alliances which promote East Palo Alto economic potential and support investment in the City.

Policy 4.1: Establish and streamline City's administrative procedures to promptly and efficiently meet the needs of business and commerce.

Policy 4.2: Coordinate and target allocations of available public and private resources for economic development.

Local Employment Development and Resident Employment

Economic Development Issue 5: Desire to create additional employment opportunities in the community.

Economic development of East Palo Alto must include the development of its human resources. Improving the skills and education level of City residents is necessary to support consumption of basic neighborhood goods and services and to bolster the local economy. Improving employment and training opportunities enables residents to increase their incomes which results in greater levels of spending.

Economic Development Goal 5.0: Achieve a level of local resident employment for locally-produced jobs that is comparable to the other communities in San Mateo County (currently approximately 30 percent).

Policy 5.1: Encourage the utilization of and professional improvement opportunities for the available labor force within the City, including small business opportunities for residents.

Policy 5.2: Seek out businesses which employ workers at appropriate skill levels and which provide training to increase local skills for the full range of job opportunities.

Resident Education and Job Training

Economic Development Issue 6: Need to improve skills and education level of residents.

Local residents need to improve their education and skills levels to be competitive in the regional employment market.

Economic Development Goal 6.0: Improve the skill levels of local residents so they will be able to effectively compete for new permanent jobs available in East Palo Alto and adjacent communities.

Policy 6.1: Promote the availability and use of various job training and education programs, programs, especially in high growth industries, to prepare East Palo Alto residents for meaningful and higher paying jobs.

Policy 6.2: Stress the importance of available education and training programs to City residents.

Economic Development Issue 7: Need to increase income level of residents.

Income levels in East Palo Alto are lower than surrounding communities. Elevating income levels of residents can result from the application of strong economic development measures.

Economic Development Goal 7.0: Increase resident income levels by encouraging new jobs with higher pay scales.

Policy 7.1: Promote commercial and industrial developments which create and maintain the higher-paying job opportunities for East Palo Alto residents, including professional/managerial employment opportunities

Policy 7.2: Encourage resident to pursue entrepreneurial and small business opportunities generated by new development.

City Image

Economic Development Issue 8: Desire to improve the City's image.

To successfully attract new businesses and to generate desired economic development, the City will need to improve its overall image.

Economic Development Goal 8.0: Improve the City's image through promotion of its desirable characteristics, including natural, human, and historical resources, and its locational characteristics (transportation, real estate, bridge, climate, bay views) and environmental features.

Policy 8.1: Maintain adequate environmental quality controls to preserve and provide an attractive and healthy environment, and maintain strong controls to enhance the viability of neighborhoods.

Policy 8.2: Actively promote the City's natural resources and open spaces as a means of encouraging economic use and attracting businesses and people of diverse economic backgrounds to East Palo Alto.

Economic Development Issue 9: Need to improve City infrastructure and access to natural resources.

Public infrastructure in East Palo Alto needs to be improved to support long-term growth and development. To make economic use of the City's natural features, public access to the shoreline and waterfront areas require improvement.

Economic Development Goal 9.0: Improve the business environment in the City by undertaking infrastructure and street improvements, enhancing blighted and under-developed areas, and creating identifiable destination points within the City.

Policy 9.1: Work cooperatively with local businesses and industry associations to improve the general business climate and to stimulate new business investment through public infrastructure and safety improvements.

Policy 9.2: Promote East Palo Alto as a destination point for non-residents by promoting on the City's unique shorelines and waterfront assets, baylands and historical resources.

Related Goals and Policies

The goals and policies described in the Economic Development Element are related to and support subjects included within other General Plan elements. In turn, many goals and policies from other elements directly or indirectly support the goals and policies of the Economic Development Element. These supporting goals and policies are identified in Table ED-1.

Table ED - 1
Economic Development
Related Goals And Policies by Element

Economic Development Issue Area	Related Goals and Policies by Element						
	Land Use	Circulation	Conservation and Open Space	Noise	Safety	Economic Development	Housing
Economic Growth and Fiscal Solvency	1.1, 1.2, 1.3	2.2, 5.1					
Land Use Diversification	1.1, 1.2, 1.3		2.4				
Proactive Economic Development	1.2		5.1				
Local Employment Development and Resident Employment	1.1, 1.2, 1.3						
Resident Education and Job Training	1.4						
City Image	2.1, 2.2, 3.1, 3.2, 3.3	2.1, 2.2	2.1, 2.2, 2.3, 2.4	1.1, 1.2, 2.1, 2.2			3.1

Achieving economic growth and development and improving the economic well being of East Palo Alto for the long-term is a complex process of balancing economic goals with other desired objectives. The City needs a proactive economic strategy oriented toward attracting the desired mix of businesses and high-growth industries by making land available and improving business conditions. The attraction of these businesses is needed to capitalize on current and future growth and development. Such businesses will increase sales tax and other revenues, and help diversify City land uses which are critical to long-term municipal financial stability. They will also provide opportunities for employment and job training for local residents.

This Plan, based on the goals and policies identified in the previous section, represents the City's economic development strategy for achieving its economic goals. The Economic Development Element Implementation Program, which is part of the General Plan Implementation Program, is an extension of the Economic Development Plan and contains specific programs and actions to implement the Element.

Economic Growth and Fiscal Solvency

Increasing East Palo Alto revenues and diversifying the sources of revenues must be the City's first priority. East Palo Alto's ability to attract new businesses and to stabilize and improve city services are directly linked. Revenues must be enhanced so that public safety and infrastructure maintenance, services and improvements can be undertaken. Once these improvements are made and City services are enhanced, East Palo Alto will be in a better position to attract new businesses and new residents.

Since incorporation in 1983, East Palo Alto has struggled with severe limitations in terms of generating sufficient revenues to provide basic city services. General Fund Revenues are only 20% of the total City revenues and 60% of the general fund revenues are generated from property taxes. East Palo Alto has lower property values and one of the lowest property tax rates in the region , which only aggravates this situation. Special Revenue such as grants, special tax/fee assessments, and capital improvement revenues represent 77% of City's revenues. Special Revenue sources are subject to changes in government spending and other factors placing a significant portion of the City's budgetary funds in a tenuous position.

East Palo Alto suffers from an aging infrastructure system which includes: substandard roads, roadside improvements, traffic signals, storm drainage systems, parks, and recreational and community facilities. Developed primarily as an unincorporated community, the City of East Palo Alto is faced not only with maintaining existing facilities, but also upgrading substandard facilities and services to current urban standards.

From an economic standpoint, the City of East Palo Alto is an anomaly within the predominantly middle- and upper-income communities of San Mateo and Santa Clara counties. While San Mateo County had the

second highest mean household income ($77,800) in the nine-county San Francisco Bay Area in 1995, the City of East Palo Alto had one of the lowest household incomes of any community in the Bay Area with a mean household income of $45,900 (ABAG, "Projection '96"). Sales tax revenues generated in the City were also extremely low. Based on the California State Board of Equalization Taxable Sales Revenues Report, in 1995 East Palo Alto ranked 407th of 477 cities -- lower than many rural communities of comparable size.

East Palo Alto is a community of many contrasts:

- While most of its neighboring communities experience a favorable jobs/housing ratio, East Palo Alto has the highest number of unemployed residents and the lowest number of jobs. East Palo Alto has a .27 jobs per household which compared to .77 jobs per household in Menlo Park and .47 jobs per household in San Mateo County.

- East Palo Alto is located in one of the highest priced housing markets in the Bay Area; however the City has the highest percentage of affordable housing and above market rate housing is virtually non-existent. Property taxes represent 60% of the City's general fund revenues and a lower property tax rate coupled with lower property values aggravate the City's ability to generate more revenues.

- Most of the other South Bay cities do not have suitable parcels available for industrial/commercial development and their land cost and property taxes are high, making development costly. East Palo Alto has several large undeveloped or underdeveloped parcels available at lower costs, with one of the lowest property tax bases; however, developer interest is low.

Land Use Diversification

The City lacks a solid retail base which poses a constraint on its ability to diversify and increase revenue sources. Additional commercial/retail development will enable the City to recapture some revenues lost annually to resident/business spending outside of East Palo Alto. The Overall Economic Development Program estimated the revenue lost to be $76 million in 1994. By generating new commercial, industrial, and residential development, the City will generate additional sales and property tax revenues.

The most viable economic development tool available to the City is redevelopment. East Palo Alto currently has three redevelopment projects -- Gateway/101 Corridor, Ravenwood/Four Corners, and University Circle which once developed will greatly enhance the City's revenue stream and provide for retail and commercial land uses not currently present in the City. These new commercial and retail uses will generate both sales tax revenues to the City and higher property taxes. Increased tax increment will be generated from the development of these projects which will provide the City with additional revenue to pay for community needs, such as capital improvements and affordable housing. As development proposals are submitted for City consideration, these proposals will need to be conscientiously assessed and evaluated in terms of how they meet established economic goals.

There are several time-sensitive issues which need to be resolved. Approximately 20 years

of tax increment financing remains under the Ravenswood/Four Corners Project. Because minimal new development occurred during the early years of this redevelopment project, insufficient tax increments has been generated to fund public improvements. There are also issues related to whether existing redevelopment areas, such as University Circle and the Gateway 101/Corridor should be expanded and, if expanded, what areas should be included within the new boundaries.

Proactive Economic Development

East Palo Alto is one of the few communities in San Mateo and Santa Clara Counties with reasonably priced lands available for commercial, industrial and residential development. The City is ideally located with easy access to Silicon Valley, the East Bay and San Francisco. Thousands of commuters pass through the City daily commuting to and from work. The City posed to capture this potential economic benefit if it takes a pro-active approach to marketing its potential. However, implementation of a proactive economic development strategy that aggressively solicits targeted businesses and promotes the City's access is the key.

The City needs to build on the momentum and interest in the Gateway and University Circle projects. The horizon for economic development is often short-term, typically within 3-5 years during an economic cycle.

Local Employment Development and Resident Employment

As of 1995 there were approximately 1,880 jobs in East Palo Alto which represents about .27 jobs per household as compared to approximately .77 jobs per household in San Mateo County and an estimated 1.3 jobs per household within a 12-mile radius of East Palo Alto. East Palo Alto residents hold only 12 percent of local jobs which is much lower than the ratio in other neighboring cities.

East Palo Alto is within a short commute of major firms that are part of the fast-growing Silicon Valley high technology industry. In the past, several firms have assessed East Palo Alto as a possible location for a corporate headquarters/campus location. Having a major firm locate with East Palo Alto would have a tremendous impact on the City's development, image, local employment and job training opportunities.

The City needs to take proactive steps to ensure that it does not remain a bedroom community to its neighbors. In addition to creating employment opportunities, the City needs to ensure that East Palo Alto residents secure a reasonable number of the jobs created. As appropriate, the City will make new businesses and development projects aware of its "City First Source Hiring Policy," which attempts to ensure that East Palo Alto residents are provided with an opportunity to apply for construction and permanent jobs.

The City will actively pursue businesses committed to the development of a broad base of local employment for East Palo Alto residents. This strategy provides an avenue for the upward mobility and advancement. East Palo Alto wants to capture the direct and indirect benefits generated from resident employment advances and salary increases, along with sales tax revenue and new business taxes.

Resident Education and Job Training

The City will work cooperatively with the School District and training service providers to ensure that East Palo Alto residents are properly prepared for employment, and have the skills and education levels needed to be competitive in the current job market. East Palo Alto will assess to what extent current job training programs are meeting the needs of residents to secure entry level jobs with major employers in the area. Training should also provide residents with upward mobility, advancement options, and additional opportunities to improve their skills and their income. Conversely, the City wants to ensure that training provided to local residents meets the needs of the high-growth employers in Silicon Valley.

City Image

The City will initiate a public relations campaign to promote the benefits of its location and work with regional economic development and transportation planning agencies to obtain a commitment to include East Palo Alto on promotional tours. To facilitate commercial and industrial development project processing, the City will establish an expedited permit process for projects consistent with economic development policy.

A public relations campaign will also be used to convince those inside and outside the community that substantial improvement is occurring in the City. Another important factor related to improving image and attracting new businesses is to ensure that the public is aware of the City's strong commitment to public safety, and to promote the measures that have been implemented to improve public safety in the last several years. Continued efforts aimed at reducing crime and drugs and improving the physical and aesthetic environment in the community will also need to be maintained and enhanced. City efforts will include promotion of the community's natural, historic and environmental features.

U.S. DEPT. OF HOUSING & URBAN DEVELOPMENT
OFFICE OF COMMUNITY PLANNING AND DEVELOPMENT
OFFICE OF TECHNICAL ASST. & MANAGEMENT DIVISION
PROCESSING & CONTROL BRANCH
451 SEVENTH ST., SW, ROOM 7251
WASHINGTNO, DC 20410

DATE: 4/13/2000

(RECEIPANT)

FAX TO: (NAME) Kendra Proctor

ORGANIZATION:

CITY: WDC

FAX NUMBER: 456-5334

PHONE NUMBER: 456-5350

NUMBER OF PAGES (INCLUDING COVER SHEET: ~~16~~ 20

(SENDER)

FROM: (NAME) Kris Sarri

ORGANIZATION: CPD/PROCESSING & CONTROL BRANCH

PHONE NUMBER: (202)708-0784 - EXT 4539 FAX NUMBER: (202)708-3363

SUBJECT/MESSAGE:

Long Fax - part ~~1 of 3~~
2 of 3

Project Title: **Building a Self-Sustaining East Palo Alto**

Project Location: East Palo Alto
San Mateo County, California

Project Population: Approximately 25,000

Project Director: Jerry Groomes
City Manager
City of East Palo Alto
2415 University Ave.
East Palo Alto, CA 94303
Phone: (650) 853-3100
Fax: (650) 853-3115

Proposal Date: December 10, 1997

Related Designations:
- Brownfields Regional Pilot
- Champion Community Under the Federal Empowerment Zone/Enterprise Community Program

1. Brownfields Potential

The City of East Palo Alto, a 2.5 square mile historically agricultural community, is located at the Southern end of the San Francisco Peninsula and is bordered to the North and East by the San Francisco Bay and wetlands. The City is situated between Highway 101 (the main north-south artery between San Francisco and San Jose) and the Dumbarton Bridge (the main artery between the East Bay and South Bay) and endures 27,000 commute cars per day traveling between Silicon Valley and the East Bay. Although surrounded by affluent and high-powered Silicon Valley, this community has never enjoyed the prosperity of neighboring communities.

In a struggle toward self-sufficiency, the City adopted three redevelopment areas in accordance with California Redevelopment Law: Gateway 101, planned for a large retail center; University Circle, planned for a hotel, conference center, and retail complex; and Ravenswood Industrial Area, planned to be the employment center of the City with office and light industrial uses. The Gateway 101 redevelopment effort is proceeding with a four-anchor complex scheduled to open in Fall, 1998 as Phase I of the project which will eventually include additional retail stores and new housing. The City has entered into an exclusive negotiating rights agreement with a development group to proceed with the University Circle hotel and conference center, currently scheduled to open in 2000.

The Ravenswood Industrial Area (RIA) is the City's third, and perhaps most significant redevelopment area. Approximately 130 acres, this site, designated a Regional Brownfields Pilot site by the U. S. Environmental Protection Agency (USEPA), Region 9, was included in Vice President Gore's announcement of Brownfields Pilots in May 1997. The site is bordered by wetlands (home to two endangered species) to the East and North, an abandoned railroad spur and adjacent residences to the West and residences to the South. The area has historically been used for agriculture, heavy manufacturing, chemical manufacturing, auto wrecking and the like. It is now zoned for light industrial or office usage. Unlike the retail and hotel developments planned along the Highway 101 corridor at the edge of the City, this redevelopment project has the potential of significantly changing the face and fortunes of this small community because of the amount of land the site covers, the impact the site currently has on the community, its location in the midst of the City and along the Bay, and the types and volume of employment envisioned as an end result of redevelopment.

