



MINUTES

Meeting of the
Scotts Valley City Council
Date: October 2, 2024
Time: 6:00 PM

CONTACT INFORMATION	MEETING LOCATION	POSTING
City of Scotts Valley 1 Civic Center Drive Scotts Valley, CA 95066 (831) 440-5600	City Council Chambers 1 Civic Center Drive Scotts Valley, CA 95066 OR Zoom Video Conference https://us02web.zoom.us/j/83295730901	The agenda was posted on 9-27-2024 at City Hall, SV Senior Center, SV Public Works Building, and on the Internet at www.scottsvally.gov .

CALL TO ORDER 6:00 PM

The City Council meeting was called to order at 6:02 PM.

PLEDGE OF ALLEGIANCE and MOMENT OF SILENCE

ROLL CALL

ELECTED OFFICIALS PRESENT: Randy Johnson, Mayor Derek Timm, Vice Mayor Jack Dilles, Council Member Donna Lind, Council Member Allan Timms, Council Member	CITY STAFF MEMBERS PRESENT: Mali LaGoe, City Manager Kirsten Powell, City Attorney Steve Walpole, Police Chief Stephanie Hill, Administrative Services Director Taylor Bateman, Community Development Director Rodolfo Onchi, Public Works Director Cathie Simonovich, City Clerk
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COMMITTEE REPORTS

CM Lind represented the City at the *Walk out of the Darkness* event, which raises awareness of suicide and suicide prevention. This was a powerful and moving event, and she thanked the Scotts Valley Police Officers who helped with it.

CM Lind attended a Santa Cruz Metropolitan Transit District (METRO) Board of Directors meeting where they discussed the classification and compensation study for the management group, which had not been done in many years. As a result, they approved salary adjustments, and then reviewed the updated budget.

CM Lind attended a meeting of the Scotts Valley Chamber of Commerce Ambassadors, and they agreed to bring back the Chamber Business Walk. She also reported that there was a ribbon cutting ceremony recently for Within Your Reach Physical Therapy and Fitness on Scotts Valley Drive.

CM Timms attended a meeting of the Local Area Formation Commission (LAFCO) where they received a report on the success of the Opal Cliffs Recreation District dissolution and the conversion to a County park. The CSA 48 study continues, and a transition plan will be adopted in April 2025.

VM Timm, along with CM Dilles, completed the 200-mile Sunrise Rotary Ride. The funds raised (\$150K) will go towards the Jade Street All-Inclusive Park in Capitola.

VM Timm is looking forward to the Town Center Subcommittee debrief that is scheduled for Thursday, 10/3. He will be reporting on this at the next City Council Meeting.

VM Dilles noted that he thoroughly enjoyed the Sunrise Rotary Ride.

Mayor Johnson is pleased with the results of the community outreach for the Town Center project, and he is optimistic about how the project is progressing.

CITY MANAGER REPORT

ICMA Conference: City Manager LaGoe attended the International City/County Management Association Conference, which was a great opportunity to network with City and County Managers from across the United States and from all over the world. She attended sessions on economic development, town center development, recreation facilities and funding, finance, and many more topics.

SV/SLV Soccer Club: City Manager LaGoe, along with Recreation Division Manager Pfefferkorn, met with representatives from the SV/SLV Soccer Club and discussed short term and long term solutions for the field conditions at Skypark and Siltanen Park, which they rely on for the 1,700 kids who play soccer as part of this club.

Town Center Project: The consultants have been compiling the feedback from 400 survey responses and hundreds of comments they received at the various community events. She thanked the Council Members for the time that they spent talking to people at these events. The feedback will be compiled into a preferred design option which will be presented to City Council for input and approval in the coming months.

NEPA for Town Center Parcels Purchase: The NEPA (National Environmental Policy Act) process for the purchase of the Town Center parcels could get expedited. The City is working with the Department of Housing and Urban Development (HUD) and hopefully the NEPA will be expedited by about 30 days, as compared to the initial timeline.

David Lyng Real Estate Office Staff Meeting: City Manager LaGoe attended this meeting and gave an update on current projects in Scotts Valley.

