

# City not giving up on Franich issue

There may still be some fight left in the city of Watsonville after losing two major court battles over annexation of Tony Franich's apple orchard.

The city took it on the chin in July when the state Supreme Court refused to hear its appeal of a ruling by the Court of Appeal. That essentially killed a decision by the Local Agency Formation Commission five years ago to approve the annexation of 72 acres along East Lake Avenue.

Now the dispute has focused on a forthcoming court order that will govern the process for a renewed annexation effort. The form the order takes could mean the difference between speedy approval or a lengthy and possibly difficult annexation process.

At a meeting today with Superior Court Judge Bill Kelsay, Watsonville City Attorney Don Haile and Resource Defense Fund attorney Tom Brown were to propose different versions of the court order, LAFCO executive director Pat McCormick said.

It is up to Kelsay to decide the form of the order because the appellate court did not issue one, McCormick said.

The Resource Defense Fund, the environmentalist group that successfully argued that the original environmental review of the annexation was incomplete, wants the city to start at the beginning of the lengthy annexation process, McCormick said. The city wants to simply amend its environmen-

tal impact report and proceed to LAFCO for approval, he said.

By simply amending its EIR, the city could get LAFCO approval in as soon as four months, McCormick said.

Should the city start at the beginning of the process, it would have to renegotiate a deal with Santa Cruz County over the division of property taxes. The county loses revenue when cities annex land.

It would also mean a policy adopted by LAFCO since its original approval of the annexation could be enforced, and thereby further delay the annexation for years.

Since the original 1982 decision, the LAFCO board has decided it will not allow annexation of agricultural land within the city's "sphere of influence" until all the vacant land is used up, McCormick said.

The sphere of influence is the area outside a city's limits that LAFCO determines may eventually be annexed.

Since the city doesn't anticipate residential build-out until 1990, and hundreds of acres of industrial and commercial land remain undeveloped, the policy would cause a major delay, McCormick said.

City Attorney Haile was not available this morning to comment.

But the Resource Defense Fund's Brown said yesterday he hopes the city will give up the fight.