

Preliminary Redevelopment Plan OK'd In Scotts Valley

A preliminary redevelopment plan which is designed to get Scotts Valley more property tax dollars was unanimously approved by the City Council Thursday night.

City Administrator Bob Rockett said the purpose of forming a redevelopment agency in Scotts Valley was to get more of the property tax dollar sent back to the city.

Presently, property taxes are distributed by the county to local cities according to a formula set up by the state, Rockett said.

Under the provisions of a redevelopment agency, any increases in property taxes — either the standard 2 percent annual increase or increases caused by property improvements — would have to go back to Scotts Valley to use in a redevelopment project.

Without the redevelopment agency, Scotts Valley wouldn't be guaranteed any of these additional tax monies.

Rockett stressed, however, that the formation of a redevelopment agency doesn't mean an increase in taxes to the property owner. It only means that Scotts Valley will get more in the redistribution of the tax dollar.

"The council is looking at the agency to gather tax dollars to use to provide services such as traffic signals, storm drains, wastewater facilities such as a treatment plant or sanitary sewer lines, widening roads or the installation of sidewalks and gutters," Rockett said.

Rockett added that while most redevelopment agencies go bankrupt, he doesn't see this happening in Scotts Valley.

"Most redevelopment agencies go bust.

The reason is because they come along usually when things are old and decrepit and everything needs to be torn down. All they ever garnish is the 2 percent rise in taxes. But here we have a mix of the old and new, so we'll benefit from remodelings and additions, too."

The area that will be affected by the redevelopment plan includes mainly the commercial areas along Mount Hermon Road and Scotts Valley Drive. Residential areas on the hillsides above Scotts Valley Drive and the Granite Creek Road neighborhoods are excluded.