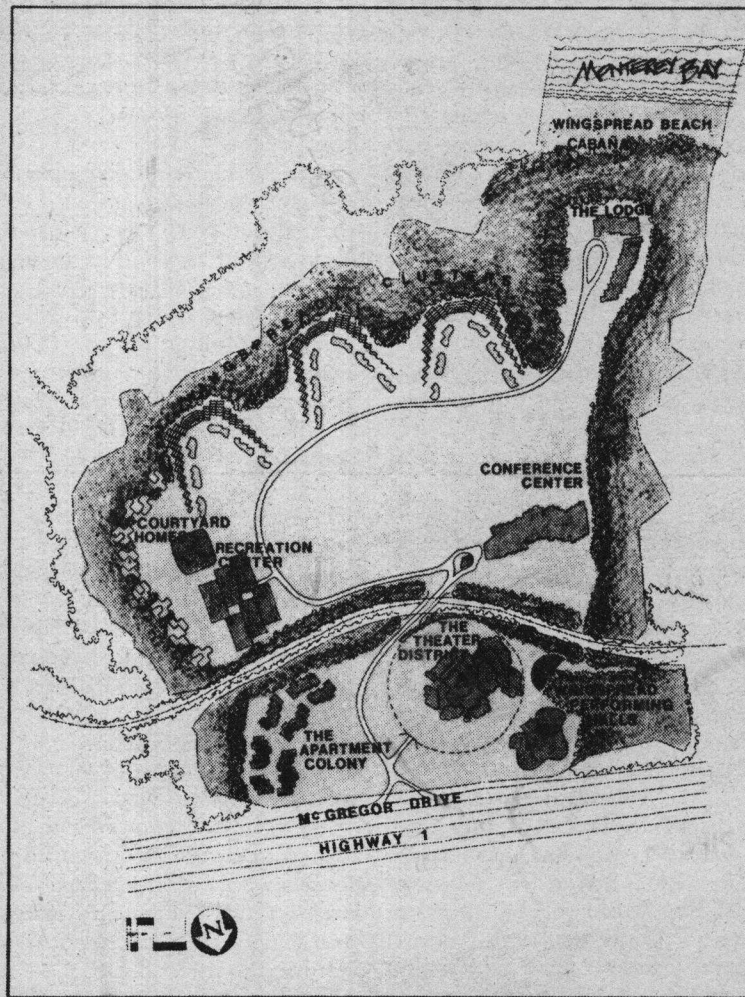


# The Flap Over



## Wingspread

Dave Barber

the Preservation of the Porter-Sesnon Meadow" rustled up a petition of some 1050 signatures asking that the lease be postponed until State Parks could have its say. The postponement vote went through and lost by an 8-6 margin. And so began the 99 year lease of the long-armed development firm Hare, Brewer and Kelley.

**R**yaland Kelley is not the rear of the company name. It properly refers to his co-founding father. But in the realm of real estate and development, Rye Kelley proved to be one of those chips off the old block.

Though their names are all that's left of the original triumvirate, the business Hare, Brewer and Kelley begat shows no signs of following them to the grave. Hare, Brewer and Kelley presently boasts three separate residential sales offices in Los Altos, Menlo Park and Palo Alto and its second-generation Kelley is busy elsewhere making a name of his own.

Rye Kelley's interest in Santa Cruz County is no recent development. In the mid-sixties, he was responsible for Hare, Brewer and Kelley's purchase of the old Port Watsonville properties — a rural headland of sand and marsh west of Watsonville that had once been a

major artery in the shipping of South County apple harvests. Soon afterwards, the site became the fashionable condominium community of Pajaro Dunes.

Pajaro Dunes is one of those places of which it is said, if you have to ask how much it costs to spend time there, it's already too much. Exclusive is very much the word. Behind its forbidding electronic gate are homes that each had their own contractor and architect, and conference halls that regularly host delegates from IBM, General Electric and Hewlett-Packard. Its innovative design and stylish seclusiveness have reaped numerous architectural awards and favorable national press.

Whether Pajaro Dunes is such a boon for slough or sand dune ecology is another story. There is also the matter of an unbuilt parking lot providing public beach access that originally figured in the resort's plans. According to Kelley, it would now be a violation of Coastal Commission ordinances to go through with that project. Others claim the promise of beach access was instrumental to the approval of Pajaro Dunes in the first place.

