

Major decisions ahead in 2015 for SV Town Center project

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Press-Banner

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1.9.15

As 2015 gets underway, Scotts Valley officials are hopeful that the city's long-gestating Town Center project will continue to progress toward tangible results.

The city is currently engaged in a pre-development agreement with Pleasanton-based developer Property Development Centers (PDC) to plan a modern shopping and residential hub for Scotts Valley on the 12 acres of land adjacent to Skypark between Kings Village and Mount Hermon roads.

According to Mayor Dene Bustichi, as part of the pre-development agreement, PDC secured sale agreements from the owners of all the remaining parcels of land the city had been unable to acquire for the project previously.

Should the developer and the city enter into a formal development agreement — as Bustichi is hopeful will happen this year — the land will be purchased and construction will begin.

"We're cautiously optimistic about it," Bustichi said. "This developer had moved further along than any other developer has in the past ... everything has been acquired or is under contract."

Despite the very recent \$830 million sale of PDC — a former subsidiary of Safeway — to Carlsbad-based Terramar Retail Centers, Bustichi said that he did not believe the sale of the company would affect work on the Town Center.

"They've invested millions of dollars into this project," he said. "This developer is very financially invested in this."

Despite PDC no longer being a part of Safeway — itself in the process of being acquired by Albertsons — for the time being, Bustichi said, the plan remains for the anchor of the Town Center to be a Safeway store.

"They still have letters of intent and agreements with Safeway," he said. "No town center is complete without an anchor."

With that in mind, Bustichi said, he said that the elephant in the room of what to do with the existing Safeway building should the grocery store move into new digs — and the effect such a move would have on other businesses in the Scotts Village Shopping Center — needs to be addressed.

"My hope is that we develop an agreement that allows Safeway to relocate, but gives a deadline to backfill the current site," he said. "It has to be something that the community needs ... we don't want to duplicate services."

Bustichi said that 2015 would likely be a critical year for any partnership between the city and PDC, as negotiations have progressed for some two years.

"I can't imagine us going beyond this year without a development agreement," he said.

Before that can happen though, PDC will need to develop a site map and construction plans that define the size and square footage of the buildings, as well as the pedestrian walkways and vehicle areas.

That site map, Bustichi said, will need to be approved by the city's planning department as well as the city council — and there would be plenty of time for public comment.



An aerial view of the northeastern part of the Skypark-adjacent lot that city officials are hopeful will soon become the Town Center — a vibrant downtown shopping and residential area.

Lucjan Szewczyk/Press-Banner

He said that the council is mindful of concerns on the Town Center being compromised into becoming something less than what was originally intended.

"We're not going to compromise so much as to have another strip mall," Bustichi said. "If that's what it came down to, I think this city council would say no."

"Not only do we want a vibrant town center, we want a vibrant town."

Representatives from PDC were contacted, but did not return calls before the Press-Banner's deadline.