

# *Scotts Valley 2000* New developer to take on SV town center *5.26.10*

Previous developer backs out in bad economy; new one could build in stages

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✓ SCOTTS VALLEY — Plans for a long-desired town center got a shot of energy this week as new developers committed to developing an old airfield.

Foothill Partners, a development company based in El Dorado Hills, has partnered with Kevin and Russ Pratt, owners of the Kings Village and Scotts Valley Square shopping centers, to build the new town center on the old Skypark airfield off Mount Hermon Road. The agreement comes after previous developer Stanbery Development decided this month not to renew its agreement to build out the 20-acre parcel due to the ongoing recession.

"We're cautiously optimistic" that the new developer will work out, said Councilman Dene Bustichi.

What's unique about the new developer partnership, Bustichi said, is that builders will recruit businesses to the site and custom build to their specifications. That means the center likely will be built in stages, as businesses commit over time.

That approach might take longer to finish than the original plan of building everything at once, Bustichi said. But in this economy, "it doesn't make sense to build 180,000 square feet of space you can't rent out," he said.

Some business could be announced as soon as October.

The developers' decision was made easier, Bustichi said, after Scotts Valley in January agreed to buy the last parcel needed to build out the 160,000-square-foot outdoor shopping mall with residential units, offices and a public plaza off Mount Hermon Road. For city leaders, the town center is a dream 20 years in the making as the small city has no central plaza of its own.

Douglas Wiele with Foothill Partners said he looks forward to working with the Pratts, who are old friends of his. He declined to name the retailers the group is pursuing, as they are in early talks. However, he predicted a mix of independent boutiques with a few small chain stores, similar to Fourth Street in Berkeley or downtown Los Gatos.

"What we're hoping to do is not build a shopping center. What we're hoping to do is build a street," Wiele

said. "I think that's what the community wants."

In the next five months, Wiele said his group will

start pulling together business, land and merchandising plans, with an early report ready as soon as

October. All final decisions will be subject to City Council approval.

A timeline for final build-out, Wiele said, likely will depend on the economy.

However, he said plans likely will include a remodel of the Scotts Valley Square shopping center to improve access and incorporate it into the new town center.