In 1990, a large high-tech firm was planning to buy the major portion of the site to build a large corporate "campus". The plan was stymied by a cleanup estimate of $30 million and the firm instead built a facility of approximately 1.2 million square feet in the neighboring city of Menlo Park, employing approximately 3,500 people. The Phase 1 $30 million cleanup estimate was based on worst case scenario assumptions and equaled the value of the land. Since then, USEPA Region 9 and the California Regional Water Quality Control Board (RWQCB) partnered with the City to pursue a comprehensive ten month sampling effort which was completed in December, 1996. Over 240 soil samples were taken as well as groundwater samples. The investigation found several localized areas where soils have been impacted, however, it does not appear that there is the widespread contamination once feared. Additionally, the investigation found that there is a groundwater plume containing volatile organic compounds that will require additional investigation and cleanup. Since the area contains some 60 various private properties, the RWQCB is actively working with property owners to address the source of the problem. Given the results of the sampling information, the RWQCB, the lead agency for cleanup, estimated remediation costs at $2 million to $5 million. This new information, and greatly reduced cleanup

estimate, caused local developers and potential tenants to look with a new interest at the Ravenswood Industrial Area and the City of East Palo Alto.

Silicon Valley is enjoying the hottest market in fourteen years, but is rapidly running out of office space and developable land. This leaves the Ravenswood Industrial Area poised to take advantage of a tight real estate market and finally enjoy the prosperity of the booming regional economy. Due to the Redevelopment Agency's desire to let the public participation process complete prior to proceeding with redevelopment (see discussion of Local Commitment, below), the City has not entertained any serious development proposals. However, as news of the sample results has gotten out, City staff have been approached by several developers anxiously waiting for the Redevelopment Agency to give them an opportunity to pursue development. The most likely redevelopment scenario for the brownfields site, and the one recommended by the Ravenswood Industrial Area Brownfields Stakeholders' Group (discussed below), is one that results in high-tech or office uses employing around 4,000 workers.

2. Community Need

The City of East Palo Alto is home to approximately 25,000 ethnically diverse residents. According to the 1990 census, the community is 41% African-American, 36% Latino, 12% Caucasian, and 9% Asian/Pacific Islander. Incorporated in 1983, the City, which operates on a very small budget, has been bypassed by surrounding prosperity. The community has no bank, no Automated Teller Machine (ATM) and no Supermarket. According to the census, the [redacted] This, in comparison with the Countywide median household income of $56,000 represents little purchasing power in the San Francisco Bay Area, where housing is the most expensive in the country.

East Palo Alto has an unusually high unemployment rate. In a County where the unemployment rate is approximately 2.6%, the City's estimated unemployment rate of [redacted] out as significantly higher. Additionally, East Palo Alto residents make up the lion's share of the County's Aid to Families with Dependent Children (AFDC) caseload. With one of every 29 residents receiving AFDC, East Palo Alto, which counts for only 3.5% of the overall County population, represents over 21% of the County's welfare recipients.

Some members of the community assert, as recently occurred at a City Council meeting, that the community suffers from a [redacted]. The Agency for Toxic Substances Disease Registry, working with California Department of Toxic Substances Control could be of assistance in determining whether such a cluster exists.

Public safety has been a primary concern of this community since the City had the dubious distinction in 1992 of being the murder capital of the United States. With the highest per capita murder rate in the country due to a thriving drug trade, the City joined forces with the San Mateo County Sheriff's Department and other surrounding law enforcement offices to bring the crime rate under control. Firms potentially interested in locating in the Ravenswood Industrial Area have identified employee and public safety as one of the key criteria for making decisions on where to locate. The City, participating in the COPS MORE program and other community policing programs, would be greatly aided by increased Department of Justice assistance through a variety of programs such as the Weed and Seed Program.

Education is also an area of concern both to the community and to potential businesses whose employees want to live in close proximity to the workplace. Currently, there is a very high drop out rate amongst East Palo Alto students. Due to the high cost of housing in the San Francisco Bay Area, potential home purchasers are interested in high quality educational institutions so they may maximize their dollars by moving into neighborhoods where they are assured that their children will attend high performing schools.

Redevelopment is widely recognized as the community's answer for becoming self-sufficient. This goal has been pursued as a top priority in the City for the last several years. Redevelopment of the RIA, which has been called the City's greatest asset, is key to the City's success. Redevelopment of this site could generate over $1 million per year in tax revenues. However, there are many issues which need to be addressed in order for the redevelopment to proceed and proceed swiftly. For instance, the need for new roads and infrastructure is critical, as are wetland issues which need to be addressed prior to construction. Additional areas of concern are discussed below. We believe that by expanding our partnerships to include new and expanded federal relationships, we can strategically combat long-standing social issues to which the brownfields site has contributed.

3. Local Commitment

Local commitment to redevelopment is extremely strong. The City has worked hard to build partnerships to address many areas of concern. Crime rates have been lowered, two of three redevelopment areas are well on their way to construction, and a traffic summit has been held to start to address transportation issues. These achievements have been possible due to partnerships and collaborations with organizations such as East Palo Alto Community Alliance and Neighborhood Development Organization (EPA CAN DO - a CDC), the Enterprise Foundation, Opportunities Industrialization Center West (OICW), County, State and Federal partners.

Because the RIA is generally seen by the community as the City's last major redevelopment opportunity, many feel strongly that new development must be carefully chosen, ensuring development that will sustain and contribute to the community well into the future, pursuing green building practices when possible. Public involvement in the RIA redevelopment process has been significant. The Redevelopment Agency, made up of elected representatives, has declined to meet with developers to entertain serious proposals for the redevelopment of the Ravenswood Industrial Area until a Stakeholders' Group process had an opportunity to complete. This recently completed nine month process was authorized by a City Council Resolution which established the membership for the Ravenswood Industrial Area Brownfields Stakeholders' Group and authorized a contract for facilitation services. The facilitator was chosen by a panel which included a property owner representative, a community representative, a representative from the San Mateo County Economic Development Association (SAMCEDA) and a City staff member. The Stakeholders' Group membership included "community-at-large" members, local property owners, local business owners, members of City commissions, the Vice-Mayor, a representative from the lending community, a RWQCB staff member, the Director of Economic Development from SAMCEDA, a Vice-President from Joint Venture: Silicon Valley Network, a representative from the East Palo Alto Historical and Agricultural Society (EPA HAS), a representative from the East Palo Alto Sanitary District, a representative from Bayshore Employment Services, and a representative from Opportunities Industrialization Center West (a non-profit job training center). An enormous commitment by members, this group met in three hour meetings twice a month to work toward providing a report to the Redevelopment Agency recommending land use and redevelopment approaches. Group

meetings were open to the public and were well attended by those interested in the process and its outcome. The group's major areas of concern were redevelopment which achieves: revenue generation for the City, creation of local jobs, environmental sensitivity, and environmental cleanup. The report, which is in the final stages of preparation for first draft release, will go to the Redevelopment Agency for a Study Session, then will get public comment prior to final acceptance by the Redevelopment Agency. The Redevelopment Agency will then decide how to select the best developer for the site. The report will contain five options presented for the Redevelopment Agency's consideration. Each of these scenarios proposes a different approach to land clearance and assembly. [redacted]

4. Federal, State and Local Partnerships

Many agencies have been involved in the brownfields redevelopment effort. The US Department of Housing and Urban Development (HUD), Region 9 has been a significant partner, joining with USEPA Region 9 in funding a [redacted] Alto. With each agency funding half the full time equivalent (FTE), the brownfields redevelopment project has been able to plan in a holistic manner, addressing long-standing social issues to which the brownfields site has contributed. By effectively partnering in this manner and including the San Mateo County Housing Division, brownfields redevelopment issues of concern to residents, such as gentrification and affordable housing, are being addressed by programs such as the [redacted] Program. Additionally, the City has partnered with the RWQCB to quickly and effectively oversee ongoing remediation of properties within the brownfields area and to ensure that future development achieves appropriate remediation.

In an innovative approach to brownfields redevelopment, the City has also partnered with OICW, USEPA and De Paul University to conduct a [redacted] The first round of training (and the first such training in the nation) was completed in late Fall, 1997. The training, which was given through OICW's Project Build Program, recognized by President Bush's Thousand Points of Light, provided Hazardous Materials Training, Lead, Asbestos, and Underground Storage Tank Removal training, as well as Instrumental Enrichment training which taught students critical and cognitive thinking skills. It is expected that approximately $25 million will be spent on redevelopment activities within the City over the next twenty-four months. Prior to the Environmental Job Training Program, the City, which has a [redacted] community. At the conclusion of the recent training, several students were interested in forming their own environmental cleanup firm to take advantage of such opportunities. However, since existing companies were eager to place graduates and there were more jobs offered than graduating students available to accept them, these students decided to earn money and gain experience before pursuing their own business. In the meantime, OICW, which is represented on the First Source Hiring Committee, retains records on graduate students, making their names available for contractor hiring as redevelopment work in the City is awarded. We expect a second round of training to begin in early 1998 through the National Institutes of Environmental Health Science (NIEHS) grant with the International Brotherhood of Carpenters Health and Safety Fund. This training will also take place at OICW and will build on our partnership with OICW and De Paul University, with the Carpenters Union subcontracting some portions of the training to De Paul. Also, we have had some preliminary discussions with Veterans Industries,

an arm of the Department of Veterans' Affairs, to potentially partner with them and their work at their neighboring Palo Alto facility.

The City also partners and works closely with regional and non-profit groups. The Enterprise Foundation recently opened their first West coast office here in East Palo Alto to assist this community with redevelopment and community planning. EPA CAN DO and the City are working on increasing resident homeownership and on creating a Banking and Technology Center to provide computers for on-line banking (in support of EFT-99), general banking instruction, and home financing training. Additionally, EPA CAN DO has been working on establishing a building materials recycling center to be used in redevelopment and general building activities. The City has also worked closely with Stanford University, through the Haas Center for Public Service and the Environmental Law Clinic. These organizations have placed a significant number of student interns and volunteers in City offices, providing critically needed energy, attention, expertise and legwork to the Ravenswood Industrial Area Brownfields Stakeholders' Group and to brownfields redevelopment issues.

Another local partner is Joint Venture: Silicon Valley Network. This group, made up of Silicon Valley companies, as well as sitting on the Ravenswood Industrial Area Brownfields Stakeholders' Group, assisted the City by setting up a meeting between City staff and Facility Directors representing large Silicon Valley firms. These Facility Directors make real estate purchasing and facility siting decisions for their companies. Through the efforts of Joint Venture, the Directors were given a briefing on the history of the brownfields site, took a tour of the site, then met over lunch with City officials for a candid discussion of the assets and detractions of the site from their perspective. One purpose of the meeting was to identify any "deal killers". Finding none, the group discussed what changes would be necessary to attract firms of their caliber.

The City is working to establish partnerships to assist us in addressing transportation and circulation concerns. Traffic load and street condition in this community are important issues and especially critical for the redevelopment of our brownfields site, which would bring increased traffic to an already congested area. The City held a traffic summit early in the year to focus the attention of the Metropolitan Traffic Commission, CalTrans, the Federal Highway Administration and other attendees on transportation problems facing the City. We hope to further pursue these relationships so that we might work together to find solutions to this complex problem. Transportation issues have been identified as one of two key criteria for the success of the Welfare to Work transition (the other being child care). Given East Palo Alto's high rate of welfare recipients, addressing and resolving transportation issues is critical. Each day 27,000 commute cars pass through this City on surface streets, passing the brownfields site and adding to health and safety concerns and gridlock. Department of Transportation assistance, through the State agency, CalTrans, would be of great assistance to the City. To ease circulation in any new development, a "northern access route" along one edge of the brownfields site has been proposed, which could be placed on the existing railroad spur right-of-way, both effectively providing transportation access and remediating the elevated arsenic levels currently along the spur. A "southern access route" has also been suggested. To build either route would probably mean some [redacted]. The City could benefit greatly from the services of the Army Corps of Engineers (ACE) to research and assist the City with permitting requirements and processing. The RWQCB has suggested their willingness to work closely and cooperatively with ACE to ensure quick resolution and implementation.

Any Grts on mitigation?

It is expected that the RIA redevelopment will generate many opportunities for small, start-up firms to provide landscaping services, cafes and delis, child care, and other services such as dry-cleaning or haircare. Additionally, persons displaced by the redevelopment could pursue opportunities to open small retail businesses in the other redevelopment areas. Residents interested in starting small businesses will turn to groups such as Stanford University or StartUp, a local non-profit, to assist them in starting their own businesses. The Small Business Administration could be of great assistance in this effort.

5. Strategic Planning

Perhaps because of the small size of the community and the importance of the RIA, the community's brownfields approach has been strategic from its inception. In considering land use alternatives for the RIA, the Ravenswood Industrial Area Brownfields Stakeholders' Group looked at the City's economic, environmental, housing, and redevelopment situation in order to plan strategically.

The City is nearing completion on the update of the General Plan. The General Plan Advisory Committee, a community group, deferred to the Stakeholders' Group to address specific recommendations for the RIA. Given that the Gateway 101 retail center will generate mostly entry level and mid level retail job openings, and that University Circle's hotel and conference center will generate mostly entry level and mid level hospitality and service jobs, the Stakeholders' Group looked beyond simple entry level opportunities for the RIA, considering it an opportunity for the community to finally fully participate in the robust Silicon Valley economy and suggesting that appropriate job training programs be pursued as soon as incoming businesses have been identified. The group also spent a good deal of time considering the environmental and health effects of the RIA and the strong cumulative risk concerns of the community. [redacted] be [redacted] pen space, and the Shorebird Network, and contamination remediated as soon as possible. They also suggested incorporation of the redevelopment into the community through small business encouragement, and by encouraging incoming larger businesses and developers to recognize and celebrate the community's unique cultural and historical heritage through various means, such as construction design.

Due to past activities in the area, San Francisco Bay water has been unable to properly enter the wetland area along one portion of the site. Although more investigation and study is needed, as part of the overall revitalization of the area, [redacted]. Additionally, groundwater from the area flows back and forth to the San Francisco Bay. With source control, clean up and redevelopment of this site, we will ensure greater protection of the San Francisco Bay, its fish and wildlife.

Portions of the brownfields site have already been remediated under RWQCB oversight and USEPA approval. Remediation and redevelopment of the entire brownfields site, which will include new infrastructure for handling storm water runoff, will lessen the possibility of any further migration of contaminants in the brownfields area. The City, as is current practice, will continue to proceed in close coordination with the RWQCB, assuring proper remediation, building and construction which is appropriate to the remediation, and long term health protection of future workers and the entire community.

6. Management

The RIA is the third and last redevelopment area in the City to proceed. Because the other two are well on their way to redevelopment, the City has gained experience and expertise in the redevelopment of properties. The redevelopment of the RIA will proceed in the same manner.

The Redevelopment Agency is made up of the elected City Council. The Agency is united in their pursuit of redevelopment for the City and has retained an aggressive focus on redevelopment and its importance to the City's survival and future. They have been single-minded in purpose to enhance this culturally and historically rich community so that it becomes an appealing place to live and work. Redevelopment Agency attorneys are well versed in the City's redevelopment processes and are equally well equipped to handle them. Environmental liability associated with the brownfields site can be avoided by the City if it decides to use eminent domain powers. Ironically, however, the City was told by a brownfields cleanup and redevelopment firm, which partners with developers and makes its money from cleanup, and had expressed interest in the site, that the RWQCB/USEPA/City sampling effort revealed that the site is not contaminated enough for their firm to make a profit. In informal discussions with prospective development interests, due to the recent sampling data, environmental liability has not been a concern. As with other areas of development in the City, cleanup and development costs will be borne by the developer. This approach allows the redevelopment to proceed quickly, rather than waiting for City revenues from other redevelopment areas to provide enough funding to proceed. In order to assure proper cleanup, these activities will be overseen by the RWQCB, in cooperation with the City.

