

# Incorporation drive gets caution flag

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The proponents of Aptos incorporation received a small setback yesterday when the county's Local Agency Formation Commission delayed for another month issuing guidelines for a feasibility study of the proposed new city.

Such a feasibility study is one of the necessary steps before LAFCO commissioners decide if they will let Aptos residents vote on whether or not to form a city.

"It puts our timetable back," said incorporation supporter Grover Haines. "Now our consultant can't start work for at least another month."

LAFCO commissioners, in particular supervisors Gary Patton and Robley Levy, who represent the county on the five-member commission, said they wanted a lot of detail on the financial feasibility of the proposed city.

They remained uncertain, however, as to how much detail it was reasonable to require, after listening to conflicting testimony on the matter during a public hearing.

Patrick McCormick, executive director of LAFCO, had suggested the incorporation group make a 10-year financial projection for the proposed city.

But Terry Stigall, assistant finance officer of the city of Watsonville and an Aptos resident, told LAFCO it was virtually impossible to make realistic financial projections for that far in advance.

"Anything beyond the third or fourth year is in the fog," Stigall said.

On the other hand, Norman Kaplan, another Aptos resident, said it would be prudent to prepare as detailed a financial analysis as possible. He said an itemized listing, right down to how much the proposed city would spend planting trees annually, should be required.

Commissioners indicated they were leaning toward requiring such an itemized listing.

New cities receive special funding from the state which drops off after seven years or so, said Patton.

"You need to find out if financing this potential city will depend on changing existing land uses," Patton said. "(Low revenues) are what drive cities to do things like pave over open spaces to put in car dealerships."

Patton also said, "I'm a little embarrassed not to be expediting this today, but it's better to go prudently and slowly."

At his recommendation, LAFCO commissioners Levy and Santa Cruz Mayor Mardi Wormhoudt will work with McCormick to design guidelines for the feasibility study. Those guidelines should be prepared by LAFCO's next meeting in early March, Patton indicated.

William Zion of Lafayette, the consultant hired by the incorporation proponents to perform the study, said Santa Cruz County was apparently going to require far more detail than he had ever had to produce for an incorporation study anywhere else.