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SCOTTS VALLEY 1990-

Scotts Valley says no to used-car lots

By Terri Morgan
Special to the Mercury News

The Scotts Valley City Council has put the brakes on a plan that would have allowed used-car lots in town, despite arguments from business leaders that the city needs to diversify its economy.

The council narrowly rejected amending the zoning ordinance to allow used-car lots, deciding it would cost the city more to regulate the lots than it could get in tax revenue.

"I really believe they're being shortsighted," said Henry Reilly, outgoing president of the Scotts Valley Chamber of Commerce. "We need to expand and diversify our economic base, especially in these hard economic times."

Scotts Valley's zoning regulations prohibit used-car lots, but do allow new-car dealers to sell used cars acquired through trade-ins and other business dealings.

The city council considered changing those regulations last summer. Reilly, a cer-

tified public accountant, brought the matter to the council's attention at the request of a client interested in operating a lot along Scotts Valley Drive.

Although his client has moved, Reilly urged the council to encourage used-car sales. "My client did extensive studies and knows a used-car lot in the city will be successful," he said. "We should have this type of business to expand our economic base. To deny an economic unit because you're afraid of banners and flags is just

ridiculous."

The council in August approved a set of tentative guidelines designed to minimize the impact of used-car lots. That document prohibited banners, pennants and window displays, and imposed many other stringent conditions. At the same time, the council asked the planning commission to consider amending the zoning laws to allow such businesses in commercial service areas.

The commission rejected the plan last month; the council did so Wednesday.

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