State of the City Address: If you were unable to attend the State of the City Address in September, it is recorded and posted on the City's YouTube channel.

Potable Water at Skypark: There were several events over the weekend (Food Trucks, Suicide Prevention Walk, and Music at Skypark) and during one of the events the main line for the potable water was damaged, likely from a vehicle. City staff spent Monday and Tuesday trying to make repairs and then found damage in another location. The potable water at Skypark has been turned off, which affects the drinking fountains, restrooms, and the recreation building. The repairs should be completed by Friday and, in the meantime, portable restrooms have been brought in. The organizers of the various leagues and events have been kept in the loop.

PG&E Planned Maintenance: PG&E has several planned maintenance projects coming up around the City. They are replacing poles on several streets which will cause short power outages starting 10/11. Residents in these areas have been notified. PG&E also has plans to do extensive tree trimming around the City and we are waiting to find out the exact locations so that we can coordinate public outreach and notification.

Bean Creek Road Permanent Repairs: The permanent repairs will begin next week which will create a hard closure for the next few months, and PG&E will also need to cut power in that area for periods of time. The City has been in contact with the neighbors.

Political Signs: There are a lot of political signs posted in the City right now. If you have a concern about a sign, please email cityhall@scottsvally.gov with this information.

Next City Council Meeting: There will not be a City Council meeting on October 16th due to the CalCities annual conference. The next regular City Council meeting will be on November 6th.

Reminder: Follow the City on Social Media!

PUBLIC COMMENT TIME

None.

ALTERATIONS TO CONSENT AGENDA

M/S: Lind/Dilles

To approve the Consent Agenda with no alterations.

Carried 5/0 (AYES: Johnson, Timm, Dilles, Lind, Timms)

CONSENT AGENDA

1. Approve City Council minutes of 09-18-2024
2. Approve check register dated 09-14-2024 through 09-27-2024
3. Beverage Container Recycling Grant Program Application Resolution

PUBLIC HEARINGS

The Public Hearing was held after the Regular Agenda and after a brief recess (as noted below).

Mayor Johnson adjourned the meeting at 6:26 PM for a short break due to the timing of the public hearing.

Mayor Johnson called the meeting back to order at 6:32 PM.

1. Public Hearing to consider a Negative Declaration, General Plan Amendment, Zone Change, Planned Development Zoning Application, Design Review Application, Use Permit Application and Cultural Resources Alteration Application to allow for the construction of a 52,250 Sf three story development on a 1.35-Acre site located at 125 Bethany Drive, on the North side of Scotts Valley Drive between Tabor Drive and Bethany Drive. Proposed land uses would include 10,000 sf of professional and administrative office space, and 42,250 sf of storage/ministorage for up to 227 users after a split decision from the Planning Commission resulting in no recommendation.

Community Development Director Bateman introduced this item and gave clarification on the staff recommendation.

Susie Pineda, Consultant Planner, presented this item and, along with Director Bateman and City Attorney Powell, responded to questions and comments from the Council Members.

Mayor Johnson opened the public hearing at 6:55 PM.

The applicant, Eli May, gave a brief PowerPoint presentation describing the project. Todd Creamer, the Project Engineer from C2G/Civil Consultants Group, spoke about the trash enclosure location and indicated that it could be moved. He also addressed the parking issue and noted that they can adjust the size of the parking spaces so that they meet the City's requirements. Finally, he discussed the landscaping and indicated that they are willing to add more trees.