The City Manager is also the Executive Director of the Redevelopment Agency. The RIA Project Manager serves under the City Manager and reports directly to him, but also works closely with the Acting Director of Planning and Public Works to ensure coordination between the General Plan Update process, zoning ordinance requirements, and the Ravenswood redevelopment process.

Although the other two redevelopment areas within the City are extremely important, because the brownfields site is such a large portion of the entire City, it is considered by some as the City's greatest asset and largest opportunity for economic revitalization. The City's true measure of real success is its redevelopment. However, one significant and early milestone will be the City's selection of a master developer for the RIA, based upon their development proposal.

7. Environmental Justice

The entire community of East Palo Alto is an environmental justice community with more than its share of environmental challenges. The RIA is home to a solvent recycling facility, a chemical manufacturer, auto wreckers and an arsenic contaminated Superfund caliber RCRA site which extends into adjacent residential areas. The cumulative risk of living in close proximity of all these facilities, when added to the risk associated with lead and asbestos in aged housing stock and the high volume of commuter traffic, angers many members of the community.

Environmental concerns were very much a part of the RIA Brownfields Stakeholders' Group discussion and process. The Group was given a presentation by the RWQCB and USEPA, Region 9 regarding the brownfields sampling effort and the results of that effort. Given the risk perceived by residents, there was some initial skepticism and distrust of the sampling results. As

the Group proceeded, however, skepticism gave way to a desire to ensure economically and environmentally sustainable and ecologically sound development, leading to the group's report recommendations regarding environmental cleanup, environmental sensitivity and incorporating green building technologies in redevelopment.

Although the City makes up only 3.5% of the population of San Mateo County, we comprise 25% of the County's childhood lead cases. [redacted] most likely students from the Brownfields Environmental Job Training Program) to provide such services for houses in our community. As we have experienced with the severe childhood lead problem, varying cultural practices and language barriers may contribute to the health effects associated with environmental contaminants. To combat this, the City, in collaboration with the Environmental Law Clinic and assisted by San Mateo County Department of Health and USEPA, Region 9, created a local environmental information brochure in English and Spanish. These brochures have been widely distributed and are made available on an ongoing basis at City offices. Additionally, to mark the beginning of Pollution Prevention Week and heighten environmental awareness and encourage safe, decent and affordable housing, the City sponsored an Environmental and Home Financing Fair. Participants included State, County and Federal regulatory agencies, Drew Medical Center, private businesses and other organizations. Outreach was extensive, with particular attention focused on schools. Flyers advertising the fair were given to every school child in the City and materials at the fair were widely available in English and Spanish. The City was greatly assisted in fair planning and outreach by Stanford students who spent their summer working full time on environmental and RIA redevelopment issues in East Palo Alto. The City plans to provide additional environmental seminars for City residents in 1998. These seminars, which will have translators on hand, will rely heavily on the relationships we have already established, bringing in experts on risk communication, toxicology and other specialties from various agencies and organizations.

Residents have expressed concerns that successful redevelopment of the brownfields site could mean gentrification and increasing rental rates which will displace them from their homes. [redacted] assistance targeted specifically for this community through the San Mateo County Housing [redacted] Such assistance could come in the [redacted] → part of urban county
[redacted]. Housing shortages and aged housing stock have led to severe overcrowding and negative health effects. Only one new housing development, a Habitat for Humanity project, has been built in the City since the 1960's. Rates of homeownership are low, a problem the City, in cooperation with San Mateo County Housing Division, EPA CAN DO and others have tried to address through various means, such as the East Palo Alto First Time Homebuyers' Program which provides funding for eighteen low interest loans using HUD HOME funds, first time homebuyer seminars for residents, and the above-mentioned Environmental and Home Financing fair to provide residents an opportunity to learn about lender products.

Sincerity?

8. National Replicability

The City of East Palo Alto is a microsystem with very limited resources where partnerships are critical to the success of a brownfields redevelopment effort which has the potential to forever change the face and fortunes of the community. Our innovative and highly successful first-of-its kind Brownfields Environmental Job Training Program underscores the value of partnerships between local governments, non-profits and Federal agencies. Our partnerships with USEPA

and HUD have been extremely important and successful. We'd like to build on that success. We believe this is an incredible opportunity to model a collaborative effort for smaller, ethnically diverse, low income communities throughout the country where redevelopment of the brownfields site will address not just a portion of a community, as might be the case in a big city, but bring self-sustainability to the entire community. Bringing city revenue, local jobs, environmental cleanup and ecologically sound redevelopment to this City which sits along the beautiful San Francisco Bay and a sensitive wetlands ecosystem, will provide a model for many waterfront communities throughout the country.

Additionally, we think our community can serve as a model for small cities with small budgets. Cities like East Palo Alto often suffer from the "Catch 22" syndrome. As a City with very limited resources, we have little staff and few resources to devote to the resource-intensive and time-intensive process of launching a sophisticated application effort to apply for Federal and State grants and programs, which were established to help just such communities. We cannot compete with larger cities which have larger budgets, larger staff and are applying to focus on turning around pockets of poverty within their community. Our entire City is such a community. A community like ours is just the sort where Federal and State partnerships make the critical and widespread difference, effecting every resident in the City.

We do not believe we are the only such City. In fact, communities like ours are scattered throughout the country, needing assistance, yet without the resources to effectively secure it. We have already achieved much which can be used as an example for other communities. By expanding our partnering activities to include even more federal agencies, we can increase our community's attractiveness to businesses and families who may wish to relocate here, transforming this community from one mentioned during the Vice Presidential debates as a community in need, to a community held up as an example of private and public collaboration. We believe that the collaboration which can make us self-sustaining can be a national model not only for small communities, but for Federal agency offices across the nation.

Mayor Sharifa Wilson: City of East Palo Alto

STATE OF THE CITY ADDRESS

As the senior member of the City Council and now serving as Mayor for the thrid time, I would like to use this occassion of the State of the City to highlight some of the major events of the past ten years and share from my perspective:

What a Difference Ten Years Have Made

In 1990 we were 7 years old, very much in our childhood. We were fighting with each other, the approach we took to getting business done was to draw a line in the sand, and dare the other to cross.

As a result, the city did not grow. We wasted precious time and opportunity. These internal scabbles created an environment where we found ourselves overwhelmed with crime and financial instability with no plan to address these issues.

In 1992, at the age of 9 our situation had not improved. By then crime has gotten totally out of control. The lack of a plan was evident; our streets were dangerous, our residents stressed and living in fear. We gained the dubious title as the per capita homicide capital of the country. Our city was struggling- our house on fire.

The council understood that: when your house is on fire. We should not stand around trying to figure out if it was fire from within or without, but work to extinquish it. And extinguish it we did.

Despite the fact that East Palo Alto had earned this reputation, we were determined that it would not be our legacy. The community, which includes our neighboring cities of Palo Alto and Menlo Park, and San Mateo County, joined forces with the city. By working together by the end of 1994, we had reduced crime by 86%. In 1999 we had only one homicide, the same amount as Atherton, and I am happy to say that today in 2000 our crime remains down. What a difference ten years has made.

In 1994, when I gave my first State of the City speech, we had adopted the theme: "A City on the Move". With this as our theme we looked at our realities, examined our options and worked to create and implement strategies to ensure this city would survive into the next century.

Some of these strategies would result in dramatic changes in East Palo Alto. Some of those changes would be welcomed and some hard to live with. We would be changing things, we would be creating a new history for this community. We would be doing things which had never been done here in East Palo Alto before.

When we embarked on these efforts, we recognized that there would be a dramatic impact on the physical environment as well as a dramatic impact on the social fiber of the community. Our task would be to midigate those impacts, by creating opportunities for our residents as we moved forward.

Understanding the overwhelming needs facing us, and the serious tasks which lie before us, we forged ahead. We faced numerous challenges and criticisms from both inside and outside of the community. We experienced a number of set backs, faced some challenges which we thought were unsurmountable.

But, we had to remain committed, courageous and willing to take great risks. Today, I am proud to say that some of those efforts have been successful. Today, in the year 2000 at 17 years old we are still a city on the move a "resilient city moving towards maturity".

I won't have time this evening to articulate all of our successes; we have all seen many changes; crime is down, there is less open sale of drugs, property values have increased. People now see their equity growing. We have prepared a slide presentation which will be displayed during the reception and have a hard copy of our accomplishments which will be available later.

I will this evening highlight a few:

The prime example is : The Ravenswood 101 Retail Shopping Center phase 1, which is now open and moving towards completion. When we started this effort we were operating from a position of weakness, seeking out and attempting to entice retailers to this community. What a difference ten years have made. Today the sound wall is down along the 101 freeway is gone, and this city is now being seen by the world.

Through these efforts, East Palo Alto has now become a destination and is gaining some equity in the regional economy. We've created an opportunity to gain some of the revenue generated by retail. We are no longer just a throughway to the Dumbarton bridge. We have created a reason to stop and spend in East Palo Alto. We welcome the opportunity, and will be creating more.

We now have Expo Design Center under construction, Best Buy will soon begin to build their store, along with 3- 1800 sq ft. retain service uses. Those spaces will be occupied by a sandwich cafe / deli, a coffee shop, and a full service credit union. We have an offer for Pad D, which will create another exciting opportunity in the shopping center.

We are in the process of finalizing the tenant for all 10 acres of Phase 2. We have been approached by a number of retailers for use of additional space which will fully build out the shopping center. Over the next year we will see the development of the Donohoe corridor. Our dream of capturing the regional and local dollar, while creating employment opportunities will be realized.

Another success to highlight is in the area of employment and training.

In 1995, the council adoped a First Source Hiring policy. Today that policy has created over 600 jobs, and a number of training opportunities for local residents. Working in partnership with OICW, the Environment Protection Agency, and San Mateo County Building Trades Council, we now have Hazmat Removal Training program, and Project Build- pre construction training. Once a place with limited employment opportunities, by the end of 2001 we will have created over 2000 jobs. What a difference ten years has made.

Housing:
In the area of housing, we have again progressed. In 1990, we had only 7 new housing units developed. Today, we have constructed 53 units at Gloria Way, have 200 single family homes under construction, and will be shortly breaking ground on 129 apartment units at University Square. These untis have priority opportunities for East Palo Alto residents. The city made a $5.5 million commitment of housing set - aside funds to bring this project into reality.

Over the next few years additional housing opportunities will be created. We are committed to working with EPACANDO, Bridge and Mid-Peninsula Housing Corporations, Fannie Mae and others to increase the availability of affordable units for East Palo Alto residents.

We also welcome the opportunity to work with our neighboring cities around the county and region to encourage them to share the responsibility for affordable housing. We are actively working to create a Land Trust within East Palo Alto, and San Mateo County. East Palo Atlo has demonstrated it's commitment for affordable housing, but we can not be the only city making a commitment. We all have to provide an affordable place for teachers, postal workers, school district and service employees, and senior citizens to live.

This is an important issue as we open this new century. The city, our residents and community groups have gathered lots of information to support this effort and we welcome the opportunity to share this with others.

What a difference ten years has made, and what a difference the next ten years can make. Let's make a commitment to making the next ten years a time when there will be an abundance of quality, affordable housing opportunities for working families and seniors.

Just as our joint efforts around crime reduction in East Palo Alto has resulted in positive changes. Working together we can make positive changes in housing for the working families of our region. This is an important issue which we must address and one which provides another opportunity for the 3 cities to work together.

As we begin the new milleninum there remain a number of critical issues facing the City.

The number one issue is: Fiscal Stability. We have over the past 6 months, begun to put our fiscal house in order. We must contiue to work towards that end.

The actions we have taken towards that goal have been beneficial. We worked to identify past and future financial obligations and adopted a financing plan to address them. Thanks to the continued help of the Packard Foundation, we have successfully sold $23 million
in bonds. When we attempted this before, we were laughed out of the market. This time we were able to sell all our bonds in 14 days. What a difference ten years has made.

We have settled the lawsuit with some of our residents, and approved a repayment schedule for $4.5 million. These payments will be spread out over 6 years, as we anticipate our increase in property tax revenues will cover these costs. This has been a divisive issue which has lingered unresolved far too long. We have put this issue to rest, and will begin making repayments inthe next fiscal year.

The council will continue to focus on revenue enhancements. This year East Palo Alto will be 17. A time when you "come of age". The time when you begin to cut the apron strings tied to your parents. Much the same way we must become less dependent on the generosity of others. No longer can we depend on the "allowances" allocated to us. We must do for ourselves. That means creating opportunity to increase revenues.We will continue to need additional revenue to absorb existing and increasing costs; and to increase and improve city programs and services.

I want to express my sincere appreciation to our city manager Monika Hudson for her tenacity in addresssing this matter. She secured highly talented financial advisors; and worked to bring this effort to a success. This has allowed us to clearly understand our financial situation and develop a plan. With that plan we can more confindently move forward with our development efforts around the city.

Over the next few years we will be looking forward to the completion of the University Circle Project and the new revenue it will generate.

The University Circle project is well underway. By the end of this month all the businesses, residents and not-for -profits will have been relocated. Construction will begin shortly, two office buildings are already fully leased.

Although some hardship comes along with development; I believe that the end result will be positive. 1 out of every 3 families relocated as part of these projects have become a homeowner. Some of these families would have never been able to accomplish this without the relocation benefits they received.

We have worked closed with the not-for- profits located in Whiskey Gulch to find new locations within this city. With the help of the Peninsula Community Foundation, they are working towards establishing a comprehensive social service facility on Bay Road.

Many local service providers will be in close proximity to one another, this will create the opportunity to work closer as agencies providing services to the families of this community.

Although we had to lose many small businesses, it is interesting that many will remain together at the new Hamilton Business Park in the Belle Haven area of Menlo Park. Belle Haven has always been seen as an extention of East Palo Alto, so it is fitting that they remain in the immediate area.

These sacrifices had to be made, as the benefits are great. When complete, the University Circle project will generate $4.6 million in revenue. With the hotel coming on line, we will have an new source of revenue : transient -occupancy tax. This new revenue source has the potential of creating $1.6 million annually, in new general fund revenues.

I will be working with the council to designate a portion of these new revenues as a long term source of funding for both our Community Services Department and the Office of Aging, to ensure we can provide services for our youth and seniors in the future.

This project will also created over 1200 jobs, with a priority for local residents. These jobs and the new revenues are very much welcomed and will help provide the financial security blanket we need in the future.

Over the next year we will be engaging in additional important planning efforts. We are completing our Urban Design Study. This study will identify a downtown for us; a grocery store site, and define a plan for the Ravenswood Industrial Park, the last of our existing development project areas.

The urban design study is another inclusive process where the plan will be reflective of community imput. This process has been exciting and we are looking forward to creating a business district in that area.

We can create an environment which supports the growth within Silicon Valley and at the same time reduce some of the negative impacts of that growth: traffic; by providing a place to both live and work.

Just a few weeks ago we were invited to the meeting with the IDEA group. The majority property owners at the meeting, indicated that they are supportative of the general direction the plan is taking, and pleased with the consultants working on the plan.

What a difference ten years has made. In 1990, the owners were not willing to even entertain the idea of developing their property with the city. Now they are willing and eager to work as a team with the city to turn our Brownsfield area into a viable business district.

Another planning effort underway is the Neighborhood Improvement Initative. Spearheaded by the Community Development Insitute, we are eagerly awaiting the completion of the plan. This plan is being supported by the Hewlett Foundation , which has made a $4.5 million, 6 year commitment to the community of East Palo Alto. This community planning process has been well attended and promises to be of great value to our city as we move forward.

This year we will continue to focus on Regional issues; one of the most important issues facing our future is that of traffic. This is truly a regional issue, one that goes beyond just our county. We will need to work with Alameda, Santa Clara counties and beyond to address this issue.

