

# Incorporation Or Annexation? Live Oak On A Collision Course

By WALLACE WOOD  
Sentinel Staff Writer

Incorporation or annexation? These two options are bearing down on a collision course now, and Live Oak is in the cross-walk.

Ivan Netoff, chairman of the Committee on Mid-County Progress said Friday he soon expects to file papers for annexing Live Oak to the City of Capitola "as soon as we get the legalities straight."

The papers should be filed with the Local Agency Formation Commission (LAFC), which will hear the question of incorporating Live Oak on Wednesday.

This puts Live Oak cityhood backers squarely opposite Netoff's group. The Live Oak Citizens Aligned for Local Government (LOCAL-G) is asking the LAFC for permission to start circulating cityhood papers.

LOCAL-G's cityhood proposal comes before the LAFC Wednesday at 10 a.m. It has the backing of LAFC Executive Officer Ed Hanna for an election.

"We're going to fight it to beat hell," says Netoff of LOCAL-G's incorporation attempt.

But the biggest collision probably won't take place at the LAFC hearing Wednesday. Netoff says his group will not object if the commission approves the incorporation petition to clear the way for an area-wide election. Instead, the battles may go on for many months as the petitions circulate.

"Of course I go along with the idea of an election," he said. "If people want to do something, that's fine if they vote to do it. All we will do is stipulate that everything is above board."

But by "above board," Netoff

means LOCAL-G should stop making statements that it wants a city without taxes, and other claims. "It seems they are trying to bamboozle the people into getting a city, and then, wham, down with the taxes."

On the other side of the picture, LOCAL-G has asked "for an end to name-calling," but nevertheless presented some strong arguments against the Mid-County Committee's proposals, as well as the proposals of Santa Cruz and Capitola for annexing Live Oak.

Barbara White of LOCAL-G said her organization is "very pleased" that Hanna recommends an incorporate vote. "But we think it is only logical for people to have a right to vote on this issue."

Mrs. White took issue with some of Hanna's statements in his report to the LAFC, however. She said that Hanna has

used a population figure of 16,000 instead of 14,600 population figure given him by Jim Evans of the county administrative office. "This means there appears to be more people for our property valuation out there, and was used to drag down the per-person valuation to such a low figure."

Netoff observes derisively that "if they are not going to have any taxes, what do they care what Hannah says about property tax assessments?"

Hannah had cited a per-person assessed valuation of about \$1350, based on population.

"His statement that we would have only a minimum services with a maximum legal tax rate is ridiculous," Mrs. White said. "We believe there is a difference in the way people propose to spend money on government. By having a smaller staff and sharing the load, we can offer

excellent services. Scotts Valley proved this."

She added Hanna apparently ignored a county public works memo which said that the three-man road crew proposed by LOCAL-G would just about equal the services offered by the county now.

Netoff's proposal for annexing Live Oak to Capitola parallels LOCAL-G's area of a proposed city. It would go all the way to the Santa Cruz city limits, not just to Rodeo Gulch, Netoff says. "Capitola officials have assured me this will be accepted if we petition them."

Netoff's plan is just the beginning of a program supported by the Committee for Mid-County Progress: creation of a large Mid-County city larger even than the City of Santa Cruz.

Both sides have presented news releases on their positions to newspapers. Excerpts from those statements are on page 26.