Public comment:

1. Todd Creamer, a resident and business owner in Scotts Valley, spoke in favor of the project due to the need for office space.
2. Allison Kelly, a neighbor, spoke on behalf of herself and the following people: Travis and Sara Miller, Bree and Jason Meulman, Vine Hill parents Eric and Ericka Turzak, and Vine Hill Teaching Assistant Jamie Karam (neighbors who could not attend the meeting). They oppose the project due to lack of outreach to the neighbors, the many exceptions, the proximity to the riparian area, displacement of the current tenants; and in their opinion, this is an illegal project.
3. Bryleigh's Mom, a neighbor, voiced opposition to the project because she feels the zoning changes and the general plan changes are incompatible with the neighborhood and will have a negative impact due to the proximity to the elementary school and the fact that there are no pedestrian safety measures.
4. Bryleigh, a neighbor and 3rd grade student at Vine Hill Elementary School, wants to be able to walk to school safely by herself. She feels that this project is wrong and would like to see a house or something else in that location.
5. Michael Shulman, spoke on behalf of Scotts Valley Unified School District (SVUSD). During the negative declaration comment period, SVUSD sent a letter expressing their concerns surrounding noise, pedestrian safety and dust. He clarified that they requested Saturday to be the alternative day for construction, not Sunday. He feels that all the District's concerns can be worked out with communication, collaboration and cooperation. The District would also want the dust and noise to be contained on the site, so it does not float over to the elementary school. The District would like to see their requests incorporated into the formal conditions.
6. Marina Hoey read a letter written by Matt Hoey who represents the Bethany Drive Neighborhood Residents group. Mr. Hoey's letter expressed opposition to the project due to the land use change to light industrial.
7. Adrian Calvin, a current tenant, spoke in favor of the project due to the availability of much-needed storage for the tenants.
8. Raffi Nalvarian, a current tenant and business partner to Adrian Calvin, spoke in favor of the project due to the storage, the innovation, and the fact that it is aesthetically pleasing.
9. Matt Taylor, a neighbor, spoke in favor of the project due to the storage and the improvement it will offer visually.

10. A resident of Tabor Drive, spoke in opposition to the project. She feels that, while there is a need to renovate the property, the current design does not comply with the City's General Plan; and more communication, outreach and collaboration is needed with the residents.
11. Steve McGuirk, a retired landscape architect, spoke at the request of the applicant who asked for a 3rd party review of the landscape plan as proposed. Mr. McGuirk noted that the majority of trees that will be removed are high water-usage trees. The majority of the other plants in the proposed plan are low-water-usage plants. After reviewing the plan, he finds that the landscaping is appropriate.
12. Cory Arrison, a tenant who runs a local ecommerce business, spoke in favor of the project due to the storage.
13. Mercedes Molloy, a resident of Bethany Drive and business owner, spoke in opposition to the project due to the lack of communication and outreach to the residents and because it is a health and safety concern to the children in the area.
14. Matt Hoey, resident of Tabor Drive, spoke in opposition to the project due to the land use change to light industrial. He is concerned that this will set a precedent for future projects.
15. Melinda Molloy, a resident of Bethany Drive, spoke about the lack of watering and the droppings from the trees, as well as the cars parked at the office complex.
16. David Alreck, a resident, used four words to describe the project: *creative, audacious, incompatible, inappropriate*.
17. Mercedes Molloy spoke on behalf of Mark Molloy. Mr. Molloy is worried about the transparency surrounding the hours of operation.
18. Matt, a resident, spoke in favor of the project because it offers an improvement to the current businesses, and they are not adding more offices; additionally, the building will look great.

Written comments, received after publication and prior to the City Council meeting, were received from Allison Kelly (x2), Cory Arrison, David Alreck, Matt Hoey (on behalf of the BDNR group), Marcus Poteete, Ty McConnell, and Eli May (applicant). See attached.

Eli May, the applicant, addressed the land use change, the communication outreach to neighbors, SVUSD's requests, the walkability (addition of a sidewalk on Tabor Drive), and the current landscape management plan. Mr. May's presentation indicated that 75% of the storage units could be restricted to the business tenants. The Council requested that 100% of the storage units be rented to the business tenants and Mr. May agreed to this (see Item 3 below).

Mayor Johnson closed the public hearing at 8:17 PM.

The City Council Members reached consensus that they are generally supportive of the project and the change to light industrial use, but there are many issues which must be addressed prior to placing the project on a future agenda for potential approval. The Council gave direction to staff to work with the applicant on the following items.