The impact of traffic and the tremendous disparity between where the jobs and housing are has impacted all our cities. East Palo Alto bears a disproportionate burden. This is a hard isssue, but one which can no longer be ignored. We are working as part of a regional collaborative on this. East Palo Alto, Menlo Park and Palo Alto should work together and take a leadership role in developing a solution for this issue.

I will continue the traditon of regular meetings with elected officials and staff of our neighboring cities to keep us moving forward on issues of common concern.

As we start this new millenimum, we still have lots to do. We are closer to the goals we developed as a community: creating a stronger tax base, increasing employment and housing opportunities, reducing crime and enhancing our community policing efforts,and increasing citizen participation and education.

We are 17, and about to go out on our own. We are not quite ready for full independence, so we will continue to work with those who are willing to partner with us in our efforts.

We look forward to working with old friends; the cities of Menlo Park and Palo Atlo, San Mateo County, Packard and Peninsula Foundations, Rose Jacobs- Gibson in her new role as County Supervisor, other elected officials in Sacramento and D. C., Ruben Barrales now with Joint Ventures Silicon Valley, and Jesse Jackson through the Silicon Valley Project.

As we look forward, we recognize there are and will continue to be tremendous opportunity in Silicon Valley and we can be part of that. East Palo Alto can provide a "win win" for the upcoming "sprinting" technology businesses and our residents. Not only can we provide much needed land for growth and expansion, but also the human resources to support the growing need for skilled workers in the industry.

Joining the efforts of OICW, PluggedIn, the school districts, and the Silicon Valley Project, this community can serve as a model to bridge the "digital divide". We will be working not only to create employment and training opportunities, but to increase access

to technology for all our residents. Access provides our residents with a level playing field so they can remain a part of the valley, and creates future opportunities for our children.

Much of what lies ahead can not be done without the support of staff. I can not close without acknowledging the quality of staff we currently have working for us. I am, and will continue to be impressed with the depth of their commitment, the professionalism they display and the skills they prosess. I have seen them work long hours, make scarifices of their personal time and go beyond the call of duty for us. With this infrastructure in place; we can be assured that our efforts wil be successful.

As we begin the year 2000, it is a time of unprecedented opportunity for East Palo Alto. We will make every effort,as your council to be sure you, our residents are able to participate in those opportunities.

East Palo Atlo is on the road to maturity. As I look at the quality of staff we have, as I look at the quality of opportunities we have, I am confident we have a bright future.

East Palo Alto, the resilient city on the move; that diamond in the rough which will soon be a shining beacon of hope for others who have had to overcome adversity. We will be that shining example of resilience.

We are creating a new legacy for this community, a legacy we can be proud of; a legacy of hope, determination and resilience. Today in the year 2000 residents are proud to say they live in East Palo Alto.

This is a time of opportunities. We must be sure not to let these opportunites slip away. Despite all our setbacks we have demonstrated our resilience. The brass ring is within our grasp and it's our's to have so long as we stay focused, disciplined and positive.

March 10, 2000

MONTHLY CIVILIAN LABOR FORCE DATA FOR COUNTIES
FEBRUARY 2000 (Preliminary); 1999 Benchmark
Not Seasonally Adjusted

COUNTY	RANK	LABOR FORCE	EMPLOYMENT	UNEMPLOYMENT	RATE
STATE TOTAL		16,719,700	15,875,800	843,900	5.0%
ALAMEDA	9	723,100	703,000	20,100	2.8%
ALPINE	26	690	650	40	6.0%
AMADOR	22	13,440	12,730	710	5.3%
BUTTE	29	85,700	79,300	6,400	7.5%
CALAVERAS	30	14,760	13,620	1,140	7.7%
COLUSA	58	8,610	6,410	2,200	25.6%
CONTRA COSTA	8	491,500	478,300	13,200	2.7%
DEL NORTE	36	9,830	9,010	820	8.3%
EL DORADO	14	83,000	79,700	3,300	4.0%
FRESNO	51	373,600	317,300	56,300	15.1%
GLENN	46	11,130	9,750	1,380	12.4%
HUMBOLDT	27	60,000	55,900	4,100	6.8%
IMPERIAL	57	56,900	47,400	9,500	16.7%
INYO	24	7,160	6,760	400	5.6%
KERN	44	275,100	242,800	32,300	11.7%
KINGS	53	42,240	35,430	6,810	16.1%
LAKE	35	24,030	22,060	1,970	8.2%
LASSEN	37	11,220	10,160	1,060	9.5%
LOS ANGELES	24	4,698,500	4,433,100	265,400	5.6%
MADERA	45	51,220	45,000	6,220	12.1%
MARIN	1	137,200	135,100	2,100	1.5%
MARIPOSA	39	6,570	5,930	640	9.8%
MENDOCINO	33	41,160	37,880	3,280	8.0%
MERCED	55	84,900	70,900	14,000	16.5%
MODOC	43	4,010	3,540	470	11.6%
MONO	14	7,120	6,830	290	4.0%
MONTEREY	50	191,000	163,300	27,700	14.5%
NAPA	11	63,600	61,600	2,000	3.1%
NEVADA	16	43,620	41,830	1,790	4.1%
ORANGE	4	1,496,400	1,462,100	34,300	2.3%
PLACER	12	122,300	118,300	4,000	3.3%
PLUMAS	49	8,870	7,650	1,220	13.7%
RIVERSIDE	21	704,700	671,200	33,500	4.8%
SACRAMENTO	16	597,500	573,200	24,300	4.1%
SAN BENITO	39	26,450	23,860	2,590	9.8%
SAN BERNARDINO	19	774,300	741,800	32,500	4.2%
SAN DIEGO	6	1,372,900	1,336,700	36,200	2.6%
SAN FRANCISCO	4	425,100	415,100	10,000	2.3%
SAN JOAQUIN	38	252,600	228,300	24,300	9.6%
SAN LUIS OBISPO	10	110,700	107,300	3,400	3.0%
SAN MATEO	1	403,100	397,000	6,100	1.5%
SANTA BARBARA	16	201,400	193,100	8,300	4.1%
SANTA CLARA	3	965,300	944,200	21,100	2.2%
SANTA CRUZ	33	138,100	127,100	11,000	8.0%
SHASTA	32	75,600	69,600	6,000	7.9%
SIERRA	41	1,560	1,390	170	10.9%
SISKIYOU	47	17,380	15,200	2,180	12.5%
SOLANO	20	191,400	183,100	8,300	4.4%
SONOMA	6	253,900	247,200	6,700	2.6%
STANISLAUS	42	200,500	178,200	22,300	11.1%
SUTTER	52	35,800	30,100	5,700	15.9%
TEHAMA	28	24,420	22,610	1,810	7.4%

CALIFORNIA THE GOLDEN STATE

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Employment Development Department

Labor Market Information

Per Capita Personal Income By County

Per Capita Personal Income By County, 1985 to 1996 (Residence Adjusted)												
County	**1985**	**1986**	**1987**	**1988**	**1989**	**1990**	**1991**	**1992**	**1993**	**1994**	**1995**	
California (a)	$16,564	$17,339	$18,223	$19,287	$20,245	$21,393	$21,540	$22,246	$22,532	$23,024	$24,229	$
Alameda	17,315	18,043	18,884	20,099	21,159	22,243	22,353	23,687	24,334	25,114	26,553	
Alpine	12,274	12,206	13,736	16,022	18,382	19,010	17,971	19,190	21,379	21,659	22,340	
Amador	13,593	14,364	15,226	15,148	15,509	16,183	16,678	17,104	17,679	17,726	18,427	
Butte	11,973	12,599	13,308	14,054	14,792	15,535	15,907	16,600	16,948	17,453	18,040	
Calaveras	13,401	14,255	14,412	15,297	16,772	17,046	16,939	16,969	17,459	17,764	17,537	
Colusa	15,682	14,195	16,086	16,973	18,015	17,632	17,409	18,065	20,277	18,520	19,576	
Contra Costa	20,130	21,324	22,587	24,100	25,333	26,264	26,787	28,026	28,834	29,710	31,266	
Del Norte	10,767	11,087	11,540	12,174	12,855	13,328	13,055	13,457	13,796	14,054	14,231	
El Dorado	15,093	16,223	17,162	18,101	19,357	19,946	20,162	20,980	21,153	22,241	23,605	
Fresno	12,828	13,463	14,289	14,825	15,553	16,572	16,595	17,211	17,730	17,802	18,367	
County	**1985**	**1986**	**1987**	**1988**	**1989**	**1990**	**1991**	**1992**	**1993**	**1994**	**1995**	
Glenn	12,018	11,882	13,288	13,882	13,866	14,214	14,004	15,311	16,687	16,154	15,888	
Humboldt	12,559	13,299	13,894	14,637	15,537	16,117	16,269	16,940	17,486	18,242	18,763	
Imperial	10,812	11,134	12,972	14,793	15,389	15,577	14,895	14,388	15,296	14,459	14,565	
Inyo	13,162	13,712	14,069	15,530	16,839	17,811	18,011	18,542	19,163	19,416	20,466	
Kern	13,153	13,685	13,800	14,686	15,154	16,025	16,148	16,383	16,830	16,790	17,335	
Kings	10,670	10,460	11,999	11,892	12,498	12,476	13,050	13,425	13,879	13,750	13,772	
Lake	12,916	13,819	14,068	14,651	16,167	16,742	17,235	17,498	17,622	18,022	18,451	
Lassen	10,733	11,160	11,059	11,534	12,016	12,593	13,351	14,563	14,703	15,628	15,742	
Los Angeles	16,632	17,327	18,294	19,306	20,178	21,559	21,604	22,177	22,172	22,584	23,885	
Madera	10,817	11,728	12,912	13,445	14,004	14,699	14,312	15,467	15,600	15,614	15,827	
County	**1985**	**1986**	**1987**	**1988**	**1989**	**1990**	**1991**	**1992**	**1993**	**1994**	**1995**	
Marin	27,188	28,443	29,470	31,996	33,703	36,081	36,937	38,796	39,884	41,302	42,391	
Mariposa	12,724	13,557	13,497	14,435	15,470	16,842	16,690	17,174	17,400	17,707	17,956	
Mendocino	12,743	13,422	14,044	14,760	16,161	16,666	16,615	17,361	17,978	18,740	19,526	
Merced	11,541	12,207	13,126	13,347	14,154	14,725	14,637	15,434	15,752	15,641	15,505	

Modoc	11,390	11,645	12,474	13,547	14,042	14,697	14,425	15,278	16,519	15,742	15,107
Mono	14,758	15,477	16,042	17,675	18,553	17,887	17,627	18,926	19,458	19,298	19,914
Monterey	15,283	16,178	17,049	17,768	18,169	19,644	19,945	21,504	21,898	23,304	24,580
Napa	17,289	18,361	19,039	20,504	22,366	23,330	24,069	24,833	25,666	26,527	27,745
Nevada	13,580	14,563	15,130	16,302	17,694	18,799	18,832	19,365	19,670	20,336	21,133
Orange	19,051	19,996	21,230	22,723	24,101	25,484	25,307	26,007	26,011	26,534	27,735
County	**1985**	**1986**	**1987**	**1988**	**1989**	**1990**	**1991**	**1992**	**1993**	**1994**	**1995**
Placer	16,425	17,474	18,428	19,769	20,866	22,122	22,850	23,453	23,885	24,907	26,297
Plumas	12,800	13,497	14,035	14,517	16,060	16,789	17,394	17,939	18,568	19,115	19,673
Riverside	15,226	16,161	16,771	17,658	18,427	18,710	18,263	18,435	18,635	18,827	19,316
Sacramento	14,877	15,771	16,542	17,384	18,619	19,721	19,909	20,721	21,002	21,963	23,176
San Benito	13,270	14,116	14,735	15,512	16,094	17,349	17,162	17,605	17,795	17,747	18,301
San Bernardino	13,770	14,479	15,138	15,602	16,200	16,637	16,506	16,767	16,889	17,239	17,692
San Diego	15,722	16,608	17,458	18,419	19,500	20,274	20,715	21,223	21,646	22,111	23,201
San Francisco	21,574	22,673	23,437	25,779	27,316	30,488	31,155	32,791	33,750	33,733	36,811
San Joaquin	13,143	13,680	14,372	15,111	16,075	16,618	16,726	17,420	17,936	18,274	18,845
San Luis Obispo	13,700	14,359	15,037	16,094	17,070	17,659	17,943	18,748	19,115	19,645	20,515
County	**1985**	**1986**	**1987**	**1988**	**1989**	**1990**	**1991**	**1992**	**1993**	**1994**	**1995**
San Mateo	22,278	23,527	24,608	26,359	27,857	29,669	30,315	31,520	32,788	34,003	36,283
Santa Barbara	17,476	18,270	18,990	20,277	21,210	22,413	23,218	23,964	24,385	24,589	25,764
Santa Clara	19,813	20,349	21,380	22,963	23,841	25,662	26,714	28,268	28,562	29,757	32,707
Santa Cruz	16,023	16,840	17,679	18,911	18,878	21,933	22,454	23,650	24,170	24,846	26,288
Shasta	12,423	13,222	14,024	14,991	16,224	17,126	17,288	17,913	18,428	19,111	19,499
Sierra	12,569	13,532	14,038	14,259	14,973	15,686	16,366	17,181	17,793	18,139	18,785
Siskiyou	11,788	12,579	13,164	13,801	14,764	15,535	15,732	16,198	16,861	17,348	17,862
Solano	15,098	15,736	16,283	16,991	17,857	18,655	18,503	19,351	19,815	19,806	20,429
Sonoma	16,936	17,781	18,506	19,615	21,232	22,400	22,708	23,375	23,994	24,813	25,860
Stanislaus	13,223	13,828	14,562	15,227	16,029	16,633	16,808	17,192	17,471	17,602	18,037
County	**1985**	**1986**	**1987**	**1988**	**1989**	**1990**	**1991**	**1992**	**1993**	**1994**	**1995**
Sutter	13,758	13,972	14,660	15,192	16,346	16,921	17,923	18,689	19,006	19,227	19,592
Tehama	10,810	11,361	11,619	12,155	12,744	13,181	13,376	14,166	14,407	14,610	15,129
Trinity	10,547	11,359	11,823	12,466	13,153	13,930	14,191	15,005	15,289	15,186	15,858
Tulare	10,952	11,465	12,323	12,873	13,417	14,559	14,289	15,385	15,539	15,712	16,035
Tuolumne	12,324	13,121	13,617	14,395	15,129	15,891	15,976	16,700	16,723	17,185	17,595
Ventura	16,187	17,350	18,454	19,603	20,768	22,024	22,342	22,648	23,281	23,714	24,937
Yolo	14,146	15,070	15,969	16,215	17,521	18,643	18,972	19,789	20,386	21,158	22,104
Yuba	10,180	10,548	11,127	11,599	12,373	12,697	13,306	13,691	13,768	13,706	14,278

(a) State data revised subsequent to release of county data.

