

SC pulls out of greenbelt agreement

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property on the city's west edge, and Kinzli property on the Westside.

The council decided it would be cheaper to get sued than to do the environmental studies, which would have had limited value and would have cost from \$80,000-\$120,000, said Rotkin.

"The suit would have cost us less than the stupid EIR (environ-

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City says cost of environmental studies too high

SANTA CRUZ — Daunted by the costs of paying for environmental studies, the Santa Cruz City Council has decided to bail out of an agreement with owners of proposed greenbelt properties.

An attorney for the property owners said Wednesday night that the city's move was "ill considered" and would lead to a lawsuit

by the owners.

The agreement called for the city to study development possibilities in exchange for the property owners holding off legal action.

At the same time, the city is going ahead with plans to appraise the lands and to prepare a master plan for the 400 acres. The city also

will know in June whether it has money to spend for parts or all of the long-sought properties.

"At some point, we have to make a decision whether we are going to buy this property or tell property owners what they can do with it," said Santa Cruz City Councilman Mike Rotkin.

In a closed litigation session Tuesday night, the council directed City Attorney John Barisone to end the greenbelt settlement agreement that had suspended a lawsuit against the city by three of the four greenbelt property owners — the Arana Gulch property near the yacht harbor, the Bombay Co.

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mental impact report," said Rotkin. The council was in the position of "doing an EIR to avoid a suit that would cost us less than the EIR."

"We're not opposed to environmental studies, even costly ones, when they're to an end," said Mayor Scott Kennedy. "But there was no development associated with this. It didn't seem like it would be worth it for anybody."

Pulling out of the holding agreement, effective June 11, means the property owners are free to submit development proposals on their lands and to pursue the lawsuit against the city filed in November 1992. That lawsuit claimed the city's environmental analysis of the city's general plan was inadequate.

"We think it's a very ill-considered decision. What it will do is force us into litigation, which we don't think is in anybody's interest," said Judy Davidoff, a member of a San Francisco law firm, Baker and McKenzie, representing the property owners.

Davidoff said the city wants to proceed with rezoning, under its new 2005 general plan, but that this was something they had agreed to hold off on, until final planning was complete. Now, said Davidoff, the city will go ahead without adequate environmental review and thus be unable to make an "informed decision." Davidoff said her clients are "quite distressed" having spent and a "substantial sum" of money working with the city.

One of the owners involved in the settlement agreement said the termination was yet another delay in a 14-year road of stopped lights.

"The city has put us through mental anguish for the past 14 years," said Ernie Kinzli, whose mother acquired the 62-acre Arana Gulch land in 1925.

In late 1986, the Kinzlis sold the land to a group of car dealers for \$3.2 million. The dealers who wanted to build an auto plaza later withdrew their proposal and ultimately quit paying the Kinzlis for the land.

The family foreclosed this year and is scheduled to repossess the land next month.

The Greenbelt initiative took effect in 1979, freezing development on lands bordering the city limits. The freeze lasted for 10 years. It



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was extended for two years in 1989 and again for another two years in 1991. In 1992, city voters approved a measure directing the council to figure out how to buy and use the lands by July of this year.

By terminating the agreement with property owners, the city can proceed to rezone the greenbelt properties as council members were poised to do before the suit was filed and the settlement agreement approved. That zoning would generally allow less development than the current zoning does.

Just before the settlement agreement ends, the city will know whether it has money to buy the greenbelt property.

The Parks and Wildlife Initiative known as CalPaw '94 includes almost \$4 million for purchase of city greenbelt lands. Voters will determine the outcome of that initiative June 4.

The city also plans to raise its park development fees dramatically, which could raise another approximate \$3 million for the purchase of greenbelt lands, said Rotkin.

Rotkin said a ballpark appraisal of the greenbelt lands is between \$7-\$9 million.

If the initiative is approved, the city could buy parts or all of the property without further voter approval.

According to Rotkin, the council was in a quagmire over which zoning to use in appraising the properties, which made it difficult to get a realistic estimate of the lands' values. Appraising at current zoning would result in a higher value of the lands — and probably a higher purchase price. But Rotkin said those appraisals would be unrealistic, based on uses that the City Council would allow now.

For instance, the 246-acre Bom-

bay Co. land on the city's Westside is zoned for agricultural use, a zoning that also allows golf course development. A golf course isn't likely and not worth studying, he said.

According to City Attorney John Barisone, the difference between the appraisals based on different zonings isn't large. "It's not as automatic as you think."

Barisone said council members were surprised two weeks ago when they learned the costs of doing the environmental work. The city had budgeted \$75,000 to prepare a master plan for the greenbelt, hold community workshops, conduct a community survey and do the environmental analysis. That money has been spent and the environmental study hasn't been started. "Now add \$120,000 and you're starting to look at costs of over \$200,000 to comply," he said.

Meanwhile, the city's Greenbelt committee is completing work on a master plan. In June, the committee plans to survey residents to find out which parcels are of the highest priority and what they should be used for.

To complete their work, the committee needs an appraisal.

Based on the results of community workshops, the Greenbelt committee has compiled possible uses for the greenbelt parcels.

On the Arana Gulch land, a neighborhood park, soccer field, picnic tables, hiking and bike trails, restrooms and parking area are proposed.

The Bombay property would primarily be open space with picnic tables, and possibly camping areas and horse trails.

The Westside Kinzli property, next to the Bombay land, is proposed to have picnic tables and possibly horse trails.