What makes Pajaro Dunes significant in relation to Porter-Sesnon is that it has been used by

factions on either side of the issue as evidence of Rye Kelley's a) eminent capability, or b) undeniable underhandedness. His supporters laud the shrewd business sense it takes to hatch an affluent resort out of marshland, while his detractors rail against the kind of mind that thinks along the lines of such commercial scale and selectivity.

But Pajaro Dunes need not be held as proof that Rye Kelley's ambitions are anything but modest. He makes that perfectly clear all by himself. On a live KUSP radio debate in September 1981, Kelley declared that his vision for the Porter-Sesnon property was nothing less than a "tremendous opportunity to use the land as it should be used...to further the cultural ends of the entire country and indeed the world."

**K**elley first shared his vision with this corner of the world in the autumn of 1980. By then, it had a lyrical name (Wingspread), a Hare, Brewer and Kelley division of its own (Conference Associates) and a slender illustrated book (promotional). Thumbing through this volume, one finds an array of fine Eric Mathes ink-wash pictures that have since been worth several thousands of words.

Praising the "magnificence of the resource" to the skies, the text proceeds to outline how the site would be utilized, systemized and (so the implication runs) improved. Kelley would later state that the project exemplifies his conviction in "the betterment of mankind through the betterment of the environment."

In the case of Wingspread, betterment would take the form of "an interdependent system of accommodations and cultural facilities." It would take the form of four separate dwelling developments: an apartment colony, a trio of condominium clusters, a spread of so-called garden homes and a 170-room horizontal hotel. It would take the form a theater district complete with a hive of shops and artist studios, an outdoor amphitheater and several performing arts halls. It would take the form of a three-story conference center, a cabana building, a "treehouse" of additional meeting rooms and a clutch of tennis courts.

Dropped in a general crowd of Santa Cruzans, the name "Wingspread" will be at once familiar and mysterious. Some will confuse it with the local womens' health clinic of the same title; others won't have the slightest idea that its name derives from the way the town-house condominiums are supposed to look when viewed from the air. Not that this is so surprising. Publicly, Kelley has had very little to say about the intended accommodations compared to his wealth of comments concerning the cultural aspects of his grand design.

**S**anta Cruz is small as counties go, but when it comes to land development it manages to make more than enough room for large ideals and tall orders. Unlike summering hordes or migrating whales, disputes over public and private uses of open local acreage just never seem to go away.

Small wonder. Where it was once popular — and even accurate — to speak of Santa Cruz as "sleepy," the last decade has seen extensive rising and shining within its borders. Today, there are 60,000 more people living in the County than in 1970; and roughly 30,000 more housing units. Between 1970 and 1976, Santa Cruz' population increased 31.4%. This was the largest jump of any California county with at least 100,000 residents and prompted the *Sentinel* to crow that "we must be the greatest, Ali, 'cause we're growing the fastest."

Last year alone Santa Cruz' population rose by 8%. Nonetheless, 11% of County acreage has remained parkland. Such is the stuff of which bitter development clashes are made.

When State Parks Commission representatives come to town November 5 to hold a routine public hearing, there's a chance that it will be a tame affair. Then again, one of the items on the agenda will be an appropriations discussion on the Porter-Sesnon property, an issue hardly known for its inspiration of cool, calm and collected behavior.

The Porter-Sesnon parcel — all 66.4-acres of it — is among the rarest of beachfront holdings: tree-thick, be-meadowed and unpeopled. That pastoral condition might well change in due time, but not before it raises all kinds of questions and quite a few hackles.

Land-feuds, admittedly, are as old as the hills. What distinguishes the two-and-a-half year old Porter-Sesnon conflict is the extent to which it captures and dramatizes the range of sensibilities and visions concerning our interpretation of open spaces. The fact that the land in question is the last remaining slice of untrammelled coastal property between Natural Bridges and Watsonville only adds sparks to the script.

**T**he Porter-Sesnon property rests between two sources of constant rhythm: the ebb of the Pacific and the flow of Highway One. Cabrillo College is just a textbook's throw away across the traffic. It's the sort of place for which the word "bucolic" was invented. Two central fields transected by railroad tracks comprise the bulk of its acreage. Corridors of trees flank the open meadows, including stands of eucalyptus tall enough to date back to the last century (when they were imported under the erroneous assumption that their timber would provide worthy construction materials).

