

Skypark annexation approved

By JOHN BESSA
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SCOTTS VALLEY — Skypark is ready to be developed — and two cities that have struggled to decide the future of the Scotts Valley property are ready to cash in on their 10-year effort.

The Local Agency Formation Commission, or LAFCO, conditionally approved the annexation of the former airport Thursday by the city of Scotts Valley. The

Skypark land is owned by the city of Santa Cruz and private interests.

"It's a major step," said Patrick McCormick, executive officer of LAFCO.

What it means for the city of Santa Cruz is \$5 million to \$6 million. The city is just beginning to study what the ramifications of having that money will be, said Mayor Scott Kennedy.

"For the city of Santa Cruz it represents the equivalent of a once-in-a-lifetime inheritance," Kennedy said.

"It's a major milestone for the city of Santa Cruz," he said.

Scotts Valley and Santa Cruz recently entered into a three-way agreement with Kaufman and Broad Inc., the largest home builder in California, to go forward with development of the site north of Mount Hermon Road in Scotts Valley, Kennedy said.

Santa Cruz didn't want the 46-acre parcel annexed unless it could be sold to a developer — ensuring the city would get the most money from the sale, he said.

Scotts Valley wanted to annex the land for the income additional residents would bring, as well as needed housing. The developer wanted to make sure the annexation went through so it would deal with the city instead of the county, Kennedy said.

It was a complex deal, he said.

"The (environmental impact report) alone was like three volumes. Three-inch volumes, on and on," Kennedy said.

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nedy said.

The conditional approval of the annexation hinges on the final settlement of a suit between the city of Scotts Valley and Watkins-Johnson Co., which sought to block the development of a school on the former airport, McCormick said.

Company officials have said they were afraid any expansion would be limited by having a school in close proximity.

"All the parties to the lawsuit have entered into a settlement agreement that requires certain things to happen. If they all happen (LAFCO) will record the annexation," McCormick said. "The commission doesn't have to see it. From here on out it's all administrative," he said.

Development of the 93-acre parcel will follow a specific plan already approved by the city of Scotts Valley.

A park and commercial and residential development is included in the plan for the property.

The annexation includes incorporating 51 acres into the city of Scotts Valley and 108 acres into the Scotts Valley Water District, McCormick said.

About 46 of those acres were former Santa Cruz airport property. The rights-of-way of some streets in the area made up the other five acres.

At the request of the Mañana Woods Mutual Water district, LAFCO commissioners decided to allow an un-annexed island sur-

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rounded by the Scotts Valley Water District.

Mañana district representatives didn't want to be part of the Scotts Valley district because they were "dissatisfied with the water district's efforts to protect the quality of the ground water," McCormick said.

The Mañana well sits on a one-quarter-acre island of land near the U.S. post office on Kings Village Road.

Water pumped from the well requires expensive filtering to remove benzene, a toxic petroleum product. Another well in the Scotts Valley water district, filtered in a similar manner, showed contamination first, McCormick said.