Source:

CALIFORNIA THE GOLDEN STATE

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Employment Development Department

Labor Market Information

Social & Economic Data

Table 5										
Job Training Partnership Act										
Planning Information for Service Delivery Areas (SDA)										
Selected Characteristics by Age										
SDA NAME: SANTA CLARA COUNTY										
JURISDICTIONS INCLUDED: SANTA CLARA COUNTY LESS NORTH SANTA CLARA VALLEY [CITIES OF CUPERTINO, LOS ALTOS, MOUNTAIN VIEW, PALO ALTO, SANTA CLARA AND SUNNYVALE]										
1990 Census of Population and Housing (1)										
Characteristics of Economically Disadvantaged Persons 14 to 72 yeas old (2)										
	16 - 72		16 - 21		22 - 54		55 - 72		14 - 15 (3)	
	Number	%	Number	%	Number	%	Number	%	Number	%
Total Economically Disadvantaged	64,634	100.0	11,554	100.0	45,172	100.0	7,908	100.0	4,160	100.0
By Race:										
White, Not Hispanic	21,137	32.7	3,337	28.9	13,979	30.9	3,821	48.3	795	19.1
Black, Not Hispanic	3,518	5.4	443	3.8	2,876	6.4	199	2.5	269	6.5
American Indian, Not Hispanic	400	0.6	58	0.5	261	0.6	81	1.0	14	0.3
Asian, Not Hispanic	13,468	20.8	2,533	21.9	9,109	20.2	1,826	23.1	1,044	25.1
Pacific Islander, Not Hispanic	276	0.4	9	0.1	197	0.4	70	0.9	0	0.0
Hispanic	25,835	40.0	5,174	44.8	18,750	41.5	1,911	24.2	2,039	49.0
By Sex:										
Male	28,809	44.6	5,524	47.8	20,419	45.2	2,866	36.2	1,982	47.6
Female	35,825	55.4	6,030	52.2	24,753	54.8	5,042	63.8	2,178	52.4
High School Experience:										

Dropouts	25,578	39.6	3,136	27.1	18,437	40.8	4,005	50.6	229	5.5
Graduates	14,005	21.7	566	4.9	11,666	25.8	1,773	22.4	0	0.0
Students	5,046	7.8	3,733	32.3	1,244	2.8	69	0.9	1,460	35.1
Disabled	9,681	15.0	758	6.6	6,214	13.8	2,709	34.3	92	2.2
Limited English Proficiency	16,634	25.7	2,386	20.7	12,148	26.9	2,100	26.6	286	6.9

January 10, 2000	
Characteristics of Various Potential Client Groups	
Families in Poverty as a Percent of All Families (1)	5.7%
Offenders (4)	22,806
Labor Force Status: (5)	
Employed	641,693
Unemployed	23,692
Unemployment Rate	3.6%
Not In Labor Force (6)	305,157
1999 Veterans:	
Total Veterans (7)	83,935
Vietnam Era Veterans (7)	33,657
Disabled Veterans(8)	7,239
Recently Separated Veterans (9)	2,057

Footnotes and Data Sources:

Note: Data provided are the most recent available data as of January 10, 2000.

1. Based on poverty data from the 1990 Census. The economically disadvantaged population was provided by the Employment and Training Administration from a custom tabulation provided by the United States Bureau of the Census.

2. Data for each characteristic in this section were derived by an independent estimating process using census summary data and census public use microdata sample. Totals may not match other data from the same sources.

3. Data are not included in first column totals.

4. 1998 Criminal Justice Profile, California Department of Justice.

5. Labor Force in this category refers to civilian labor force (16 years and older). This category includes, but is not limited to, the economically disadvantaged. Labor Force data are based on preliminary data (12/98-11/99), 3/98 benchmark.

6. Not in labor force (16 years and older) are those who are not employed and not actively seeking

employment. This category includes, but is not limited to, the economically disadvantaged. Not in labor force data are based on preliminary labor force data (12/98-11/99), Department of Finance population estimates as of January 1, 1999 and working age populations from 1990 Census data.

7. Department of Veteran Affairs, July 1, 1999, Washington D.C.

8. Department of Veteran Affairs, October 1998 - September 1999, Washington D.C.

9. Department of Veteran Affairs, July 1998 - June 1999, Washington D.C.

Source:

State of California, Employment Development Department,
Labor Market Information Division, Information Services Group,
(916) 262-2162.

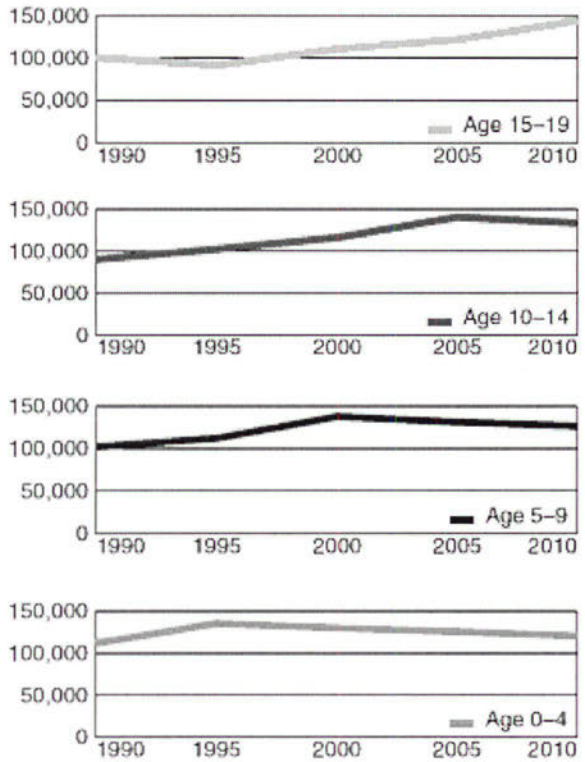
Social and Economic Data
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EDUCATION

SCHOOL-AGE POPULATION FORECASTS

Santa Clara County School-Age Population



Silicon Valley's population is increasing more slowly than the number of jobs, but it is still growing at a steady pace. By 2010, a projected 2.6 million people will be living in Silicon Valley.That will result in a 20 percent increase in school enrollment between 1995 and 2010. The challenge of accommodating increasing numbers of students is complicated by the irregularity of that growth. Over the next two decades, a small population bulge will move through the school-age population. Santa Clara County illustrates the trend.

The number of Santa Clara County elementary students in the 5-9 age bracket is currently increasing much faster than other age groups. This age group will increase by 23 percent by 2000 -- in just five years. After 2000, the 10-14 and 15-19 age groups will increase rapidly, with the number of students in the latter age group continuing to grow through 2010.

SHORTAGE OF K-12 FACILITES AND TEACHERS

Over the years, funding reductions imposed by Proposition 13 prompted many school districts to defer facility maintenance for more immediate student needs. Growing school enrollments and the Class Size Reduction Program of 1996, which took affect in the 1996-97 school year, compounded the problem.

The program required districts to reduce the size of Kindergarten through third grade classes. Structural repairs again took a back seat to the need to increase the number of classrooms.

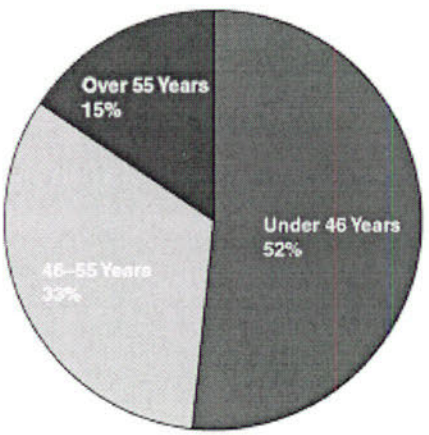
A $9.2 million state bond measure approved by voters in November 1998 is helping schools make long overdue repairs and build new facilities. But the

need far outstrips available funds. Statewide, the estimate for needed repairs and new facilities was $40 billion.

SCHOOL AGE POPULATION (AGE 5-19)

	1990	1995	2000	2005	2010
So. Alameda Co.	56,298	59,930	67,102	72,622	72,777
So. San Mateo Co.	54,941	60,895	71,475	77,069	76,311
NW Santa Clara Co.	71,120	73,740	94,222	106,076	109,770
San Jose/Milpitas	185,685	192,389	224,540	239,430	243,434
SW Santa Clara Co.	6,207	16,329	19,779	22,180	23,622
So. Santa Clara Co.	19,745	20,650	22,155	23,299	25,071
E. Santa Cruz Co.	1,648	1,840	2,120	2,300	2,500
SILICON VALLEY	395,644	425,773	501,393	542,976	553,485

Age of California's Teachers



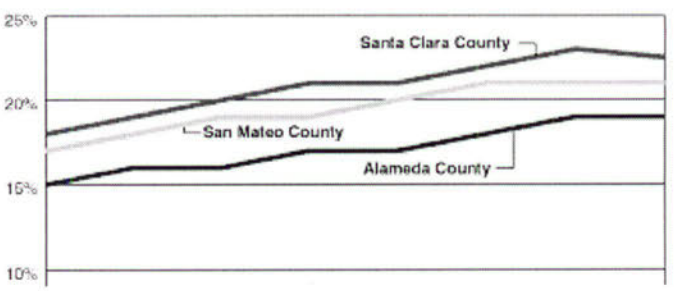
Source: California Department of Education

Along with repairs, many Bay Area districts are seeking to pass local bond measures in order to secure matching state money to modernize their facilities. Many Silicon Valley schools were built in the 1950s and 1960s. Along with replacing aging roofs and plumbing systems, schools need to upgrade electrical systems and phone lines to accommodate multiple computers and Internet access. The two-thirds requirement necessary to pass such bonds has posed a significant hurdle for the vast majority of Silicon Valley districts.

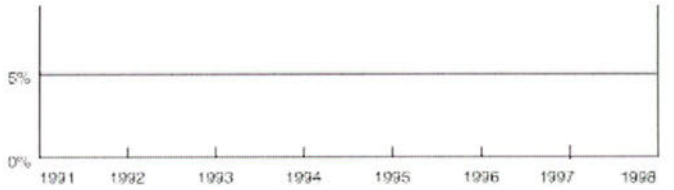
Growing enrollments and reduced class sizes have also increased the demand for teachers. With a large percentage of California's teachers near retirement, the market for trained teachers has become extremely competitive. Class size reductions at the high school level, first introduced in the 1998-99 school year, will be expanded in the coming years. This will compound the shortage, particularly among math and science teachers who are already in short supply.

The problem is likely to be even more acute in Silicon Valley. Although the State Legislature has increased funding for schools, most of that money has been earmarked for specific programs. Limited

Percent of Students with Limited English Proficiency



general purpose funds are restricting the ability of districts to offer teacher raises. Silicon Valley's high housing costs reduce the competitiveness of its school districts in the educational job market.

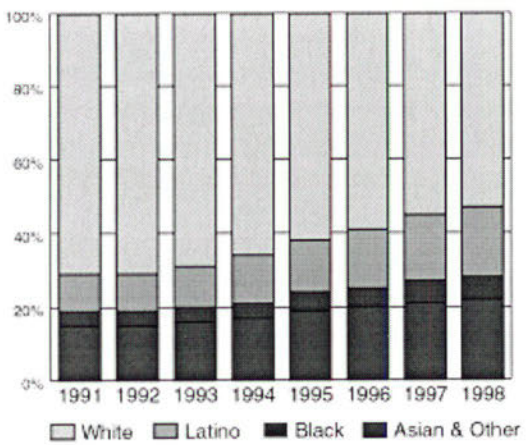


Source: California Department of Education

CHILDCARE FACILITIES SQUEEZED

The number of children in the 0-4 age bracket is projected to remain fairly constant through 2010. However, the shortage of classrooms for older children has reduced the number of facilities available for childcare. Prior to the class size reduction program, under-utilized classrooms were often used for day care facilities. In the past four years, as school districts have struggled to find space for their own students, childcare providers have found it increasingly difficult to find affordable space. Rising rental rates have exacerbated the problem.

Ethnicity of CSU Graduates



Includes undergraduate degrees only.
Totals are by academic year (e.g., 1991 covers the academic year 1990-91).

Source: CSU Chancellor's Office

CRITICAL ISSUES

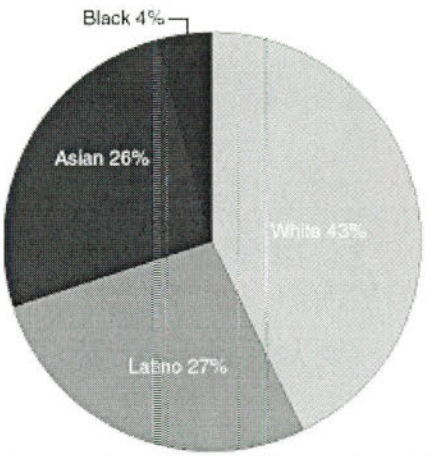
The increasing diversity of Silicon Valley's population presents other challenges -- and opportunities -- in the classroom and workplace. Latinos currently represent more than 20 percent of the population; Asians slightly less than 20 percent; African-Americans, 4 percent; and European-Americans, 56 percent. In the next ten years, Latino and Asian residents are projected to increase in number and as a percent of the population. In 2010, Asians will constitute 26 percent of Silicon Valley's population; Latinos, 27 percent; and European-Americans, 43 percent. African-Americans will remain at 4 percent of the population.

To the extent that more children begin school speaking a primary language other than English, this increasing diversity will challenge educators. In 1999, approximately 1-in-5 of Silicon Valley's K-12 students had limited proficiency in English.

In the workforce, Silicon Valley's diversity is a bit skewed. Thus far, the

Ethnicity of Silicon Valley Residents

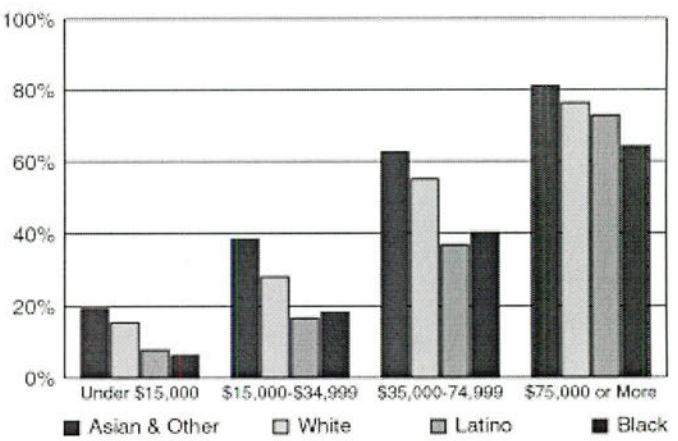
professional and managerial tiers of the high tech industry -- the industry's better paying jobs -- do not reflect the ethnic diversity of the general population. This is particularly true for Latinos and African-Americans. According to the 1990 census, Latinos represented 18 percent of Santa Clara County's workforce, but only 6.6 percent of professional specialties and 8.8 percent of executives and managers. African-Americans, at 4 percent of the workforce, held 2.4 percent of professional specialty jobs and 2.9 percent of executive and manager positions. It is encouraging that the number of Latinos and African-Americans graduating from college is rising. But currently only 9 percent of all Latinos and 13 percent of African-Americans in the U.S. have college degrees, compared to 24 percent of European-Americans.



Source: US Census Bureau and ABAG Analysis (2010 estimate)

To prepare all of Silicon Valley's children for an increasingly high-tech society, educators will have to teach a wider array of subjects. Math and science skills will continue to be essential. However, organizational and management skills will become increasingly important as companies get larger. The growth of multimedia will also require workers with artistic and graphic design skills. Silicon Valley faces a daunting but critical challenge: to identify and teach the skills that our children will need to flourish in the economy of the future.

Percent of U.S. Households with a Personal Computer



OPPORTUNITIES FOR ACTION

1 Math and Science Education

Intel ISEF Silicon Valley 2001, a nationally recognized education competition, is one way young people can be inspired to learn about math and science and have fun in the process. Interested parents, students, employers, and educators should visit Intel ISEF's website at www.aea2001.com.

2 Opportunities for Educators

Industry Initiatives for Science and Math Education (IISME) offers teachers an unparalleled opportunity to get real-life experience in a high-tech company to enrich their teaching skills. Opportunities include company tours, paid summer internships, and interaction with industry leaders. To participate, either as a host company or teacher, visit IISME's website at iisme.ucsc.edu or call 408/496-5340.

3 Resource Area for Teachers (RAFT)

RAFT helps teachers and community program coordinators by providing recyclable materials -- everything from empty film cannisters to test tubes -- that can be used in classrooms. To learn how to participate, as a recipient or donor, visit RAFT's website at www.raft.net or call 408/453-1212.

4 Statewide Education Efforts

For information on educational efforts spearheaded by employer and community associations throughout Silicon Valley and much of California, visit SVMG's website at www.svmg.org or call 408/501-7864.