All told, it looks very much the

same as it did in 1972, right down to the flurries of its hunting sparrow-hawks. But looks aren't everything. In '72, the property was owned by the affluent Sesnon family. The Sesnons certainly knew a lovely piece of coastline when they saw it. What they also saw, however, were grand visions of a lucrative condominium enclave on the land.

So unpopular was that notion in the community that the Sesnons gracefully donated the 66-acres to the University of California. As it turned out, UC didn't mind if they did. When there weren't sufficient funds to cover a nod to the arts called College V, UCSC secured a loan using the newly acquired Aptos parcel as collateral.

For a while, there was talk that UCSC would employ the site as the location for its showcase Long Marine Lab. After another choice stretch of coast was chosen for that niche, the property's usefulness seemed to diminish in the eyes of its holders.

By 1978 overtures had been made to relieve UC of its protectoral duties. In the County's general plan, Porter-Sesnon had been carefully zoned as parkland. In Sacramento, the State Parks Department had slated it as a probable and desirable acquisition for the 1980-81 fiscal year.

But a funny thing happened on the way to the park. In April 1978, the UC Regents' finance sub-committee announced that it had leased its Aptos headland to a Palo Alto development firm. Price: \$1.75 million. Duration: 99 years. Conditions: questionable.

Legally, of course, UC had every right to lease the property. Yet no appeal to pure legality can shake off the peculiar sense of shadiness that accompanied this changing of hands. State Parks, for starters, was never notified of the impending deal, though the state's acquisition plans were common knowledge. The County Planning Commission was never contacted. In addition, it has been suggested that not all of the UC Regents (who cast deciding votes on such policy matters) were properly informed as to the extent of the state's interest.

There has also been some debate over whether UC conveniently sidestepped a cornerstone of the California Environmental Quality Act in the course of these events. One section of that legislation determines that in leasing land owned or operated by the state, the leasing agent should arrange to have an environmental review conducted or be officially exempted by a "negative declaration" from doing so. UC never bothered. When questioned on the subject, UC real estate officer Gary DeWeese responded that the University was already "categorically" exempted.

Still, the Regents had an opportunity to think better of it. A coalition calling itself "Citizens for



Santa Cruz, maintained Kelley on that original KUSP show, has all the makings of a cultural explosion, a cultural renaissance. "But the needs," he qualified, "are enormous." Enter Conference Associates, stage right. With a little help from their friends, the Conference Associates folks would be able to attract "world-quality talent here to reinforce and amplify local cultural groups" and transform a lonely block of coast into a "fountainhead" for theater complexes everywhere.

The proposed body in charge of making the site's cultural offerings a splash would be called the Wingspread Foundation. It would exercise administrative control over a 1000-seat proscenium theater, a 450-seat open air Greek theater and some 1200 square feet of smaller enclosed theaters.

Such a foundation, obviously, needs a running tap of subsidization, and the funds for perpetuating Wingspread's performing arts are designed to flow freely from commercial shop and rental profits. In other words, Wingspread is promising to do what few artistic umbrellas of any style or extent have ever done: support itself.

No problem, declares Kelley. So true and steady would be the financing that the foundation's board (slated to be composed of both "outstanding" locals and "international" representatives) could devote its entire energies to orchestrating events rather than passing hats. The developer has indicated that he himself might draw a seat on that board.

By all appearances, Kelley's confidence is unbounded. In May, 1981, before the proposal had garnered many headlines, he threw an invitation-only bash down at Pajaro Dunes — the better to acquaint and impress local cultural movers with the premises and promises of Wingspread. Taking their turns at the podium were such non-local luminaries as *New Yorker* theater critic Brendan Gill, Atlanta Symphony director Tom Bacchetti and a former Yale music dean who was destined to make some waves of his own in these parts, Phillip Nelson. These hon-

ored guests had nothing but the most unconditional of endorsements for Kelley's branch.

**N**atives, on the other hand, have never fallen over themselves with praise for Wingspread. To date, only two County bodies have formally endorsed Kelley's bid: the Aptos and Santa Cruz Chambers of Commerce. None of the numerous area cultural groups — to whom Wingspread is supposed to do such a mammoth favor — have seen fit to grace it with their small seals of approval. Community support would be nice, of course, but what Kelley and Conference Associates have really needed all along is a leg up from a few local branches of government.

It is the County Board of Supervisors that Wingspread must ultimately answer to, and thus far Conference Associates hasn't come close to making the grade. This sort of decisive County opposition is no doubt what Kelley anticipated when he made a pitch to the City of Capitola in 1980 to bring Porter-Sesnon under its civic control.

