



MERCURY NEWS

Land deal's cost rising

■ Greenbelt:

Bombay Corp. pushes Santa Cruz for early decision.

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As Santa Cruz officials scramble to scrape up the cash to buy long-coveted greenbelt land on the city's western edge, the developer planning to build a subdivision there is marking up the purchase price.

As recently as December, when the city council pledged \$1 million toward purchasing the Bombay Corp.'s 246-acre property for permanent open space, the developer's asking price was \$3.35 million.

But a new option agreement between the city and the Fresno-based developer raises the price \$450,000 to \$3.8 million until June 30. After that date, it will increase an additional \$100,000 to \$3.9 million. The option to buy the land, approved 6-1 by the council Tuesday with Councilwoman Mary Beth Campbell opposed, expires Nov. 15.

Charlene Attack, a local lawyer representing the Bombay Corp., said the lower offer had expired and that the new price reflects the rising cost of seeking approval for the developer's subdivision plan.

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Bombay Corp. raises cost of greenbelt deal

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"The price has gone up," Attack said. "If they had purchased it during that time period, we would not have had to spend that much money going through the development process."

Critics who oppose any development on the Bombay land said they were troubled by the rising cost.

"The inflation of the price concerns me," said Jeff Ringold of Friends of the Greenbelt, organized to fight development on the land.

Councilmen Scott Kennedy and Mike Rotkin said the cost increase was expected and was reasonable.

At stake is the largest privately owned piece of Santa Cruz's planned greenbelt — lands sought since the late 1970s under a public initiative to surround the city with open space. Located along Moore Creek between the University of California-Santa Cruz and Highway 1, the Bombay land is a sloping coastal terrace of stately oaks and spacious meadows.

The Bombay Corp. bought the land in 1991 and sued the city shortly afterward, challenging the greenbelt zoning. The developer planned to build 11 luxury homes scattered throughout the property.

Though the city won the first round of litigation, council members conceded Bombay could build at least seven homes under current zoning. Last fall, council

members allowed Bombay to substitute an alternative proposal for a 25-home subdivision. As part of that proposal, which would require a general-plan amendment, the developer would give 200 acres to a land trust as permanent open space.

Council members last fall blessed the alternative as a compromise that would preserve most of the greenbelt without depleting city funds on open space.

But after residents blasted the proposal and accused the council of selling out, city officials pledged \$1 million toward acquiring the land and said they would consider a putting a parcel tax on the November ballot to raise additional funds. The council approved \$14,500 to pay for opinion polls to determine how much tax residents would be willing to bear for the greenbelt.

Bombay has set deadlines out of concern that the city will stall approval of the subdivision while seeking funds to buy the property. To that end, Bombay also opposed a request by project foes for the council to extend the public-comment period on pending environmental studies from 45 to 90 days.

"The delay and obstruct mechanism is often used, and we don't want to be unreasonably delayed in this process," Attack said.

As a compromise, the council voted unanimously to extend the comment period to 60 days.

Project foes have retained lawyers and vowed to continue fighting the subdivision plan.

"However much they market it, it's a development proposal that destroys the greenbelt," Ringold said.