1. There must be significant collaborative outreach to the neighbors, including face-to-face opportunities to discuss the project with the neighbors and address their concerns.
2. A deed restriction will be necessary to restrict the use of the light industrial designation to only the mini-storage units. The purpose of the deed restriction is to bind current and future owners to maintaining only office units and mini-storage, with no other light industrial use allowed in perpetuity.
3. All the storage units (100%) will be rented to the tenants of the offices, with no outside individuals or businesses allowed to rent solely the mini-storage units.
4. Parking and allowances for large delivery trucks will be researched to ensure that the project complies so that no variances or exceptions will be needed.
5. The trash enclosure will be moved to a safe and accessible location, away from the nearby residences, so it does not impede the flow of vehicles in and out of the parking spaces.
6. Lighting concerns will be resolved.
7. The proposed gate and queuing of traffic to access the "drive lane" will be studied to ensure safety and a smooth flow of traffic on Tabor Drive, with an emphasis on pedestrian and cycling safety.
8. The Scotts Valley Unified School District's issues will be addressed, including all items in the District's letter as well as containing the dust and noise during demolition and construction so that they do not impact the students and staff at Vine Hill Elementary School.
9. There will be an agreement for neighbors to utilize the parking in the evenings and on weekends.

The applicant, Eli May, requested that the project be tentatively approved this evening and the final approval documents be presented to the Council in one month. Mayor Johnson respectfully denied this request.

ALTERATIONS TO REGULAR AGENDA

City Manager LaGoe announced that the Closed Session item published on this agenda is cancelled.

M/S: Timm/Lind

To approve the Regular Agenda with the alteration to the cancellation of the closed session item.

Carried 5/0 (AYES: Johnson, Timm, Dilles, Lind, Timms)

REGULAR AGENDA

1. Future Council Agenda Items

None.

CONVENE TO CLOSED SESSION

Closed session cancelled.

CLOSED SESSION SUBJECT(S)

1. Conference with legal counsel regarding potential litigation
Legal Authority: Government Code Section 54956.9
Number of Cases: 1 case
Staff Present: City Manager, City Attorney, Administrative Services Director,
Labor Counsel

RECONVENE TO OPEN SESSION

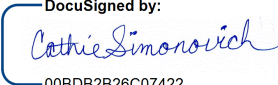
Closed session cancelled.

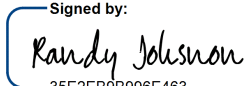
REPORT ON ACTION TAKEN DURING CLOSED SESSION

Closed session cancelled.

ADJOURNMENT

The meeting adjourned at 9:11 PM.

Attest: 
00BDB2B26C07422...
Cathie Simonovich, City Clerk

Approved: 
35E2EB9B996E463...
Randy Johnson, Mayor



125 Bethany Drive APN: 023-102-15

From Alison Norton <alisonnorton2@gmail.com>
Date Mon 9/30/2024 5:03 PM
To City Council <citycouncil@scottsvally.gov>

[EXTERNAL EMAIL] DO NOT CLICK links or attachments unless you recognize the sender and know the content is safe.

September 30, 2024

In reference to:

125 Bethany Drive

APN: 023-102-15

Environmental Assessment EA 20-001

General Plan Amendment GPA20-001

Zone Change ZC20-001

Planned Development PD23-001

Use Permit U20-002

Design Review DR20-05

Cultural Resource Alteration Application CRA23-001

Hearing Scheduled: October 2, 2024

Dear Council Members -

I am writing as a resident on Bethany Drive to oppose the proposed three story development at the primary intersection of the Bethany/Tabor neighborhood.

Having worked in this area of environmental law, and advocating for public entities to obtain EIR's on big impact projects, it has been exasperating to see government entities, like you, continuously ignoring the very community you are supposed to be representing and

catering to development.

You have heard all of the very good arguments to, **at minimum**, get an EIR - traffic, noise, etc. A zone change and general plan amendment without an EIR is irresponsible. You know this. This development will permanently impact this neighborhood. You, council members, know this.

