

Patton: Wingspread deal flawed

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A real-estate deal that would allow Palo Alto developer Ryland Kelley to build his Wingspread Beach Conference Center contains loopholes and would not adequately protect the county if Kelley's project ran out of money.

That's the opinion Santa Cruz-area Supervisor Gary Patton expressed in a 10-page memo delivered to the Board of Supervisors late yesterday.

In the memo, Patton, a long-standing Wingspread opponent, recommends the board hire an independent attorney to review the proposed gift-lease agreement.

Patton also recommends the supervisors request a study on whether Wingspread is financially feasible. He urged that an independent expert be hired for a technical review of the adequacy of the performing arts complex.

Patton reminded the board that both these studies were requested when the supervisors tentatively approved the project more than a year and a half ago.

Lastly, Patton urged the

board to reject the Wingspread proposal. He said "I believe the board owes it to the citizens of our county to accomplish what was promised when the approval 'in concept' was given ..."

Patton said promises have been broken and we "can expect more broken promises in the future."

The agreement between Kelley and the county was negotiated by attorneys representing both sides, at the request of the Board of Supervisors. The agreement was seen as a way to ensure the county would receive the cultural, recreational and monetary benefits promised in the controversial development proposal.

The supervisors, who tentatively approved the project in a 3-2 vote in March 1986, are set to hold a public hearing on Wingspread today. They are expected to take final action on the development proposal and the lease agreement following the hearing.

According to the lease agreement, Kelley would give the county his long-term lease on the Porter Sesnon property in Aptos. Kelley secured a 99-year lease on the 66-acre oceanfront

property through a \$1.75 million payment to the University of California in 1979.

In exchange for the lease, the county would allow Kelley to

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build 468 hotel units, a conference center, a three-hall performing arts complex, shops and restaurants and recreational facilities. According to the agreement, Kelley would pay the county rent on the property that would increase to at least \$2.5 million annually in the fourth decade of Wingspread's operation.

Patton said the gift-lease agreement is flawed because it could leave the county high and

dry if Conference Associates — the limited partnership Kelley formed to build and operate Wingspread — defaults on loans taken out on the property.

The Santa Cruz-area supervisor also claims the agreement would violate a county law prohibiting the county from investing taxpayers' money in Wingspread.

According to Patton, the agreement also gives short shrift to the Wingspread Arts Foundation, a nonprofit organization holding contracts with Kelley to manage the public use of the performing-arts facility. Patton said nearly three-fourths of the so-called subsidies Kelley agreed to pay to the foundation will go toward promoting major events coming to the center instead of funding the day-to-day operations of the facility.

Patton also said other conditions placed upon the project fail to give the supervisors adequate control over the public use of the facilities. Conditions proposed by the Planning Department would allow the supervisors to appoint members to the arts foundation and require the foundation to seek input from Cabrillo College.