In the Santa Cruz County Local Coastal Plan (LCP), Porter-Sesnon is tabbed as parkland under "preferred use." Adopted in February 1982 and sanctioned by the State Coastal Commission, this document indicates that the County would like to see the site become a regional state park or an extension of New Brighton State Park. The desirable uses, in descending order, would be open space, public recreational facilities or campsites not to exceed 130 units.

But the LCP has another citation below the heading of "alternative use." Added hastily on the last day of planning commission deliberations, this section stipulates that if the property is not purchased by State Parks, a private, limited development may be allowed to ensue.

That clause reads vaguely, but there's no mistaking its intention: a concession to Conference Associates. Even so, a major bone of contention was the determination of just what those 130 allowable units could do or be. In a classic case of apples into oranges, County

planners attempted to puzzle out how small a brood of condominiums would have to be to inflict the equivalent impact of a collection of campsites. The figure they emerged with — 600 square feet — is a wonderful size for a condominium...if you happen to be a prairie dog.

Actually, the term County planners have used all along is "visitors accomodation unit." But one man's accomodation is another man's condominium and everyone knows that condos are crucial to Kelley's plans. By upholding the 600-square-foot limit this August, the County gave the entire Wingspread notion something of a cold slap in the face.

Nothing new here. From the first, the County has considered a Porter-Sesnon resort at best a last resort. In fact, when Kelley insisted last year that he was going to commission a comprehensive environmental impact report (EIR) on Wingspread as if it were a viable and fully legal alternative, Supervisor Gary Patton maintained that "We have, in the past, when a project is inconsistent... denied the right to proceed with an EIR." Patton then tried to furnish Kelley with just such a denial. The developer had to file suit against the County before being granted permission to draft an EIR.

Kelley's pursuit of an EIR revealed both the depth of his pockets and the breadth of his determination. EIRs are expensive and they are time consuming, but they are also the best of all possible documents to be armed with when seeking ordinance amendments. According to county Environmental Coordinator Tom Burns, this is precisely what Kelley had in mind.

Two weeks ago, the 190-page EIR made its tardy appearance. Kelley grumbled to the *Express* that the way these drafts get done are "a dark art" and that "no environmental report in any Northern California county has ever taken so long." But in a general press release from Conference Associates marking the occasion, he cheerfully imparted that "we are happy that the EIR so clearly

establishes what we've said all along — Wingspread Beach in no way exceeds the carrying capacity of the site or the area....Wingspread Beach is just too good not to have broad public support!"

**F**or Vickie Powell, the newly issued EIR meant another trip down to the County Planning Department and another piece of newsprint to clip. She's gotten used to it. As the heart, soul and spokesperson for Friends of Porter-Sesnon (FOPS), Powell has been — more than any other single individual — the parry to Wingspread's thrusts.

Four years ago, while the ink on the Porter-Sesnon lease was still wet, Powell was nowhere to be found. She was a Peace Corps worker in the jungles of Nicaragua and about to become one of the last Americans to leave the country before its revolution. Arriving in California, she eventually landed a job as an accountant...for none other than Rye Kelley's Pajaro Dunes.

That arrangement did not end happily (she wound up filing suit against Kelley to receive back pay) but Powell insists that personal vindictiveness plays no role in her vehement opposition to Wingspread. "It's not Vickie vs. Rye," she says. "It's Vickie standing up for something she believes."

Powell founded FOPS in May 1981. Its headquarters and her home have been one and the same place ever since. An artist, writer, social worker and businesswoman, Powell's tremendous investment of time dearly isn't a case of having nothing else to do. And it does not go unrecognized: when she was mulling over a United Nations' offer to work in South America a while back Gary Patton told her bluntly that a Powell-less FOPS would only be a shadow of its former self.

Powell stayed put. She stayed to see the Wingspread issue become one of the most emotional and contentious of County controversies in recent memory. She stayed to see many a fact distorted and many a temper lost. One of those tempers, in fact, has been hers with regard to treatment from

the local media. A writer from the ill-fated Santa Cruz *Weekly*, she says, misrepresented himself in an interview with her and the defunct newspaper botched several key details in its coverage. As for the *Green-Sheet*, she will no longer speak with its writers after suffering a series of misquotations attributed to her.

