

# El Dorado Hills Telegraph

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## Who has got the answer for EDH?

By: *Raheem Hosseini, The Telegraph*

Unlike most Californians, El Dorado Hills residents will be voting on more than just a handful of propositions next week. With the fate of Measure P hanging in the balance, residents of this booming bedroom community will be determining whether incorporation is in their future.

In some form, the nearby cities of Elk Grove, Rancho Cordova and Citrus Heights have all opted for cityhood in the recent past, while Granite Bay has decided to remain an unincorporated part of Placer County.

With the pre-election rhetoric reaching a fever pitch in the final days before election, just how closely does El Dorado Hills compare to those communities that have opted both for and against cityhood?

"There have been immediate benefits of incorporation," said Rancho Cordova Council member Linda Budge, whose participation in her city's incorporation movement dates back to 1978.

Besides improved services and greater public input, Budge points to the benefit of having a city staff that doesn't have to balance the interests of the community with those of the county.

"And for a county like El Dorado, that's really an issue because El Dorado County is so huge."

Elk Grove finance director and Measure P proponent Joe Chinn said there are both similarities and differences among the three Sacramento cities that most recently incorporated - Rancho Cordova, Elk Grove and Citrus Heights.

The findings of the comprehensive fiscal analysis that studied El Dorado Hills' viability as a city showed across the board improvements in police response times and more available money for road improvements in those three cities.

He also said the local control afforded by cityhood has the benefit of matching the services to the particular needs of the city.

But with regard to how El Dorado Hills gets its money and the particulars of the revenue neutrality agreement with El Dorado County, Chinn said, "El Dorado Hills is extremely different."

Both Elk Grove and Rancho Cordova rely more heavily on sales tax revenue, said Chinn, whereas the bulk of El Dorado Hills' money comes from property taxes.

The Sacramento cities' reliance on sales tax revenue is further compounded by the particulars of their respective revenue neutrality agreements with Sacramento county, which siphons as much as 90 percent of Elk Grove's property taxes and increases with property tax growth.



*Traffic congestion and road construction are issues cited by both sides of Measure P. Photo by Philip Wood/The Telegraph*

El Dorado Hills, on the other hand, has to pay less money for a shorter period of time. The only specification regarding where the money comes from is that it be from the city's general fund.

"(It was) just one of those things we had to bite," Phillip Stark, a former Elk Grove city council candidate and pharmacy reimbursement analyst, said of the revenue neutrality agreement with Sacramento County. "Other than that, it worked really well."

But for El Dorado County Assessor Joe Harn, who has been a major opponent of incorporation, Elk Grove and Rancho Cordova serve as examples of the dangers of cityhood.

"We don't want to have an incorporation of El Dorado Hills like Elk Grove or Rancho (Cordova), where they rely financially on extremely fast residential growth, because that's not what the public wants. The public doesn't want fast residential growth in El Dorado Hills. They want to maintain one of the nicest communities in the area," which Harn compares to unincorporated communities like Rancho Murieta and Granite Bay.

Granite Bay entertained thoughts of incorporation in 1989 and 2000, but never seriously considered or studied the matter, said Granite Bay Community Association board member Sandy Harris.

"No one's ever done a (comprehensive) study to see if we have the tax base."

The reason, she said, is because Granite Bay has led a relatively charmed life as an unincorporated part of Placer County, keeping in line with a community plan adopted in 1989 and maintaining a good relationship with the county. "It's because we've been so involved," Harris said.

Granite Bay also has its own fire, water and school district, as well as a municipal area council that chimes in on proposed developments at the county level.

Still, with some recent major changes at the county level - including new supervisors and the departure of the planning director - Harris said she wouldn't be surprised if talk of incorporation starts up again.

As for the idea that incorporation would mean rampant growth in El Dorado Hills, Measure P communication director Greg Jones said if that's the case, then why are the developers siding with the county against incorporation.

"They're spending big bucks to make this thing go away," Jones said, pointing to the recently released campaign financial statements, which show the bulk of the incorporation opponents' monetary contributions coming from major developers.

"The county and developers are fighting this thing tooth and nail," Jones said.

While Stark does lament the surge in commercial development that came as a result of the city's stringent revenue neutrality agreement with the county, he maintains the decision to incorporate was the right one.

"With all the problems we've had, I wouldn't change that. ... Going back to the Board of Supervisors? I mean, forget that," he said.

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