

Watsonville - Annexation

# Franich decision goes to state

By STEVE SHENDER  
and TOM LONG  
Sentinel staff writers

8.30.88

**WATSONVILLE** — The fate of Tony Franich's proposal to develop his 72-acre apple orchard now goes to the state Legislature.

As a result of a failure to reach agreement between this city, which has been trying to annex the orchard for most of this decade, and the Local Agency Formation Commission, legislators will decide in the next two days whether to pass a bill allowing the Franich annexation.

The City Council voted Monday night to reaffirm an agreement it sent to LAFCO late last week in the form of a 'memorandum of understanding' and reject LAFCO's final draft of the memo.

The council action came after LAFCO, which met Monday morning, rejected two key city-proposed changes in the memo. The commission also added new language that City Manager John Radin later charged would render the agreement meaningless.

LAFCO refused to accept a city-drafted clause barring the commission from considering any property other than the

Franich parcel for annexation, unless it could be shown that annexing other land would provide the city the same "financial resources" for public services as the Franich annexation would.

They also balked at a city proviso to extend the agreement to cover future annexation applications for the Franich property, if LAFCO were to permit the city to annex only part of the orchard. Commissioners said any subsequent Franich annexation application should be treated no differently from other proposals.

Commissioners also tacked on a state-

ment that the agreement with the city would be "governed" by the "relevant provisions of state law in existence" when the agreement was reached.

Radin said Monday night that such a provision would "void" the rest of the agreement, because changes in state law since 1981 — when LAFCO first approved the Franich annexation — would make the annexation impossible today.

"LAFCO's addition of this last paragraph makes all the work of these past few weeks a waste," said Councilman Rex Clark, who had attended negotiations over the wording of the agreement. "They've

gone back on their own agreement."

The five-member commission, which normally has the final word on local political boundary changes, voted 4-0 to reject the city's proposed changes and send its own revised agreement back to the council. Mayor Betty Murphy, one of two city representatives on the commission, abstained.

LAFCO's revised memorandum represented the commission's last offer to the city in the face of a midnight tonight deadline imposed by the Legislature, which adjourns Wednesday.

Please see **DECISION** — A16

## Decision/ Watsonville, LAFCO fail to reach deal

Continued from Page A1

Gary Patton, one of two county supervisors on LAFCO, complained Monday that the city's proposed memo wording was intended to make it next to impossible for the commission to seriously entertain alternatives to the Franich annexation. "Watsonville is trying to severely constrain (our) ability to look at other alternatives," he said.

And indeed, the council was frank about its concern that LAFCO would try to substitute undeveloped land near Buena Vista Drive for the Franich property. According to Radin, the city would have to make major improvements to its water system to be able to service that area.

The controversy over the orchard is long and involved. Franich wants to develop the property because his apple trees have died. The city wants to annex the property to accommodate more housing and to correct a major drainage problem that has plagued the town for years.

LAFCO is worried that the annexation would infringe upon prime agricultural land surrounding Watsonville.

After years of legal wrangling and red tape, state Sen. Henry Mello, D-Watsonville, interceded in the matter earlier this summer. He tried to force LAFCO and the city to reach a deal by proposing legislation that would take the matter out of local hands.

The issue's political focus now shifts to Sacramento, where the Senate and Assembly are poised to act on a bill drafted by Assemblyman Dan Hauser, D-Arcata, authorizing the annexation.

The bill is two-pronged. It stipulates that if the city and LAFCO had agreed by midnight tonight, any deal would have supplanted the rest of the bill. But because the bill provides that if no agreement is reached, Hauser's original measure, authorizing the city to annex the Franich orchard, can be approved. Under both versions, the city would be required to enact a citywide affordable-housing ordinance before it could annex the Franich land.

Mello has indicated in the past that he would push the measure through the Senate if LAFCO and the city failed to reach a deal. But last week he also indicated that he would ask the Senate to drop the bill if no agreement were reached and it appeared to him that the city was at fault.

Patton and LAFCO Chairman Robert Garcia took pains Monday morning to stress that the commission was doing its best to "accommodate" the city.

Mello, meanwhile, said from Sacramento that he would "look at two things — who showed the greatest willingness to reach agreement, and what were the issues that kept them from reaching agreement."