Powell's impatience with some area reportage, incidentally, is at least matched by Rye Kelley's own. In response to a less-than-complementary succession of commentaries authored by the *Express'* Bruce Bratton, Kelley bought ad-space in the paper to present a long letter of rebuttal. Later, he went so far as to claim that he was the victim of "yellow-dog journalism" at the hands of the *Express*.

No doubt the press has occasionally erred as the press occasionally will, but with all of Wingspread's entanglements and complexities, you've got to figure that's par for the course. What, for instance, is one to clearly make of a phenomenon like Stephanie Hauk, who was a consultant for the law firm that represents Rye Kelley at the same time that she was an aide for Assemblyman Henry Mello, and who exclusively canvassed State Parks for its predispositions towards the Porter-Sesnon acquisitions?

Or what can be said of Tim Welch, who was hired by Kelley while he was still Community Services Dean at Cabrillo College? Just because Cabrillo is a few hundred yards away from the site and just because Kelley has in the past nourished the Cabrillo Music Festival with robust donations doesn't mean there necessarily has to be a conflict of interest.

Powell believes that although these woven webs certainly make for some fascinating and educational reading, they invariably distract from the real questions the Wingspread development poses. Kelley couldn't agree more. "One of our biggest problems in terms of public response," he says, "is that it's become a personalized issue: Rye Kelley this and Rye Kelley that. It's not only unfair, it reduces from the essentials."



**A**ddressing essentials is easier now that the EIR is out and about. Prepared by Coast Consulting of Capitola, the EIR is currently in the midst of a 45-day "review period," during which it may be digested by all those curious, idle or otherwise. Response to its findings will only be officially fielded at the end of this term.

The EIR is not something you'd particularly want to curl up with in front of a warm fire, but it makes for some intriguing perusal all the same. A few points by points:

### Legality

As the codes now stand, Wingspread does not conform with eight policies in the County General Plan and 19 policies in the Local Coastal Plan. There are numerous partial conformances. Among the LCP codes that Wingspread violates is Policy 1.3.2: "Any project or use which cannot mitigate significant adverse impacts on sensitive habitats will be denied."

### Development Density

Wingspread asks for 15.36 dwelling units-per-acre, a figure which is very close to the maximum the County allows for any standard project before evaluating specific environmental considerations. Conference Associates has said that buildings will cover 8% of the parcel's acreage, but the EIR notes that approximately 20% of the site will, in some form or another, be paved.

### Water

Porter-Sesnon lies within the Soquel Creek Water District. Soquel Creek has been periodically plagued with water shortages, the most recent resulting in a moratorium on new hookups that extended from December 1980 to October 1981. The district draws the majority of its serviceable water from wells. A study is presently underway to determine the possibility and/or extent of seawater intrusion into those wells. A previous USGS study several years ago indicated that intrusion was indeed taking place — a claim that has been contested. Such intrusion would render affected wells unusable. Wingspread would require 300 acre-feet of water-per-year. Surface runoff would increase by over 50%.

### Traffic

LCP Policy 7.3.3 allows for a maximum of 1300 vehicle trips (vt)-

per-day. Conference Associates originally estimated that Wingspread would create an increase of 4148 vt/day, but the EIR's consultant, PRC Voorhees, comes up with a 7000-plus figure. Six new stoplights would have to be installed and McGregor Road (the frontage road) widened. Airborne pollutants and noise levels would rise considerably. The EIR adds that the area has "existing congestion problems which will be worsened by 1983 (even without Wingspread Beach)."

### Revenues

Wingspread is calculated to generate roughly \$1.6 million in annual net revenue to the County. Property taxes would yield over half this total. The County is also expected to receive \$4.5 million in capital improvements and one-time fees. Santa Cruz' economy is heavily influenced by tourism and it is predicted that Wingspread would increase County tourism revenue by 12%. The EIR attributes this large figure to the fact that the project's average housing value is 3.5 times the County average. At least 350 new jobs would be created in the so-called "services sector."

On the subject of revenues, the state has raised \$4 million towards the purchase of Porter-Sesnon. By agreeing to sell, Kelley could walk away with a profit of well over \$3 million for his troubles — "A public misuse of funds," says Kelley of the state appropriations. And although the state could eventually condemn and seize the property through the right of eminent domain, it has shown no inclination to do so.

Meanwhile, State parks will convene at the Santa Cruz Holiday Inn November 5 to discuss and perhaps approve the \$4 million offer. Conference Associates will be there. "We'll make it clear exactly why we don't agree with that course of action," affirms Kelley.

