

# ✓ Scotts Valley 1990 Commercial developer wants something different at Skypark

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SCOTTS VALLEY — When developer Don Orosco talks about anchoring the Skypark commercial center with a supermarket, he's not thinking about a run-of-the-mill grocery store.

The 55,000-plus-square-foot supermarket would have a food court, possibly a bank, and even a fast-food outlet or two. "It will push the envelope," Orosco said. "It will bring people to the Mount Hermon (Road) trade area that you're not tapping now.

"I'm not talking about a ho-hum duplication of what's already (in Scotts Valley)," said Orosco, a partner in DBO Development Co. in Pacific Grove. "It's almost entertainment. ... You walk in and say, 'Wow, this is amazing.'"

But Orosco's vision for Skypark may not square with that offered by Scotts Valley leaders when they agreed to give DBO first crack at developing what is being called the city's first "downtown."

"He's proposing to put in a new center that's basically a repeat of what's already there," said Chris Paull, a member of both the communitywide Skypark committee and the Chamber of Commerce board of directors. "All this talk about a town center, and when you look at his plan, the town center is basically a parking lot."

But Paull and other city leaders understand that the realities of development may force them to reshape their vision if a Skypark commercial center is to be built.

In fact, Vice Mayor Joe Miller is optimistic the two sides can agree in the next two months. "No one has pounded on the table yet," said Miller. "We're still trying to get somewhere."

Orosco emphasized Monday that he still is gathering information from citizens, as well as courting

retailers from around the United States. It's too early, said Orosco, to close his mind to any possibilities for the 200,000-square-foot site.

But Orosco also said there are realities everyone must face.

- The demographics of the area indicate that a center would have a potential draw of only 39,000 people, which includes Scotts Valley and the San Lorenzo Valley.

That precludes the chance that a Macy's or Nordstrom might be interested. Those companies look at potential draws in the 400,000 to 500,000 range, said Orosco.

- The site itself is 1,000 feet deep and very narrow, an unusual development challenge that Orosco said forces him to find an anchor store that will draw enough people back into the depths of the shopping center.

A state-of-the-art supermarket draws a member of the family an average of three times a week, which is a lot more often than more traditional shopping-center anchor stores.

- There are 108 small shops already on the Mount Hermon Road corridor. Orosco said that diminishes the likelihood that putting more of those kind of businesses in a new center would be a successful gambit.

"It doesn't do a lot of good to duplicate what's already there," said Orosco. "Overall, it's a hell of a challenge."

As a result of these factors, Orosco appears to be favoring a center with mostly national chain stores, although there will be room for some local businesses. He's already had nibbles of interest from Orchard Supply Hardware and TJ Max, which is a men's and women's clothing store.

Miller has said that the early tenant list Orosco offered the city was "very unimaginative" and failed to provide the unique atmosphere Scotts Valley leaders are

hoping to create.

Orosco believes the retail community will determine what kind of center is built. "We must keep the blinders off. ... We must be realistic," he said. "If we try and fail in terms of concept or design or anything else, it hurts both of us (the developer and the city)."

In the next two months, Orosco said he also will try to better explain the realities of commercial development to city leaders.

"It's tough because the layman doesn't understand how mechanized the environment is that I live in, and the restraints placed on me by tenants," said Orosco. "The environment can be a little hostile. ... There is a tremendous amount of competition (to lure good retail stores) all over the United States."

Orosco said he believes he can create a center with enough ambience to satisfy town leaders, but it must have at least one store than can lure thousands of people to the site every day.

"The center must have a heart and soul to support the appendages," said Orosco.

Orosco, who has been developing shopping centers for 23 years, also is spearheading his company's effort to build Overlook Shopping Center in Watsonville.

That effort, however, has been sidetracked by citizen concerns about environmental problems and the fact that part of the land is zoned for high-density housing.

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