

AUTO PLAZA - SCOTTS VALLEY

New proposals pouring in for SV's auto-center site

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SCOTTS VALLEY — When negotiations to build a Scotts Valley auto center collapsed in March, the city found itself the owner of several acres of freeway frontage land.

The city has also found itself the center of attention as interested developers scramble to propose building projects for the prime commercial acreage.

"It was almost a feeding frenzy," said Mayor Glennon Culwell Wednesday. "The (City Council's) Economic Development Committee has interviewed 10 firms; the majority of them repeatedly stated that developers are intensely interested in developing that property."

Proposed projects for the property, located near the abandoned Santa's Village amusement park, range from a motel-restaurant

complex, a fashion discount store, warehouse-type bargain stores such as Costco, Home Club and Price Club, and even a group of Los Gatos/San Jose car dealers, Culwell said.

The city is now faced with the prospect of choosing a suitable project and developer for the site before the current short-term financing expires Jan. 1. The city issued short-term bonds worth about \$15 million to buy the property, Culwell said.

At Wednesday's City Council meeting, City Administrator August Caires proposed that the city hire the real-estate consulting firm of Kotin, Regan and Mouchly to help the city negotiate the maze of development negotiations. The council agreed to interview the firm's representatives at their next regular meeting.

Culwell warned the council that it must move quickly to find a profitable project, saying the future financial health of the city depends on it. But Councilman Joe Miller reminded his colleagues that area residents will demand a project they can live with. The proposed auto center was accepted by north city residents because of its low traffic impact and attractive design, he said.

"I, too would like to see something there that would return the money we were obliged to spend and make some money besides. But we have to look for something suitable for the community."