

# Action on two fronts on Franich annexation

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SANTA CRUZ — Amid charges from Supervisor Gary Patton that the state Legislature had reneged on its deal and threatened the local decision-making process, the Local Agency Formation Commission agreed Wednesday to begin negotiations aimed at resolving the long-standing dispute over the annexation of 72 acres of apple orchard off East Lake Avenue.

Patton said he was upset that Assemblyman Dan Hauser, D-Arcata, had rejected a deal that was struck May 19 in Sacramento, by pushing his bill through the state Assembly Tuesday.

Patton charged Wednesday that the assemblyman's move was a breach of the agreement reached by four key assemblymen, city officials, property owner Tony Franich, and himself.

Assemblyman Sam Farr, D-Monterey, who has jumped into the fray on behalf of the county, has asked that the bill be reconsidered today. Farr's aide, Darryl Young, said Farr hopes to amend the bill to remove any effect on the Franich property.

Meanwhile, in trying to straddle the fence between the north and south county factions on LAFCO, Executive Director Pat McCormick came up with a four-point proposal which the Watsonville City Council essentially supported Tuesday night.

At the LAFCO meeting Wednesday, Patton insisted on re-working a few of the points raised by McCormick, but ultimately the commission endorsed McCormick's plan.

At Patton's urging, the commission decided McCormick and LAFCO chairman Robert Garcia will draft a "memorandum of understanding" that will be submitted to Watsonville City Manager John Radin. The memo will fine tune the procedure to get the annexation process rolling.

"We need to be clear about what needs to be done," said Patton, adding otherwise, Franich and his lobbyist will return to Sacramento and push the full bill through.

While she objected to Patton's insistence that the city wouldn't be involved in writing the memo, Mayor Betty Murphy, a LAFCO Commissioner, agreed to let LAFCO present the draft memo to City Manager Radin. Negotiations will begin between LAFCO and Watsonville at that point.

The commission also decided the Franich annexation will be given "a top priority," but it won't displace work that has already begun on the South County Fire Agency consolidation.

The city will have to do a new environmental impact report, and until that report is completed, LAFCO will not be able start its public-hearing process. In all, the annexation may take another year to complete.

The environmental impact report will explore housing, agricultural lands, traffic, parks, drainage and possible school sites.

Additionally, LAFCO will contact State Sen. Henry Mello, D-Watsonville, and urge him to do "whatever is necessary" to have the Assembly bill sent to a conference committee to be held in abeyance while the local process has a chance to proceed.

## Mello gives money to Hannigan camp

WATSONVILLE — State Sen. Henry Mello, D-Watsonville, paid \$10,000 to the re-election campaign of a powerful state assemblyman who was influential in trying to strike a compromise on the controversial Franich annexation.

The donation to the campaign coffers of Assemblyman Tom Hannigan, D-Solano, was made three days before Hannigan convened a meeting of local and state officials to try to work out an agreement on the thorny issue. The information was contained in Mello's campaign financial statement.

Hannigan, the Assembly Democratic Whip, met May 19 with Watsonville city officials, Supervisor Gary Patton, property owner Tony Franich, lobbyist Fred Taugher, and Assembly members Sam Farr, D-Monterey, Dominic Cortese, D-San Jose, and Dan Hauser, D-Arcata, to try to get a compromise. Hauser sponsored a bill on behalf of Franich that would allow the annexation to proceed without having to go to LAFCO for hearings.

One of Mello's roles as Senate Majority Whip is to funnel money to various state campaigns that may need cash. He has also donated \$10,000 to the campaigns of state Assemblyman Gary Hart, who is running for Congress, and Sen. Dan Boatwright, D-Concord, who's locked in a difficult race to retain his seat.