

Data For A Potential New City On The West Side Detailed

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Communities see some analysis on whether it would be feasible for three major communities to form their own local government.

It's been talked about for years; what is the future of the major communities west of the I-5, who currently are governed by Los Angeles County as an unincorporated area?

Stevenson Ranch, Westridge, Castaic and Tesoro are located near the city of Santa Clarita, but they are not within the city. Los Angeles County governs their area, providing for public safety, public works, and just about everything else expected from local government.

However, that doesn't have to stay that way. The communities could theoretically decide if they would like to form their own city, annex into the city of Santa Clarita, or stay unincorporated. Up until now the debate about which is the correct path had been speculative, but Monday night the first piece of independent analysis has been made public, which takes a look at the reality of one option before the residents.

An Initial Fiscal Analysis was recently paid for by Los Angeles County and conducted by an independent firm, Economic & Planning Systems Inc (EPS). The study was presented at Stevenson Ranch Elementary school, and over 200 people were on hand to get the information. It looked at one option; a new city being incorporated consisting of the Stevenson Ranch, Westridge, Castaic and Tesoro communities.

The study aimed to provide residents with an estimation of a new city's financial feasibility, and the preliminary result, according to Richard L. Berkson with EPS, was that yes, a new city could potentially support itself.

While far from definitive, the study presented initial estimations of revenue versus expenditures for the new city.

The first step was to identify potential revenue, which planners predicted could reach \$25 million for a general

fund by the third year. Of that, analysis indicated that the new city could have to take up about \$17.8 million in expenditures, the largest being contracted public safety (\$6.8 million) and public works (\$3.2 million).

Another major expense for a new city could be the road fund, which takes care of road maintenance and construction. It was calculated that the potential new city would take in \$4,531,082 in its third year in road fund revenue, while spending \$7,245,372.

Subtract that overage from the remaining general funds and the new city could be left with about \$4.5 million. That number will likely shrink, however, as a new city would be forced to pay a negotiated amount to Los Angeles County to supplement what the revenue the County lost by not governing the areas. This is called "Revenue Neutrality," and it could vary in term and price depending on negotiations that would take place only if the incorporation process was entered into. But the study estimated that the cost would be roughly \$3 million per year. This could leave the new city with an estimated \$1 million left at the end of the year, although the calculations did include a 5% contingency fund.

Since the calculations are all preliminary, the scales could tip in either direction.

For example, the revenue calculations are based upon sales tax, property tax, public works fees, hotel taxes and others. The first year's revenue projection is based upon the County's 2007 fiscal year numbers, followed by a 15% second-year reduction and then moderate growth in year three. If the economy turns around sooner, tax revenue could be higher.

On the other hand, expenditures could also fluctuate. Berkson cited that one of the largest unknowns is the public safety contract. If a new city was formed, they would have to contract with some public safety group, likely the Los Angeles County Sheriff's Department. Based on level of service or need, the estimated \$6.8 million price tag could go up or down.

Many questions were posed for Berkson and Los Angeles County representatives. Of those, almost all revolved around revenue/expenditure projections, boundary lines and the overall process for moving forward.

Some residents wanted to know if school or Los Angeles County Fire services would be impacted by their decision. Schools would see practically no direct impact, as they are funded by the state. Other county services like public health and fire protection would also continue to be dispersed by Los Angeles County regardless of incorporation, annexation or otherwise.

The boundary lines for the studied area include all of the developed portions of Stevenson Ranch and Westridge, along with Castaic and Tesoro. What the boundaries did not seem to initially reflect were the yet-to-be-built areas of the communities. Residents wondered if those would also be included in the potential incorporation. This could have a significant impact on the future growth of the city, as these new developments offer new opportunities for revenue.

Another popular area of questioning was in regards to the overall process. As it stands now, the communities' town councils are charged with informing the residents of their options. A ballot measure will be introduced in November (along with the school board election), which will ask what course of action the residents would like; incorporation, annexation into the city of Santa Clarita, or no change. The results of that election will be non-binding and used for informational purposes only. Furthermore, the results will be tabulated by community. So if Castaic favored incorporation but Stevenson Ranch favored no change, each community would reflect their own views.

Then, depending on what the public response indicated, plans could proceed in one of three directions:

If the communities favored incorporation, the town councils would circulate a petition and collect fees to be submitted to the Local Agency Formation Commission (LAFCO), the independent body which ultimately gives the green light on governance change. Numerous additional studies would then be conducted in greater detail and presented to LAFCO. If the Commission approves and the residents offer their support, the incorporation will occur, with a transition year set aside to get things started. This entire process would take at least three years.

If the communities favor annexation into the city of Santa Clarita, then a petition would be circulated as well. If a majority of the residents agree to the annexation plan and the City Council approves it, the City would conduct the additional studies and present the case to LAFCO.

If a majority of the residents prove to be content as they are now, then it is unlikely any petitions will be circulated, and governance would stay as is.

So while Monday's information certainly gets the ball rolling, it by no means represents a definitive decision.

"This is the first step of a process that takes us through to a vote, and the vote is not the last step," said Ron Meschner President of the West Ranch Town Council. "The non-binding advisory vote in November is only another milestone. There are a lot of other steps that we'll have to go through as everyone looks at [the options], and sets their direction, and communicates to the City, to the County, and to the town councils, which direction they want to go."

Another meeting covering the same topic matter is scheduled for the Castaic area Thursday at 6:30 p.m. at Castaic Middle School.

The other major direction residents will have to consider, annexation into the City of Santa Clarita, will be discussed at length soon, as a separate analysis is being concluded that weighs the pros and cons of that option. It is not known exactly when this study will be ready, however it is believed that area town councils will set up presentation meetings in regards to this new information in the fall.

To stay up to date with all the information and status of the process, Meschner encourages residents to participate in the Town Council meetings.

The West Ranch Town Council meeting is held the first Wednesday of every month at 6:30 p.m. at the TPC Country Club Newhall Room.

The Castaic Town Council meets the third Wednesday of every month in the board room of the Castaic Union School District (CUSD) at 6:30 p.m.