

'No on P' statements just don't add up

By Wil Morat
Staff writer

Four months after voters in El Dorado Hills chose not to become a city, the No on P campaign is still receiving contributions in order to pay off their debt — a debt much larger than their contribution forms disclose.

The Form 460 filed with the El Dorado County election office on Jan. 31 by the No on P campaign showed an outstanding debt of \$9,114.21. Calculations of listed contributions and expenses reveals the debt is \$46,272.66.

In addition, an outstanding debt to Mailrite Print & Mail, Inc., documented as \$47,288.48 on the Oct. 27, 2005, form reappears on the Jan. 31 filing as \$32,745.46, with no record of

any payment. If the \$14,543.02 difference was paid but not reported, the outstanding debt is still \$31,729.64.

No on P Treasurer Jay Dennis had little to say.

"The election's been over for four months," Dennis said. "The voters have spoken, it's over. That's my comment."

But until the outstanding debt is paid and as long as the No on P campaign is still open to receive contributions, it isn't over.

The campaign statements are filed by any political campaign with the county office of elections and reviewed by the Fair Political Practices Commission.

"There is no provision under the Political Reform Act that requires a campaign to terminate

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by a certain date," said Whitney Barazoto, a spokeswoman for the FPPC. "The only requirement is that they continue to file reports."

Barazoto said due to the large number of forms returned, especially around election time, oversight is largely on the honor system.

"If there is an issue, the filing officer can refer the issue to us," Barazoto said. "For that matter, anyone can file a complaint. We have a whole procedure after a complaint is filed."

The No on P campaign had received less than \$700 in contributions, according to the statement filed on Oct. 27, 2005, the last filing before the November election. But in the Jan. 31 filing, the campaign reported more than \$129,000 in contributions from major developers and associations in the building industry, most received more than a month after the election.

The influx of developer-related money after the election has raised eyebrows among supporters of EDH incorporation. During the lead-up to the election, opponents of cityhood argued that incorporation would lead to high growth rates and commercial development in order to sustain the new city's finances.

The "P is not for Pennies" campaign mailer distributed by opponents of cityhood claimed that the Comprehensive Fiscal Analysis demonstrated the large amount of growth needed to assure existing services. The mailer showed the CFA estimate of 900 new homes per year as

being "a lot of new development."

However, the El Dorado Hills Fire Department shows an average rate of 1,032 new homes per year since 1999, higher than the CFA estimate.

The "P is not for Pennies" mailer also showed the CFA estimate of more than 50,000 residents by the year 2015, noting that this would be "a lot of people." Using current population trends since 1999, a 2015 population around 70,000 is more likely.

According to CFA estimates, growth under cityhood would have been less than EDH is currently experiencing, giving good reason for major developers to oppose incorporation. Yet financial backing from growth-minded developers doesn't coincide

with the No on P campaign messages warning EDH residents of unchecked growth under cityhood.

EDH Business Park developer and owner Sammy Cemo was against incorporation from the start. Although he only contributed \$1,000, he did loan a total of \$30,000 to the No on P campaign.

"The Business Park didn't want any part of it. [The proponents] fought and included us in the incorporation," Cemo said. "In every case — Elk Grove, Citrus Heights — it's really hurt me as a developer."

Cemo said building permit fees are already high and to double them under incorporation would have been "devastating." He said the fiscal viability of the city wasn't as the proponents

made it appear.

"Their budget and projections were bullcrap. They were jaded," Cemo said.

Some opponents of cityhood are upset that attention has been focused on the financing of their campaign.

Bob Dorr was chairman for the No on P campaign and said a lot more money — public money — was spent before the election for feasibility studies than was ever spent by cityhood opponents.

"The CSD alone spent some \$66,000 on studies for cityhood," Dorr said. "That's money that should have been spent on parks and recreation. I know of no hearing or anything on that, they just spent it."

Dorr said he believes that tax money was spent by the CSD

board of directors to "further their own political ambitions," referring to the board members who also ran for city council in the November elections.

Dorr wasn't familiar with any discrepancies in the campaign contribution forms filed by their treasurer, but said he had the highest confidence in Dennis.

"I do know Jay [Dennis] is very conscientious, that's one reason why he's our treasurer," Dorr said.

As for the proponents of cityhood, the Yes on P committee terminated their campaign status on Dec. 31, 2005 and filed their last contribution report with a zero ending balance on Jan. 27.

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