By approving this development you are:

- Approving a **General Plan Amendment**
- Approving a **Zone Change**
- Approving a **Cultural Resource Alteration**

Zoning has a purpose, and your decision to make a zone change to bow to development is counter to that purpose and counter to your job as a city council member to care for the citizens of Scotts Valley. You know this.

You are permanently altering our neighborhood in violation of existing laws. You are blatantly breaking the laws meant to protect this neighborhood. You know this.

Have you, council members, thought about how the owners of the proposed development will vet their storage unit users - as this is near a school? Will they be required to run a registered sex offender check to ensure those storage unit renters are not violating any laws regarding being near schools? Will the developer be liable if something happens to a child?

Have you, council members, actually thought about the fact that approving this development makes us, as residents of Scotts Valley, feel uneasy to know that the council will change the zoning laws to bow to development and to the detriment of our community?

This development is so out of step with the neighborhood. The existing zoning laws already tell you this. Not a three story building in sight and you want to put one in a neighborhood? You know this project should not be approved at all.

So, with what ***I know you know***, I ask you to do what is right. Comply with existing laws that already tell you this is not legal development. Oppose this development outright.

And if you decide to approve a three story development requiring legal zoning changes, general plan amendments and other modifications to make it "work" for the developer, then know that this neighborhood is worse off because of your choices. If you approve this development, shame on you.

Cordially,

Alison Kelly
Bethany Drive Resident

A small, dark, irregular mark, likely a redacted signature or stamp.



Bethany Drive development

From Alison Norton <alisonnorton33@gmail.com>
Date Wed 10/2/2024 8:02 AM
To City Council <citycouncil@scottsvally.gov>

[EXTERNAL EMAIL] DO NOT CLICK links or attachments unless you recognize the sender and know the content is safe.

Before you approve this, please go to that corner today. Sit and watch for a while. Look around at the surroundings. Think of the impact this 3 story will have on the surroundings -

- shadowing a riparian area by the stream
- overshadowing the school
- so much more

Please observe the neighborhood - busy enough with 1441, school and neighborhood traffic.

Development is inevitable, but this is not the spot for such an extraordinary nonconforming use.

Please vote against this project. The laws on the books already tell you this is a bad idea.

Cordially,

Alison Kelly



125 Bethany project

From cory arrison <[REDACTED]>

Date Wed 10/2/2024 5:28 PM

To Scotts Valley Planning Department <planningdepartment@scottsvalley.gov>; City Council <citycouncil@scottsvalley.gov>; elinathanielmay@gmail.com <elinathanielmay@gmail.com>

[EXTERNAL EMAIL] DO NOT CLICK links or attachments unless you recognize the sender and know the content is safe.

Dear City Council Members,

For years, my business has operated out of separate locations for storage and office work, which has been both inefficient and costly. The 125 Bethany Drive redevelopment solves this problem by combining storage and office spaces into one integrated location. This will streamline our operations, save us time, and ultimately allow us to provide better service to our customers. I strongly believe this project is necessary for businesses like mine to thrive in Scotts Valley.

Please vote to approve this project.

Sincerely,
Cory arrison

Retro attack vintage and resell

4121 Scott's valley Dr

Scotts valley , ca 950666

From: David Alreck <davidalreck@gmail.com>

Subject: 125 bethany public hearing

Date: September 28, 2024 at 11:32:15 PM PDT

To: Mali LaGoe <mlago@scottsvally.gov>, Donna Lind <dlind@scottsvally.gov>, jdilles@scottsvally.org, David Alreck <davidalreck@gmail.com>

[EXTERNAL EMAIL] DO NOT CLICK links or attachments unless you recognize the sender and know the content is safe.

I unfortunately am not able to attend the next council meeting to further express my thoughts on the ill-conceived 125 Bethany project. I sure you are sorely disappointed but I do ask you to patiently take the time to read some thoughts.

I'm sure you will see a rerun of the well-rehearsed and orchestrated slick presentation by the owner/developer with everything but flags and apple pie which dismayed us at the planning commission meeting.