U.S. Department of Housing and Urban Development

Carol Lamont, Community Builder
450 Golden Gate Avenue
San Francisco, California 94102
Phone: 415-436-8129 Fax: 415-436-6446
carol_lamont@hud.gov

Memo

Date: February 9, 1999
To: Financial Services Incentive Program Committee
From: Carol Lamont

Subject: Report on Disparate Lending Patterns in East Palo Alto

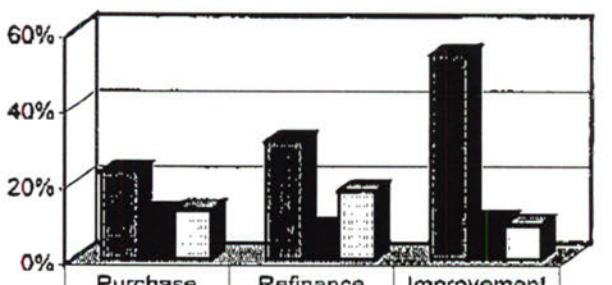
To assist the Committee in its work to improve banking services in the community, the following analysis of publicly available data on home lending patterns is provided. This report examines loan denial rates by area characteristics, and by applicant race/ethnicity and income for home loans throughout San Mateo, San Francisco, and Marin Counties (herein called *the San Francisco region* or *the region*). The analysis demonstrates that applicants for home loans in East Palo Alto are substantially more likely to be denied loans than applicants in the adjacent Willows area of Menlo Park, as well as applicants throughout the region. Other disparate lending patterns are also evident.

The 1997 aggregate Home Mortgage Disclosure Act (HMDA) data indicates that Black and Hispanic conventional home loan applicants at every income level are more likely to be denied home loans than White loan applicants, both in this area and nationwide. Furthermore, loan applications for homes in areas with more minority residents tend to have higher denial rates than areas with lower percentages of minority residents, even when the predominant income levels of area residents are similar.

Home Loan Denial Rates in East Palo Alto

The HMDA data presented in the chart below compares the denial rates for home purchase, refinancing, and home improvement loans in East Palo Alto east of Bayshore freeway, compared with the Willows area of Menlo Park, and the region.

Percent of Home Loans Denied in Three Areas, 1997



	Purchase	Refinance	Improvement
East Palo Alto	23%	31%	54%
Willows, Menlo Park	12%	8%	10%
San Francisco Region	13%	18%	9%

Note that aggregate 1997 HMDA data is not readily available for just San Mateo County. San Mateo County is part of the San Francisco Primary Metropolitan Statistical Area (PMSA), which also includes San Francisco and Marin County. Some 1996 data for just San Mateo County will be cited below in the section comparing local and national home lending patterns.[1] The chart above indicates that in 1997 applicants were substantially more likely to be denied loans for homes in East Palo Alto east of Bayshore Freeway than in the adjacent Willows neighborhood in Menlo Park:

- Applicants for owner-occupant loans in East Palo Alto were almost twice as likely to be denied conventional home purchase loans than in the adjacent Willows area.
- Applicants in East Palo Alto were almost four times as likely to be denied refinance loans than in the adjacent Willows area.
- Applicants in East Palo Alto were over five times as likely to be denied home improvement loans than in the adjacent Willows area.

What is different about these two areas that could result in such different outcomes for home loan applicants? The predominant race, ethnicity, and income levels of these adjacent neighborhoods are different. East Palo Alto east of Bayshore Freeway, including census tracts 6118, 6119, and 6120,[2] has a population comprised of 93% minority residents with incomes averaging from 67 – 81% of the median income for the region. In comparison, just 15% of the residents of the Willows area of Menlo Park west of Bayshore freeway in census tract 6122, are minority and the average area income is 122% of the region median. The different outcomes for borrowers in these adjacent neighborhoods demonstrates applicants have greater difficulty securing financing for homes in East Palo Alto which has both a greater minority population and lower predominant income level than the Willows neighborhood in adjacent Menlo Park.

The experience of borrowers attempting to secure home loans in East Palo Alto is shared by borrowers seeking financing for homes in areas throughout the San Francisco region that have higher percentages of minority residents. The following section provides this regional information and attempts to sort out the relative influence of the predominant area income level and the proportion of minority residents on home loan denial rates.

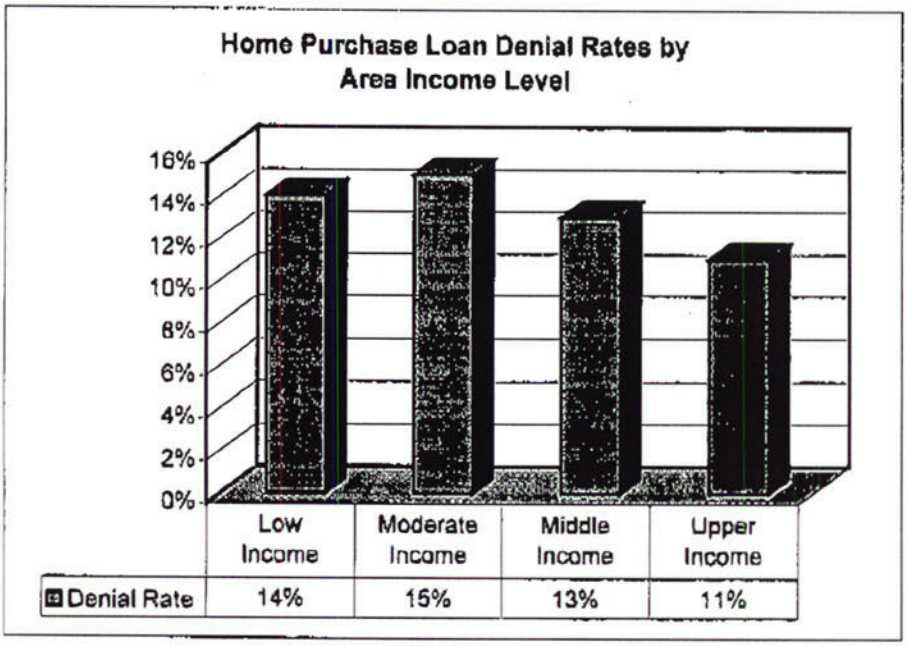
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[1] HMDA requires lenders regulated by certain federal agencies to disclose annually the disposition of all home loan applications, and the characteristics of applicants and the area in which the home for which the loan was sought. Each year lenders must make available directly to the public upon request disclosure reports on their mortgage lending activities. These reports are collected by the Federal Financial Institutions Examination Council (FFIEC) for their member agencies and released in the form of aggregate reports, and individual lender reports via the internet at www.ffiec.gov. The member agencies of the FFIEC include the Comptroller of the Currency, Federal Deposit Insurance Corporation, Office of Thrift Supervision, National Credit Union Administration, and the Federal Reserve System – and the Department of Housing and Urban Development. For each loan application received, lenders covered by HMDA are required to report its disposition indicating whether the loan was denied, originated, approved but not accepted, withdrawn, or closed as incomplete. For most loans, the statements are required to identify the geographic location, usually by census tract. The statements must also provide information about three characteristics of loan applicants: race or national origin, sex, and annual income. The Right-to-Know Network also makes HMDA data available in their Housing Database at www.rtk.net.

[2] Census tract 6121.98 is split between Menlo Park and East Palo Alto and so is not included in the analysis for either area. The loan denial rates for this census tract are considerably better than for those tracts east of the Bayshore freeway. In 1997 13% of the home purchase loan applications, 18% of the refinance applications, and none of the four home improvement applications were denied. Sixty-four percent of the residents in this area are minority and the average income is 58% of the region's median income.

Loan Denial Rates by Area Characteristics

Loan denial rates vary considerably by the characteristics of the area in which the subject property is located. The following chart illustrates the denial rates for home purchase loans based on the predominant incomes of those residing in the area in which the subject property is located. Home loans of all types in the San Francisco region are generally more likely to be denied in low and moderate income areas than in areas with predominantly middle and upper incomes.[3]

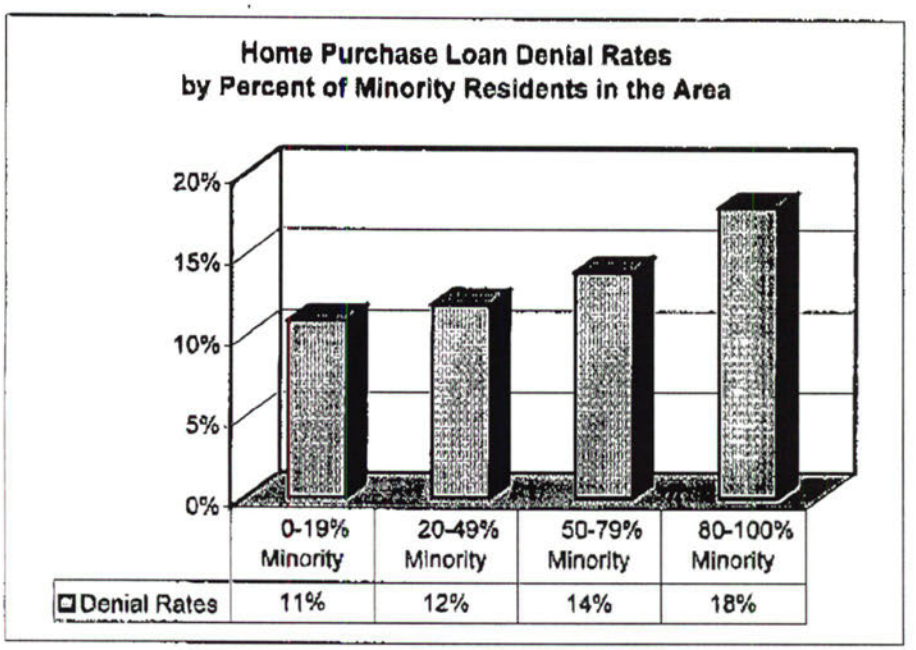


Residents living in East Palo Alto neighborhoods east of Bayshore Freeway have predominantly low and moderate incomes of 67-81% of the median income established for this region by HUD. The home purchase loan denial rate is 23% compared to the average of 14% for all low income areas and 15% for all moderate income areas throughout the San Francisco region.

The following chart illustrates how loan denial rates for home purchase loans in the San Francisco region differ based on the percentage of minority residents living in the area in which the home is located. The greater the percentage of minority residents in the area, the more likely the loan to purchase a home will be denied. Similar patterns also exist for home improvement and refinance loans. Note by comparing the chart below with the chart above that the 14% denial rate for homes in low income areas is the same as the denial rate for areas in which 50-75% of the residents are minority, and that it is less than the 18% denial rate for loans sought to purchase homes in areas with 80% or more minority residents. This suggests that the loan denial rate may be more strongly associated with the proportion of minority residents in the area than the area income level for the subject property.

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[3] *Low income* areas are defined as those in which the predominant income level is less than 50% of the area median; *moderate income* areas are those in which the predominant income level is 50-79% of median income; *middle income* areas are those in which the predominant income is 80-119% of median; and *upper income* areas are those in which the predominant income is 120% or more of the median income for the San Francisco region. The term *lower* income is used to refer to low and moderate income areas combined.



Loan requests to purchase homes in predominantly minority areas with 80-100% minority residents were 1.7 times as likely to be denied as loans in White concentrated areas with less than 20% minority residents.

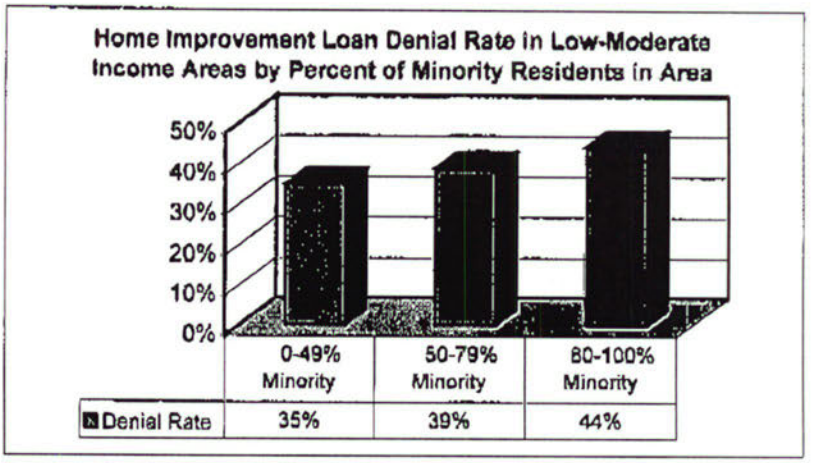
- In 1997, there were a total of 32,457 loan applications reported for the entire San Francisco region for the purchase of homes. Just 2,129 or 7% of these applications were for the purchase of homes in areas in which 80-100% of the residents of the area are minorities.

- Applications for the purchase of homes in East Palo Alto neighborhoods east of Bayshore Freeway accounted for 241 or 11% of all loan applications and 15 % of the loans denied in these predominantly minority areas in 1997.

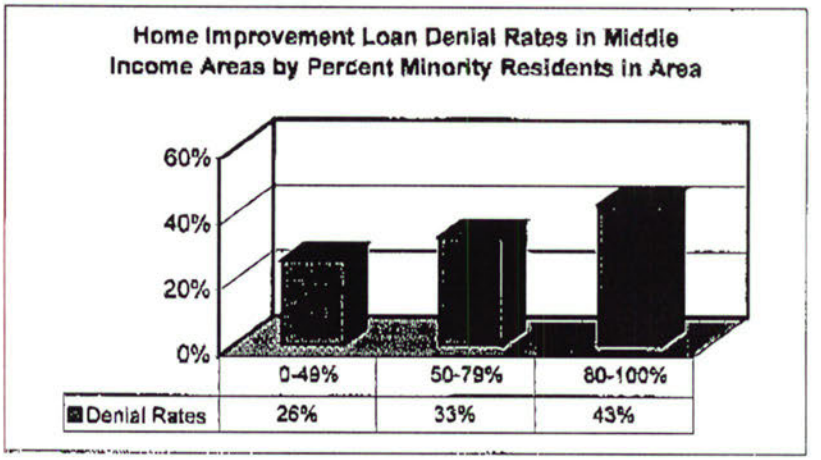
The following section considers the regional lending patterns for low and moderate income areas and minority neighborhoods to examine how the loan denial patterns identified in East Palo Alto compare. The inter-relationship of the minority composition of an area and the predominant area income level are examined using cross tabulations of HMDA data.

The series of charts below illustrate that when comparing areas of similar predominant income levels, loan denial rates increase as the percentage of minority residents in an area increases.

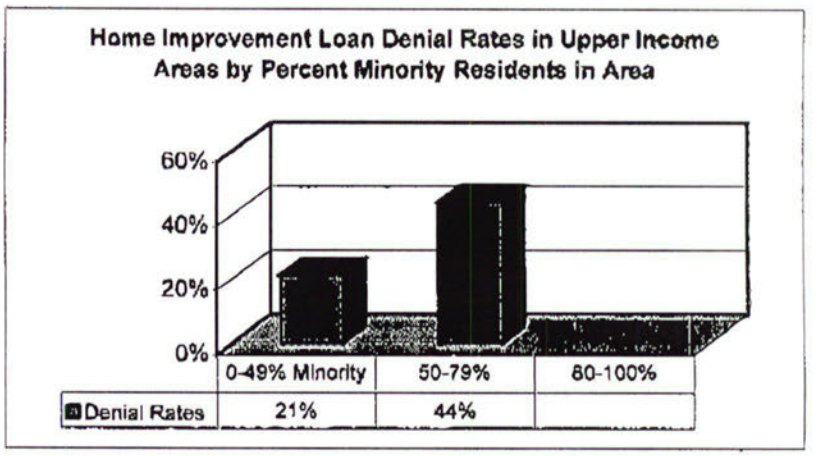
Denial rates are highest in low and moderate income areas. In lower income areas with more than 80% minority residents, applicants for home improvement loans were 1.3 times as likely to be denied loans as in lower income areas with less than half minority residents. The 54% denial rate for residents seeking home improvement loans in East Palo Alto, a low-moderate income area with 93% minority residents, was even higher.



