

# Live Oak improvements planned

By KATHARINE BALL  
STAFF WRITER

As soon as June, about \$16 million may be available to build sidewalks, correct drainage problems, and upgrade parks in the Live Oak-Soquel area.

The need for these improve-

ments is a key campaign issue in the race for the District 1 supervisorial seat now held by Dan Forbus.

The money will come because Live Oak and Soquel have been declared "blighted areas," and therefore qualify for state classification as a redevelopment area.

But the classification does not necessarily mean a flood of new money will come into the county. Rather, it means the county can use some creative financing to raise money for needed improvements by selling bonds — that is, borrowing, with future property-tax reve-

nues to be used as security and to pay back the debt.

The bond sale, which will go forward in June if approved later this month by the Board of Supervisors, was originally scheduled for last fall, but had to be canceled because of the stock market plunge last October, said County Administrative Officer George Newell.

About \$16 million will be realized through the bond sale, says a report from Newell's office. With interest earnings on this money, the county will have about \$18 million to spend on improvements over the next three years.

Some of the projects proposed include road and drainage improvements, at a total cost of \$6.8 million; putting \$2.8 million into park acquisition and improvement; and building a Live Oak branch of the public library at a cost of \$2.1 million.

Planned road improvements include realigning the intersection of 17th Avenue and East Cliff Drive, now deemed one of the worst in the county; widening East Cliff from 13th to 17th Avenue; and widening Chanticleer Avenue. A signal will be installed at Porter Street and Soquel Drive.

As required by state redevelopment law, 20 percent of the funds, or \$3.1 million, will be spent on programs to improve low- and moderate-income housing. These programs can range from building low-income housing to providing rent subsidies to low-income families.

The redevelopment will be at some cost to other areas of the county. The bonds will be repaid through the increase in property tax revenues that will occur throughout the county in the years while the bonds are being paid off, said county Auditor Gary Knutson.

At present, the county gets about 24 cents on every dollar of property tax paid in the county. This sum increases automatically at 2 percent per year, under Proposition 13. But only the redevelopment area will benefit for the next 25 years from other property-tax increases that come from new

construction in the redevelopment area, or tax-rate increases that occur when property changes hands.

Those last two types of increase will go exclusively for bond repayment over the next 25 years for the Live Oak-Soquel improvements, rather than being spent on services around the county, Knutson said.

Newell said Live Oak and Soquel had taken the brunt of county growth in recent years, and therefore deserved the additional county expenditures.

"That's what redevelopment is all about," Newell said. "You put additional funds into a blighted area, because of the growth there that hasn't happened in other parts of the county. Everyone is contributing to correct a problem in a given area."

The Board of Supervisors will discuss the bond issuance at their meeting tomorrow morning.

WATSONVILLE  
REGISTER-Pajaronian  
March 7, 1988