

L AFC - (Local Agency Formation Commission)

L AFC To Weigh 41st Avenue Issue

By Wallace Wood
Sentinel Staff Writer

Live Oak will focus its attention tomorrow on proposals by Santa Cruz and Capitola to carve up sections of the area in future years and swallow them inside city boundaries.

Representatives of both cities are expected to appear before the County Local Agency Formation Commission and argue their cases for the best slices of the Live Oak pie.

The L AFC will decide later who gets what. The agency has control over all city annexations and has asked both cities to declare their intentions.

The future boundary line plans for both cities clash in the 41st Avenue area.

The L AFC meets at 10 a.m. in supervisors' chambers in the County Center at Ocean and Water Streets. The city boundary issue is the last item on the agenda.

An annexation to Capitola in the 38th Avenue area is the first item.

Another meeting to let Live Oak speak for its

own future is set for March 19. One alternative mentioned is cityhood for Live Oak itself.

Only Santa Cruz and Capitola representatives will be allowed to speak tomorrow.

No decision on which city gets the plum—the tax rich 41st Avenue area—is expected tomorrow or next month.

Ed Hanna, L AFC executive officer, said Monday he will make a three-pronged recommendation to the commission:

- The L AFC can give certain sections to either Santa Cruz or Capitola for future annexations—or can decide it should remain in the county.

- No action can be taken for some time, and the buck can be passed to a special consulting firm to decide which area should have what. In other words, a delay.

- The two cities can be ordered to work out a split of the plum by deciding which will get what share of the sales tax revenue from Sutter Hill and other shopping areas. Then a complete annexation of Live Oak might not be necessary for either city

to enjoy 41st Avenue's tax benefits.

Whatever decision is reached, Hanna said it should be done on what is best for the area involved. "It's a matter of how urban services can best be provided and by whom. Who will provide sewer, water, storm drainage, police and fire protection and all the rest?"

It would also be unfair, Hanna said, to give the delicacies such as Sutter Hill to one city and stick the other city with the unprofitable task of annexing large amounts of residential area. Residential areas often require more services than they pay for in taxes, the L AFC chief indicated.

On the other hand, Sutter Hill's shopping center is expected to contribute \$200,000 or more in local taxes alone when fully developed, and the entire 41st Avenue area may provide over \$500,000 yearly in sales taxes.

Live Oak Improvement Association is expected to take a position for or against annexation before the L AFC's March meeting, and other Live Oak groups will be asked to present information to the L AFC on future annexations.