A creative project that they believe everyone up to the president thinks is a godsend to the Scotts Valley community. A project overwhelming supported and apparently encouraged by our planning department. I have to question why the complete support by planning department, understandingly they have had involvement, invested hard work and are excited for their efforts in the project to come to fruition but there is a line of nonpartisan ethics and bias that is very evident in there staff report and the type of supportive questioning we witnessed at the planning commission meeting.

The owner /developer has an innovative approach of shared business suites with supportive storage facilities that allows business to have consistently constant flow of in & out of materials and goods. They invested a lot of effort which I hope we did not lead them onto thinking this is acceptable to the community. They have a model that could be very successful and could be built anywhere in an appropriate area. A creative and novel approach this is not a regular storage facility as the supporters and stated new tenants of the project testified they will be able to run their business very efficiently because they have the storage area to use for quote "constant restocking of supply's" which they don't have the ability in their current location. What that means is traffic studies are completely flawed based on normal storage facilities and there will be exponentially more traffic. Great idea for a project just in the wrong place

The proposed project traffic Impacts not only adjacent neighborhoods but to all parents and students attending adjacent Vine hill who are already discouraged in having children walk or bike to school or Siltanen Park.

They have changed the look and features from 1st submittal to the planning commission. Why? Because they are reacting to concerns, I question that. Don't be awed or misled by arch renderings of the scale of the project, this is a huge, looming monstrosity over a corner location, what could be more obtrusive. A massive 3 story 53,000 facility that will be 45 feet taller than the corner intersection. Oh yes and all major trees removed but don't worry they will be replaced with drought resistant varieties. A project scale totally out of context with the surrounding area. A project that emphasizes the unmanaged sprawl to all both in the area and anyone traveling on through on Hwy 17

I am very concerned about the lack of reach out and transparency to surrounding neighborhoods and the community as a whole. On a bike ride through neighborhood with at least 10 being surveyed, I only asked if they were aware, I did not lobby or express my personal thoughts, none have even heard of project and every response was along the line of "you're kidding me" "why would we do that" "that's crazy" "don't we have enough storage facilities" "not next to the school" In the cul-de-sacs in the Vineyards who I thought were in the radius of required notification zone, the 3 I asked, had been received nothing for either hearing. Nothing in the paper, nothing in the community newsletter and I guarantee you that no one who voiced prior opposition have been informed, only planning and the developers are aware of the hearing. I had asked to be notified and I appreciate the consideration in the notification but I received at 4:58 Friday before the hearing.

We should sincerely applaud developer on their imaginative approach but forthrightly let them know it doesn't work in that location. A wonderfully creative idea just in the most inappropriate place possible

Rezoning to form an industrial zoning island surrounded by residential school and parks just doesn't make sense,

What benefit to the community in that location is there and what would this project do for our identity.

I hope common sense and sensibility to the community will prevail and we do not feel obligated to a developer who has overstretched his ambition without regard to civic responsibility.

Thanks for your time. David Alreck [REDACTED]

October 2, 2024

City of Scotts Valley – City Council Meeting
Public Comment Re: 125 Bethany Drive

Dear City Council Members,

My name is Matt Hoey, a long-time resident on Tabor Drive, a licensed architect in the state of California, lead representative of the Bethany Drive Neighborhood Residents group, and although I am unable to attend in person or virtually due to travel, I have requested my statement be read in my absence.

On August 23, 2023, a letter was composed by the Bethany Drive Neighborhood Residents group (BDNR), which is comprised of 25 residents that all live in the immediate vicinity of the proposed redevelopment location. This letter was submitted to the Planning Department as part of the public comment period in opposition to the negative declaration determination outlined in the Lead Agency's draft report. I have included that letter in this submission and request it be accepted into the record as part of this statement.

To our knowledge, the results of the Planning Commission's public meetings on this matter have not resulted in the developer redesigning the proposed project to meet the existing land use requirements previously adopted by the City. It is our group's position that industrial uses and activities are inappropriate for the surrounding neighborhood and in direct conflict with the spirit of the City's adopted code.