The disparity in denial rates by race is greater in middle income areas than in lower income areas. In middle income areas with more than 80% minority residents, applicants for home improvement loans were 1.7 times as likely to be denied loans as in middle income areas with less than half minority residents.



The differences are even greater in upper income areas. Applicants seeking home improvement loans in areas with more than half minority residents, were more than twice as likely to be denied loans as in areas with less than half minority residents. Note there were no homes in upper-income areas for which loan requests were submitted that had more than 80% minority residency in the San Francisco region.



The dissimilarities in denial rates among areas with similar income levels that have differing levels of minority residents is apparent for home purchase, home improvement, and refinance loans. HMDA data presented in the table below documents that loan denial rates for areas with *similar income levels*, increase substantially as the percentage of minority residents in the area increases for all types of loans.

Denial Rates of Applications for Home Purchase and Improvement Loans by Minority Concentration and Income Level of Census Tract of Property, San Mateo, San Francisco, and Marin Counties, 1997

Area Income / Minority Percentage	Home-Purchase Loans		Home Improvement Loans	
	Applications	Denials	Applications	Denials
Lower-Income Areas		↓		↓
0-49% Minority	1,459	13%	256	35%
50-79% Minority	2,579	15%	518	39%
80-100% Minority	1,233	19%	444	44%
Middle-Income Areas				
0-49% Minority	8,908	12%	2,095	26%
50-79% Minority	3,760	14%	1,295	33%
80-100% Minority	896	17%	383	43%
Upper-Income Areas				
0-49% Minority	13,508	11%	2,817	21%
50-79% Minority	107	22%	55	44%
80-100% Minority	0	-	0	
Total for All Areas	32,450	13%	7,863	29%

Analysis of this data indicates the disparate loan patterns evident in East Palo Alto apply in other areas in the San Francisco region in which the percentage of minority residents is more than half, regardless of the predominant income level of the area. For some loan types the situation is worse in East Palo Alto, however. The following patterns emerge:

- The loan denial rates experienced by applicants attempting to purchase or improve homes in East Palo Alto were substantially higher than the rates experienced by applicants in the other areas cited above regardless of the area income levels or percentage of minority residents. While 24% of all applicants seeking to purchase homes in East Palo were denied loans, the denial rate for other areas in these Counties ranged from 11% to 22%; and while 54% of all residents seeking loans to improve homes in East Palo were denied loans, the home improvement loan denial rate for other areas ranged from 21% to 44%

- While not shown in the table above, the 31% denial rate for owners seeking loans to refinance their home in East Palo Alto is slightly lower than the 33% denial rate experienced by owners in other low and moderate income areas in which the residents are predominantly minority.

- Loan applicants attempting to purchase, improve or refinance homes in upper income areas in which more than half the residents are minority were twice as likely to be denied loans than applicants in upper income areas with less than half minority residents. (For example 29% of

applications to refinance homes in upper income areas with 50-79% minority residents were denied compared to 14% of applicants in upper income areas with less than 50% minority residents.)

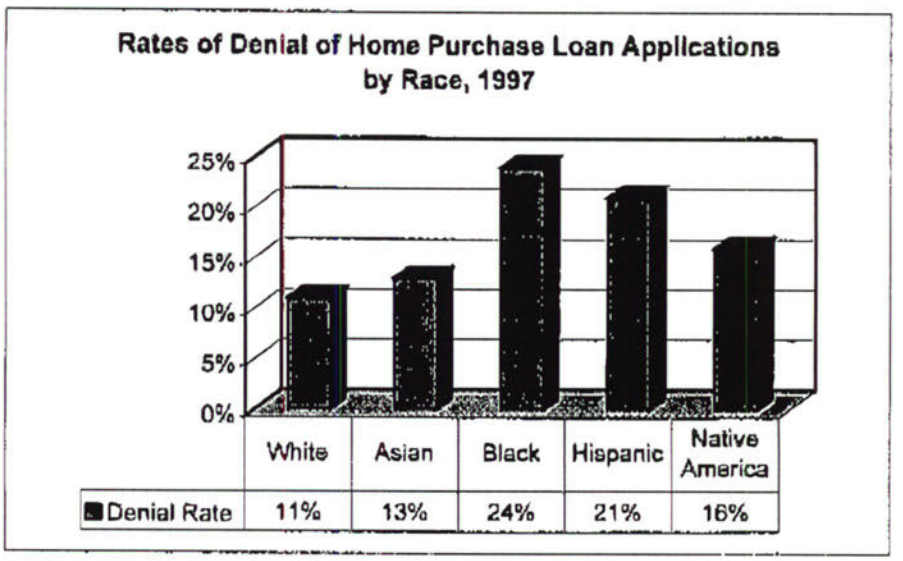
- The percentage of all home improvement applications that were submitted for homes in predominantly minority areas with 80-100% minority residents was 11%; the percentage of all refinance loans for homes in predominantly minority areas was 9%; and the percentage of all home purchase loans that were for homes in predominantly minority areas was 7%.

- Loan denial rates overall, and for predominantly minority areas, are highest for home improvement loans, which are typically second mortgages.

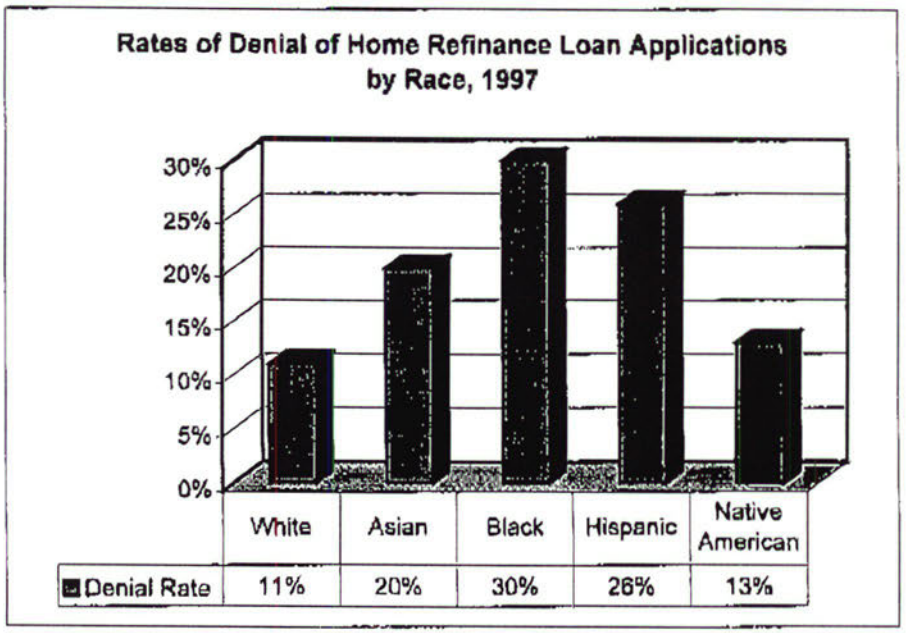
- Overall there were far fewer applications for home improvement loans than for home purchase and refinancing loans.

Loan Denial Rates by Applicant Race/Ethnicity and Income

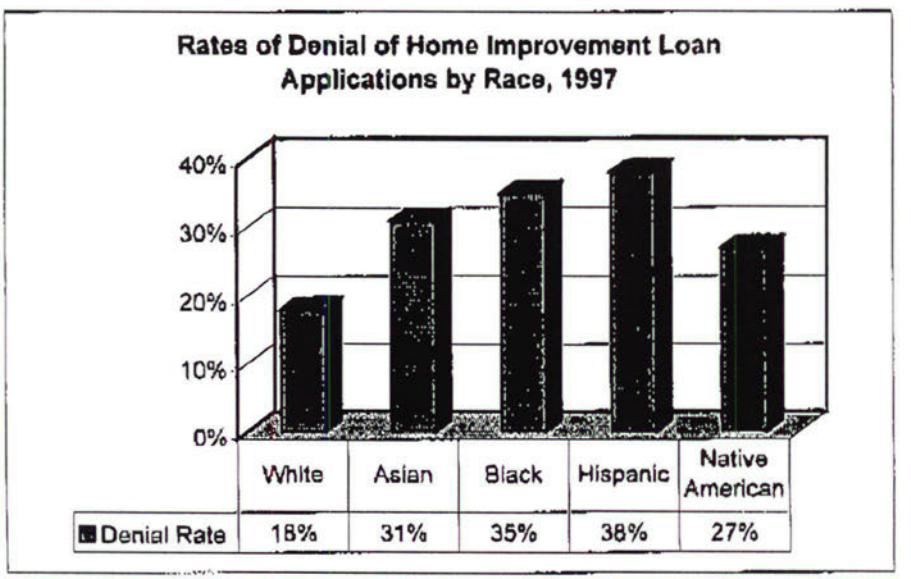
The disparities evident in loan denial rates for homes in predominantly *minority areas* are also evident in the denial rates for *minority applicants*. The following three charts provide 1997 denial rates for various types of home loans by the race/ethnicity of the applicant for the San Francisco region.



Note in the charts above and below that Black applicants experienced the highest loan denial rates for home purchase and refinancing loan requests in this region.



The HMDA data presented in the chart below indicates that Hispanic applicants experienced the highest denial rates for home improvement loans.



- The 1997 HMDA disclosure statements indicate that Black and Hispanic applicants for home purchase and improvement loans are about twice as likely as White applicants to have their loans denied.

- Black applicants experienced a loan denial rate for home refinance loans of almost three times the rate of White applicants.

The HMDA data reveals that loan denial rates vary not just by the race and ethnicity of applicants, but also by the income levels of applicants. Within each racial/ethnic group, those with lower incomes are more likely to be denied home loans.

- When comparing loan rejection rates within the same income level, Black and Hispanic applicants are more likely to be denied loans than White applicants.

- Asian and Pacific Islander applicants seeking home improvement loans and refinance loans also experience very high denial rates. Asian home purchase loan applicants with low, moderate and middle incomes experience denial rates similar to White applicants, while very low and upper income Asian applicants experience somewhat higher loan denial rates when purchasing homes than Whites.

The following table provides the loan denial rates for home purchase, home improvement, and home refinance loans in these counties by the race/ethnicity and income level of the applicants.[4]

[4] *Very low income* is defined as less than 50% of the area median income; *low income* is between 50-79% of the median; *moderate* is 80-99% of the median; *middle* is between 100-119% of median; and *upper income* is 120% and over of the median.

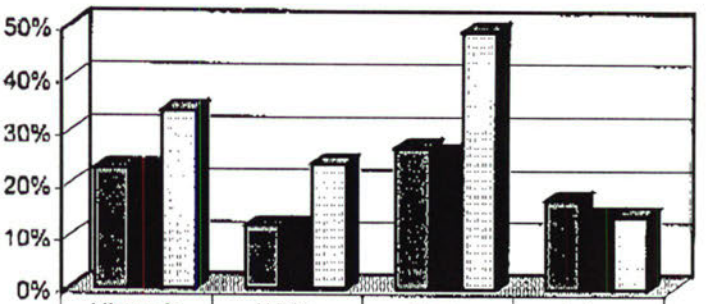
Denial Rates for Home Purchase, Home-Improvement and Refinance Loans for 1-4 Units by Income Level and Race/Ethnicity of Applicant, San Mateo, San Francisco, and Marin Counties, 1997

	White	Asian	Black	Hispanic
Home Purchase Loans				
Very Low Income	21%	24%	43%	43%
Low Income	16%	16%	25%	23%
Moderate Income	13%	12%	28%	19%
Middle Income	12%	12%	23%	16%
Upper Income	9%	11%	21%	19%
Home Improvement Loans				
Very Low Income	22%	53%	33%	50%
Low Income	26%	44%	41%	39%
Moderate Income	22%	28%	19%	31%
Middle Income	21%	29%	25%	33%
Upper Income	15%	24%	40%	34%
Home Refinance Loans				
Very Low Income	19%	34%	32%	31%
Low Income	16%	22%	31%	26%
Moderate Income	14%	22%	33%	21%
Middle Income	15%	20%	30%	28%
Upper Income	12%	17%	30%	26%

Comparison of Local and National Home Lending Patterns

The pattern of different outcomes for home loans among racial groups within the same income level in the San Francisco region parallels the trends identified in national studies, except the loan denial rates overall are much lower in this region than in the country. The chart below compares the denial rates for conventional home purchase loans in 1996 in San Mateo County by race and ethnic origin of the applicant, with the denial rates for the region and nationwide.

Comparison of Home-Purchase Denial Rates in San Mateo County, the San Francisco Region, and the United States by Race and Ethnic Origin, 1996



	Hispanic	White	Black	Asian
San Mateo County	23%	12%	27%	17%
San Francisco Region	23%	12%	26%	14%
Nationwide	34%	24%	49%	14%

- While the home purchase loan denial rate for Asians nationally and throughout the region was 14%, in San Mateo County it was 17%.

- Both nationally and in San Mateo County, Black home purchase loan applicants experienced the highest loan denial rates of all racial and ethnic groups. The denial rate for Black applicants in San Mateo County (27%) was slightly higher than the denial rate for Black applicants in the region (26%). The home loan denial rate reported for Black applicants in San Mateo County was just over half (55%) of the denial rate for Black applicants nationally.

- On average, Hispanic home purchase applicants fare somewhat better than Black applicants in this County and the region. The loan denial rate for Hispanic applicants in the County was just over two-thirds (68%) of the denial rate experienced by Hispanics nationally.

- Both nationally and locally, White loan applicants experienced the lowest loan denial rates. The loan denial rate for White applicants in the County and the region was half the denial rate experienced by Whites nationally.

A national report released by Federal Financial Institutions Examination Council (FFIEC) in March 1998 that studied various factors that may contribute to the disparity in home loan denial rates for racial groups was inconclusive. This study concludes that multiple factors are apparently responsible for the persistent disparities observed among the races. The factors that have been studied, such as the growth in the government-backed mortgage market (FHA, VA, and Farmers Home Administration), the growth in manufactured housing and sub-prime lending, and a rise in the incidence of multiple applications from individual borrowers, do not fully explain the great disparities. For example, some have suggested the disparities in denial rates stem largely from the increase in those relying on the sub-prime market and lenders of manufactured housing loans because these lenders have significantly higher denial rates than conventional lenders. The FFIEC report demonstrates that while these lenders do have higher denial rates overall, there is *less*, not more, difference in how Blacks and Hispanics fare compared to Whites in sub-prime markets.

- Nationally, the denial rate for both Hispanic and Black applicants to the denial rate for Whites in the manufactured housing and sub-prime loan market was 1.3 for Blacks and 1.1 for Hispanics.

- In contrast, among conventional (nonsub-prime) lenders, the disparity was significantly greater with a denial ratio for Black applicants of 2.3 and Hispanic applicants of 1.8 compared to Whites.[5]

Applicant credit history has been the primary reason cited by lenders nationally for not approving loans since HMDA collection of disclosure reports began in 1990.[6] In the San Francisco region the applicant's debt-to-income ratio was reported as the reason for denial with greater frequency than any other reason for all groups. However, credit history was reported as the reason for loan denials with more frequency for some racial and ethnic groups than others.

- In 1997 lenders in the region cited credit history as a reason for 26% of the loans denied Black applicants, 24% of loans denied Hispanics, 17% of loans denied Whites, and 15% of loans denied Asian/Pacific Islanders.