**I**t was a Friday afternoon and Ryland Kelley was growing reflective and even, at moments, contrite. "I've a lot of regrets. I must have made some mistakes that helped contribute to this negative climate. But I can't accept all the blame. In this day and

age it doesn't take too many Vickie Powells or Bruce Brattons — motivated by whatever masters they have — to politicize an issue to a point where civil discussion is impossible."

Kelley might have added that, as the law stands, Wingspread itself is an impossible dream and will continue to be unless he is able to amend a handful of clauses in the Local Coastal Plan. Despite facing a majority in the Board of Supervisors that seem unwilling to give him an inch, much less a mile, he thinks his prospects are good.

"The one advantage Kelley has," concedes Powell, "is time. He can afford to sit and wait until the political air changes. That's why FOPS and other people in the community have to take an active part in the issue. If you don't want Wingspread, you just can't leave all the work to the politicians."

"Personally, I won't rest until I can walk on the Porter-Sesnon property and see a sign that says 'State Park.'"

So the war goes on, if war is the correct term for it — and one suspects it is — for what Wingspread promises to be is so much of what Santa Cruz has never been: vast, sleek, centralized, owned and operated by outside interests. It is also, as the EIR concludes, the very best use of the property from "a revenue/cost ratio standpoint."

Revenues and costs are nothing to be sneered at. It's just that Santa Cruz has something of a history of nurturing other standpoints. A Greenbelt Ordinance or a hotel-less Lighthouse Field are no lessons in adroit capital economics, but they are legacies in their own right and resonant insofar as they suggest how Santa Cruz has chosen on similar occasions to define itself.

Whether the county's apparent reluctance to welcome Wingspread into its fold is simply a matter of "growing pains" or the product of a more fully realized sense of its own

regional identity remains to be seen.

It is as naive to view Wingspread as an incarnation of evil as it is myopic not to see Wingspread as a

drastic precedent. One would do well to consider it a hinge — a juncture offering disparate notions of progress to the area at large — and not just a 66-acre issue. □

## The Capitola Connection

**H**are, Brewer and Kelley's tangle with the Board of Supervisors might never have turned out like it has. But the alternative would have turned into a distinctly unpleasant surprise for the developers.

Late in 1979, the City of Capitola was preparing to apply for an extension of its "sphere of influence." Essentially, this is a first step in a municipality's expansion efforts. Such procedures are subject to approval by the Local Agency Formation Commission (LAFCO).

It was during this period that Rye Kelley first approached Capitola with a proposal that the city annex his recently leased Porter-Sesnon parcel. An initial meeting was arranged between three Capitola councilmembers and Wingspread's Conference Associates, which was represented by Skip Morris and Kelley himself.

"That first meeting was devoted mainly to the procedural aspects of annexation," recalls Mick Ruth, Capitola's mayor at the time. "None of Kelley's plans were outlined."

At a subsequent meeting, however, Conference Associates showed its hand — all 630-units worth. "That made us all the more excited about annexation," says Ruth. "I mean, the only reason we were even considering that move in the first place was our lack of confidence in the County to prevent large-scale development on the property. We thought we'd be a better bet to stop it."

But the Capitola officials present at these gatherings — Steve Burrell, Bob Garcia and Ruth — didn't communicate their views to Kelley in quite this fashion. They simply expressed interest in the annexation. If annexation had indeed taken place, Conference Associates' necessary involvement on the County level would have been minimal.

"I can understand Kelley's view," says Ruth. "I'm sure he felt that with a small town like Capitola he'd be at an advantage when it came to launching that kind of a project. That's not too unusual. A lot of outsiders who come into Capitola assume we're a two-bit town that couldn't muster too much opposition to anything."

Two-bits or not, this brief game of political poker ended abruptly. At an ensuing County hearing, another Capitola councilmember who had not yet been told of the annexation talks, proposed that Capitola support the State Parks' purchase. Forced to take a formal stand, Ruth, Burrell and Garcia had no real choice but to call their own bluff.

Some time later, Ruth says, in the midst of the eventual LAFCO hearings, Skip Morris flatly denied that Conference Associates ever discussed annexation matters with the City of Capitola.

Elicited for his comments last week, Kelley admitted that a Capitola annexation would have been "expeditive from a time standpoint." After first stating that it was Capitola which approached Conference Associates with the annexation proposal, Kelley allowed that his memory was "hazy" and that it could well have been the other way around.

— DB