

Opinion: Developers may no longer control EDC

By Larry Weitzman

Salary and benefits paid to the El Dorado County Community Development Agency now exceed \$30 million a year. It employs about 300 individuals with a number of high-ranking employees being paid \$200,000 a year and many taking home well in excess of \$100,000.

Just type in an employee's name at Transparentcalifornia.com. I did that for the employee who made the Dixon Ranch subdivision presentation at the Feb. 14 Board of Supervisors meeting, Roger Trout. As the Development Services Division director, Trout was paid \$241,000 in salaries and benefits for 2015. For 2016, that number will probably top a quarter million dollars. Big money.



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You can bet that the many of Trout's deputies are paid close to or more than \$200,000 and the CDA department head total compensation for 2015 was \$247,000. The head of long range planning whose title is the assistant director of community development grossed, over \$185,000 in 2015 and the transportation division director was paid \$195,000 in 2015. All those numbers would be up in 2016 when the final 5 percent (of the 15 percent) raise took full effect.

In other words, we spend millions of dollars for the CDA to do its job, of which one is to protect EDC in dealing with new developments. Their job is to make sure new developments pay their "fair share" in the costs and impacts of their development on current county residents and homeowners, especially when the developer wants to change property zoning from low density to high density, as much as 10 times the density as in Dixon Ranch.

Dixon Ranch, which required a general plan amendment to drastically increase housing density and traffic, was denied its proposed subdivision at the aforementioned BOS meeting by a 3-2 vote. The two dissenting supervisors wanted the matter essentially continued off calendar so the developer could "repair" its two essential financial documents, the development agreement and the financial impact analysis, a document that is supposed to show the financial impact to the county and its residents.

CDA's job is to review and negotiate on EDC's behalf to make sure the development doesn't cut county services or impact traffic flows for its current residents. Prior to the BOS meeting these documents were recommended by the CDA as being "adequate," with the county receiving a benefit from the development fees for the more than 600 new homes off of Green Valley Road.

Back in August, EDC's auditor examined the documents (the DA and FIA) and sent email after email that the development agreement was not good for the rest of the county, that the FIA had incorrect assumptions and that the FIA was sorely deficient in its analysis of this development. The auditor, in August, also sent emails to the developer saying the same thing. But that didn't stop the developer from saying at the hearing "the DA and FIA came at us pretty hard" trying to look like he was blind-sided and looking for pity from the BOS. The FIA was admittedly prepared by the developer. They claimed it was prepared by a professional consultant. The problem is that

our CDA who “negotiates” and is supposed to examine and review the document are a bunch of amateurs, highly paid amateurs.

Without boring you with the details of this deal, our new CAO had this to say at the meeting when asked about the sufficiency of the documents and how this development would affect EDC’s position in providing its necessary services to its existing residents: “I have concerns with the financial components of this project. ...The county is taking a risk that I would not encourage. ... If started over, I would do it differently.”

But CDA ineptness is nothing new. Back in May of last year Trout presented to the BOS for approval some 50 units for development in Serrano, but their review was so bad that Trout and the rest of the staff recommended the project not knowing that the development agreement underlying this project had expired eight years ago, and had no force and effect. At the Planning Commission meeting six months’ prior, there was also no mention by the CDA that the DA had expired and they too approved the additional 50 lots. Without a valid existing DA, the Planning Commission and the BOS had discretion to make new demands on the developer for more road money or parks. They were not locked in to the expired DA. A new deal should have been required and renegotiated that would have been much more beneficial to the county. Did anybody lose their job over that deal? Of course not, mediocrity and assisting out of town, west-end developers are the norm for our CDA. There is no penalty for doing a bad job.

There were huge questions over the Green Valley corridor with respect to the Dixon project, but our Transportation Division director, who makes about \$200,000 a year just rubber stamped whatever the developer did. In fact, the Transportation Department within the CDA in December 2016 presented a series of 34 safety improvements on Green Valley Road (20 percent of all improvements within EDC relate to Green Valley Road), yet the Developer wasn’t asked to pay for any of them. Why?

Our county auditor reviewed these documents, wrote several emails about the deficiencies and perhaps the CDA staff thought they could slide Dixon Ranch through. Even certain Planning Commission members said knowing what they know now with respect to the FIA, that perhaps their recommendations would have been different.

These issues go back well before CAO Don Ashton was appointed some seven months ago, they go back to the days of Kim Kerr when she ran CDA and packed it with ineptness, to CAOs Terri Daly, Pam Knorr and Larry Combs who help shepherd Dixon Ranch through the county. We are still paying that price.

Speaking of still paying, where are all the hours that should have been billed to the developer or this project review and examination? There should be hundreds of hours billed by the CDA, CAO's office and the county counsel who also signed off on this fiasco. However, under Terri Daly, Pam Knorr and Larry Combs it was not their practice effectively subsidizing developers, this one included (no problem subsidizing developers, just cut road maintenance). All these documents were done prior to a December 2015 Planning Commission meeting, a January 2016 Planning Commission meeting and were approved for a March 2016 BOS meeting. There was essentially no billing done by CAO's office or county counsel. Why?

District 2 Supervisor Shiva Frentzen spoke of obtaining "operational efficiencies." Here is a suggestion, maybe the entire CDA should be eliminated and these jobs should be hired out to contractors that we can do something about like sue them for a bad job. Who do we sue here? If it weren't for the auditor and the CAO's comments, Dixon Ranch probably would have been approved in spite of significant public opposition.

New flash: Somebody (at least CAO Don Ashton) is getting it as on the Feb. 28 BOS calendar was Item 30, to reorganize the CDA at the top with was appears to be the elimination of two

net high ranking positions in the Planning and Building Services area, Department of Transportation, Environmental Management, and Community Development Services. It will create new job specs, bargaining unit designation, salary schedules and perhaps most important, these new positions will be at will. And it will save EDC almost half a million dollars annually. Ashton's proposal passed 5-0. Maybe EDC can fix some potholes now. More on Item 30 in my next column.

Larry Weitzman is a resident of Rescue.