During the last five years many lenders have shifted from using underwriting standards that leave a good deal of discretion to individual loan officers or underwriters to using approaches, including credit scoring, that leave little, if any discretion to loan officers and underwriters. While these methods of rating loan qualifications may have been initiated to improve consistency and impartiality in the loan decision making process, there is reason for concern that the effect has been an increase in the denial rates for minority applicants. At the same time that lenders have moved to using standardized lending policies, minority denial rates nationwide have increased substantially. For example, the denial rate for Black loan applicants nationwide has increased from 34% in 1993 to 53% in 1997.[7]

To more fully understand the patterns of differential outcomes among racial/ethnic group members applying for home loans in East Palo Alto, and for minorities seeking home loans in San Mateo County, it is necessary to examine the records of individual lenders. It is not enough, however, to just look at the record of an individual lender's denial rates for minority applicants for each loan type. It is possible for lenders, in attempting to reach more under-served populations and areas, to solicit business from more marginal applicants and this conceivably could result in higher, not lower, rates of denials. For this reason, examinations of the record of individual lenders must *also* consider the loan origination rates for minorities, the focus of advertising and outreach efforts, the number of applications received from under-served populations and areas, as well as the policies and criteria used in making loan decisions.

In conclusion, the lending information to be solicited from area lenders through the Financial Services Incentive Program is essential to gain a better understanding of the disparate lending patterns in East Palo Alto. Furthermore, the City's leadership in pursuing this program can produce meaningful change. It can increase home lending and close the homeownership gap for under-served minorities in East Palo Alto and San Mateo County. By inviting greater investment in East Palo Alto, it can create a vibrant multi-ethnic community, and provide banking services residents and businesses can access locally.

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[5] Federal Financial Institutions Examination Council, *Home Mortgage Lending In 1996: An Analysis of Home Loan Growth to Minorities and Denial Rate Patterns*, March 31, 1998, available at www.ffiec.gov on the internet.

[6] Only the Comptroller of the Currency and the Office of Thrift Supervision require this information from lenders they regulate. For other regulators, it is submitted voluntarily, and so the reported reasons for denial are incomplete. Consequently, the reasons for denial are reported for just 63% of all conventional home loan applications in this area.

[7] Fair Lending Alert No.98-9-29, *Disparate Impact and Fair Lending*, Fried, Frank, Harris, Shriver & Jacobson, at www.ffhsj.com/fairlend.

will be many more opportunities for low and moderate income residents to purchase and rent affordable housing in East Palo Alto in the years ahead.

The Challenges to be Overcome: As the City succeeds in it's revitalization efforts, there is increasing concern among residents about a gentrification effect, and fear the community will lose it's multi-ethnic character. While the City's first source hiring policy means local residents have a meaningful chance to improve their incomes, housing costs are increasing at a greater rate than wages.

The tight housing market in the Peninsula is impacting East Palo Alto's housing costs. Home prices here have increased at a higher rate than the County median. The community is also experiencing substantially higher rents since the State ended rent controls on vacant units. The City has regulated rents from the time it was incorporated so this new vacancy decontroll policy is having a significant impact. The community's stock of low cost housing has also declined with the demolition and scheduled demolition of about 300 low-cost housing units as a result of redevelopment activities. Another 75 unit HUD assisted senior housing project has expiring use restrictions and the owners may opt to convert it to market rate. There is concern that with spiraling housing costs and other pressures on the market, local residents will not be able to afford to purchase or to continue renting here.

Experience has shown that providing affordable housing opportunities with priority for local residents does not ensure that local residents are prepared to benefit from these opportunities. For example, while many African American residents applied in 1997 for rental of the 38 new below market rate rental units built by EPA CAN DO and Mid-Peninsula Housing Coalition at the Bay Oaks development, only three of the selected families were African American.

Residents also face barriers in purchasing their first home in the community. Home loan denial rates in East Palo Alto are among the highest in the region, and minority applicants at every income level experience higher loan denial rates than White applicants. The extremely low success rate among those attempting to utilize down payment assistance made available for the purchase of homes in East Palo Alto provides another clear indication that more assistance is needed to help residents purchase homes, even though prices here are still some of the lowest in the County. To date, only two of the 287 local families who signed up in 1997 for a County administered program providing up to $35,000 for down payment and closing cost assistance have succeeded in purchasing homes in the community as of July 1999.

Many local residents have been unsuccessful in renting or purchasing homes because they do not meet criteria pertaining to income-to-housing cost ratios, credit histories, debt limits, and prior landlord references. To improve the success rate, it is imperative that residents be given necessary information and provided assistance in qualifying in time to take the steps needed to better manage credit, reduce debts, address rent payment problems, increase incomes, save for deposits or down payments, and to learn what it takes to be a successful renter or homeowner.

To assist more local residents in qualifying for these upcoming below market rate (BMR) housing opportunities, and to preserve the multi-ethnic diversity of the community, both home purchase and rental counseling and other assistance must be made available as quickly as possible. Home seekers need preliminary individual feedback now on whether and how they might meet the likely selection criteria to secure a loan to purchase a BMR priced home or to rent a BMR apartment when these become available next year. When problems are identified

they need to know what they can do to improve their selection chances. Residents need to have this information in a timely manner so that they can better position themselves to overcome any obstacles that may be identified before they apply for the BMR units.

Existing home owners are also experiencing problems with sub-prime loans, including those with high interest rates and balloon payments. The loan denial rate for residents seeking loans to refinance their homes is almost twice as high as the San Francisco region average, and the home improvement loan denial rate is six times as high as the region average. Counseling is needed to help existing owners afford to keep and maintain their homes in East Palo Alto, including those who are experiencing problems with their current mortgage loans, those who need assistance with debt consolidation and/or budgeting, those struggling with sub-prime loans or loan offers, and those seeking assistance in qualifying for conventional refinance and home improvement loans.

Addressing the Obstacles to Housing: Analysis of available data indicates there are multiple reasons for the difficulties experienced by residents who are prospective homebuyers and renters in East Palo Alto. The major obstacles identified and the actions to be taken by EPA CAN DO to address each are summarized below in answer to the questions of *why* a Housing Assistance Center is needed in East Palo Alto, and *how* it will address these needs. Attachment A provides a more in-depth analysis of each of the obstacles summarized below.

- **Insufficient incomes.** The vast majority of those on the list for down payment assistance have inadequate household incomes to support a mortgage for a home in East Palo Alto even with $35,000 in assistance for a down payment and closing costs. Many residents will have difficulty qualifyng for a below market priced unit. To address this issue:

  1. Extensive outreach will be under taken to encourage interested residents to participate in the housing assistance program and to get on the notification lists for both the below market rate rental and ownership housing opportunities maintained by EPA CAN DO.
  2. EPA CAN DO will publicize the target BMR prices for both the rental and ownership units, the expected maximum eligible incomes, and the range of incomes that might qualify for units at each price point.
  3. Counseling will be provided to help prospective BMR tenants and owners understand the need to build their earning capacity, and stabilize their incomes. Referrals to local job training programs, educational institutions, and career guidance programs will be provided. Residents will be informed of the City's first source hiring policy and the opportunity to apply for jobs locally.
  4. Participants will learn not only the income needed to qualify for a home loan, and how to anticipate the amount needed for closing costs, but also how to anticipate the cost of maintaining a home as well.
  5. For prospective home buyers, a post-purchase budget will be developed to help determine what home price is affordable based on current monthly expenses, as well as new household expenses after purchase.

6. Individual counseling will include developing and reviewing the household's monthly budget to evaluate spending patterns and possible ways of reducing expenses or reallocating funds.

7. Funds for rent vouchers to supplement the incomes of very low income renters of the BMR units will be sought. These vouchers will be paid directly to the project owner for a limited period to assist families meet income-to-housing cost standards while they increase their earning capacity. This program is modeled after one made available for residents of BRIDGE Housing's Marin City USA project.

- **Greater home loan denial rates for minority loan applicants at all income levels.** Regardless of their income level minority applicants experience higher home loan denial rates than White applicants. Further, home loan applicants in East Palo Alto face higher denial rates than other predominantly low income and minority areas in the region.

1. Homebuyer workshops will be provided to help participants learn how to search for and select suitable homes, and how to make informed loan decisions by learning loan terminology, understanding loan qualification requirements, the loan application and closing process, underwriting standards, loan product choices and the rates and terms available, financing and the real estate transaction process, and the responsibilities of homeownership.

2. Fair housing counseling will be an integral component of the program, and will inform participants of their rights and responsibilities, as well has how to be observant and assertive in securing proper consumer service from real estate agents, appraisers, insurance providers, and lenders.

3. Individual pre-qualification analysis will be provided to participants including an estimate of the mortgage amount for which they can reasonably qualify, the estimated amount of funds needed to purchase a home, information about down payment and other assistance programs available, and help in determining eligibility for these programs.

4. Individual counseling for prospective home buyers will also include assistance in identifying appropriate loan products and lender(s); prescreening applications prior to submittal; assistance with the mortgage application process to answer questions, providing clarification and assistance in communicating effectively with the lender; and coordination with the lender throughout the approval process.

5. Housing counseling programs and individual assistance will also be made available to existing homeowners frustrated with predatory lending practices, those interested in refinancing their loans, or in securing home improvement loans. Low and moderate income home owners seeking home improvement loans will be referred to San Mateo County's Housing Rehabilitation Loan Program.

- **Poor credit reports.** Many residents seeking to purchase homes in the City or to rent the BMR units have not been successful because of their credit record. A review by San Mateo County Housing staff of those applicants for down payment assistance that appeared to be income eligible for the program, suggests that 24% have inadequate credit records, 33% have questionable records, and 38% appear to meet standard credit criteria for a home loan.

1. To help families assess their credit worthiness for a home loan or for rental of a BMR unit credit reports will be secured at the very beginning of the process. Participants will receive credit reports from three agencies and assistance will be provided in explaining how to read the reports, how to challenge inaccurate or outdated information, and how to report new positive information.

2. By concentrating on household budgeting and credit issues up-front, prospective home buyers will be able to evaluate whether homeownership is currently feasible before attending the workshops or proceeding with a loan application. Inadequate debt-to-income ratios and credit problems are major reasons for declined loan applications. This aspect of the program is designed to encourage participants to correct or begin to re-establish creditworthiness, to build earning capacity, and to foster the financial discipline necessary to maintain credit and assume the responsibilities of homeownership.

3. Individual counseling will be provided to help participants improve their credit. For those with poor credit histories, individual credit counseling will be provided in East Palo Alto by Consumer Credit Counseling Service of Santa Clara Valley, Inc. (CCCS) to help participants develop payment schedules, negotiate workout plans, and to take steps necessary to improve their credit standing. If the credit problems seem possible to resolve, these participants will be encouraged to go the home-buyer workshops. If the credit issues are more serious, participants will be provided extended credit counseling; for these families the home buyer training is premature, though they may complete it later.

4. Funds will be sought to assist selected BMR rental participants with one time matching funds to reduce their debts and back payments to an acceptable level when there is no indication of an abuse of credit.

5. Prospective homebuyers with a history of poor credit who have participated in a CCCS Debt Management Program for a minimum of 12 - 18 months will be referred to special credit variance loans, such as the Fannie97 or Fannie 3/2 Option mortgage loan. These credit variance loan products feature down payments as low as 3%, and ratios up to 31/33 if the mortgage payment would be lower than the current housing expense and the borrower has made rent payments in a timely manner.

6. Existing home owners with a poor credit history who have participated in a CCCS Debt Management Program will be referred for special credit variance programs to refinance their home. For example, referrals may be made to a Fannie Mae participating lender for refinance options that allow homeowners to take advantage of lower interest rates and reduce their monthly payments. Refinance loans with no cash out and up to 95% loan-to-value ratios are allowed, as well as limited cash-out refinance loans up to 65 %, and cash-out refinance loans up to 65% loan-to-value ratio.

- **Poor rent payment records.** Many applicants for BMR units in the Bay Oaks development were rejected for poor rent payment records and negative landlord references.

  1. Participants will be counseled on the need to develop and maintain positive landlord/tenant relations. Advice on housekeeping standards, and how to properly request repairs will be provided.

U.S. Department of Housing and Urban Development
Carol Lamont, Community Builder
450 Golden Gate Avenue
San Francisco, California 94102
Phone: 415-436-8129 Fax: 415-436-6446
carol_lamont@hud.gov

Notes on Housing and Community Development Issues in East Palo Alto
April 30, 1999

For years new housing development rarely happened in East Palo Alto. Over the last decade just 92 new housing units have been built in the City. In recent years EPA Can-Do, a local nonprofit housing development corporation, has assisted on its own and jointly with other developers several assisted housing projects. Now EPA Can-Do is struggling for survival because it is fast running out of operating funds. HUD is working to provide operating assistance, contingent upon the agency presenting plans showing it can succeed.

Housing Demolition and Relocation

As a result of two redevelopment projects, several large apartment complexes have been or are about to be demolished. This means that hundreds of extremely low income families are being relocated without adequate alternative housing in the area to accommodate them. It also means the City has an obligation, under California redevelopment law, to provide relocation benefits and to assure replacement affordable housing is built.

- Redevelopment is resulting in the demolition of 350 units; these are mostly apartments that rented to extremely low income families. The City has struggled to secure funds for the relocation payments required by State redevelopment law. Because of the tight housing market, most displaced residents are having to move out of the City.

- In addition, scheduled demolition to make way for redevelopment of the University Circle project area into a new office and hotel complex is forcing the relocation or closure of many local businesses and about a half dozen nonprofit service agencies. There is a lack of existing buildings available to accommodate these uses in the community.

Assisted Housing At-Risk

There are two assisted housing projects in East Palo Alto at risk of losing affordability and the displacement of residents:

- Runnymede Gardens is an existing 75 unit senior low income housing development whose rent subsidy contract with HUD expires next February, 2000. EPA Can-Do, as well as other nonprofit developers, are interested in purchasing this housing complex to maintain its affordability.

- The Light Tree Apartments, which is being purchased by Citizens Housing, is a 93 unit low rent project with expiring HUD subsidies. HUD's project-based Sec. 8 contract is to be renewed annually. Citizens Housing will work with EPA Can-Do to upgrade the property, and improve services for residents.

New Housing and Below Market Rate Units

Several new housing developments with affordable units are underway and others are at various stages in the pipeline for consideration:

- EPA Can-Do and Mid-Peninsula Housing Coalition recently completed Bay Oaks, a 19 unit assisted rental housing development in East Palo Alto, and Habitat for Humanity constructed 24 units that were sold to very low income first-time home buyers.

- EPA Can-Do is completing the renovation of Clarke Avenue Apartments, a 15 unit rental development that will provide affordable housing as a result of foundation grants and favorable financing.

- On May 1, a ground breaking celebration is scheduled to kick-off the construction of 217 new homes for sale adjacent to the new Ravenswood Retail Center. This project includes 22 units to be sold at below market prices.

- In addition, EPA Can-Do and BRIDGE Housing are jointly developing 129 new rental units that will include 65 below market rate apartments. The below market rate units are desperately needed, and will count towards the City's outstanding replacement housing obligation.

- Nonprofit developers, including Habitat for Humanity, are looking at several other sites to build affordable housing. One site that has already been acquired by EPA Can-Do may be developed with a family resource center and some affordable housing units.

- The City also requires all new housing developments to include 15% of the units at below market rents or sale prices to address local housing needs. Several development plans now under review by the City are subject to this requirement. As the City approves new developments, this policy will provide a way for some local residents to secure affordable housing.

Comprehensive Assistance Needed

Additional effort by State, federal and County agencies, working with nonprofit organizations, can make a tremendous difference in creating a better future for this impoverished community and its residents. Technical and capacity building assistance are needed in addition to capital and service grants.

- A recently launched strategic planning process is underway to form a vision for the community's future, to identify priority issues, and to undertake early action initiatives.

- HUD is providing technical assistance to develop a business assistance program in East Palo Alto. A consultant has been hired with a foundation grant to survey all existing local businesses to identify their issues, needs and capacity. Community Builders hope to work with SBA and lenders to tailor a program to address the needs identified.

- OICW, a local job training program, is applying for a Youthbuild grant to train high school drop-outs in housing construction on a Habitat for Humanity project in Redwood City.