To be clear, this is a single-family residential neighborhood with a small elementary school adjacent to the site. There are no 3-story commercial-type buildings anywhere nearby except those for educational purposes at the 1440 Multiversity campus, and zero industrial-zoned parcels or buildings.

When you look at all Light Industrial-zoned parcels in the City of Scotts Valley, you will see two themes that are indisputable:

1. Nearly all light industrial zoned parcels are not permitted adjacent to residential neighborhoods.
2. There are a total of four locations within the city that have light industrial-zoned parcels adjacent to residential neighborhoods, however; from our direct observation, none of these sites require the surrounding residents to walk, drive, or even visually comeingle with those sites.

One might ask, why does the City appear to intentionally ensure industrial-zoned parcels do not exist next to more sensitive zoning types, like residential?

To answer this, we can look at Chapter 17.26 of the City's current adopted code, where the City defines the purpose of light industrial-zoned parcels. It reads, "*[Light Industrial] land use classification is designed to accommodate industrial and industrially related land uses and **provide a location for businesses that are inappropriate in commercial or residential zones because of their operations or sizes and because they may create noise, odor, dust or glare and create impacts to traffic, the aquifer or air quality. Uses in this classification shall not encroach upon the character of adjoining land uses and will not expose adjoining uses to hazardous conditions.***"

We interpret the City's adopted Code and current placement of light industrial-zoned parcels as support for maintaining appropriate buffer zones between otherwise incompatible Industrial and Residential areas, and so not to cause harm from one land use activity to another.

As such, we respectfully request that this Council deny the land use change for our neighborhood's benefit, but also to avoid an unintended consequence of a possible precedent being set, which may make future City Council decisions more challenging when development proposals bring similar extreme land use change requests.

Thank you,

Matt Hoey (on behalf of the BDNR group)

August 23, 2023

City of Scotts Valley
c/o Susie Pineda
Contract Planner
spineda@m-group.us

RE: 125 BETHANY DRIVE

Dear Ms. Pineda and City Council Members,

Pursuant to the Public Review and Comment Period for the above-mentioned proposed project, the concerned group of Bethany Drive Neighborhood Residents (referred to as BDNR for the remainder of this document) hereby submits to the City of Scotts Valley (the City) and the development group, Heritage Real Estate Ventures, LLC (the Developer) our collective concern for the proposed development and disagreement with the Negative Declaration determination as outlined in the report dated July 24, 2023 by the Lead Agency (attached as an exhibit).

BDNR first wants to acknowledge that the existing property and site improvements at 125 Bethany Drive are outdated, likely underutilized, and generally not perceived as providing a significant benefit to the immediate neighborhood or broader community. For these reasons BDNR is generally amenable to redevelopment at this location, however; BDNR opposes the Negative Declaration without prejudice and has two primary concerns at this time, as outlined within this letter.

CONCERN 1

Negative Declaration Report Statement, (Page 3):

Project-Related Approvals and Permits: In addition to environmental certification, the project would require the following City approvals:

- *General Plan amendment from Commercial Professional to Light Industrial*
- *Zone Change from C-P Professional Commercial to Light Industrial (I-L).*
- *Planned Development in conjunction with the Zone Change request to allow for the approval of a general development plan incorporating alternative development standards.*
- *Use permit.*
- *Design Review to evaluate the site design and architecture.*
- *Cultural Resources Alteration Application.*

BDNR Observation

BDNR submits that changing the existing zoning type for the proposed redevelopment project at 125 Bethany Drive from Professional Commercial (C-P) to Light Industrial (I-L) would be highly irregular and significantly inconsistent with typical land use adjacencies within the City of Scotts Valley. BDNR performed a cursory review of all existing parcels with zoning types I-L bordering any Residential type with a total of four locations identified (refer to Zoning Map without Buffer Zones between Light Industrial and Residential attached as an exhibit). Each of these four locations could not reasonably be considered as comparable to the proposed 125 Bethany Drive site, or as favorable examples of I-L adjacent to Residential for reasons uniquely outlined below:

Site A

Access to and around the adjacent residential area does not require passing through or by the I-L site. Any and all traffic produced by the I-L building/site occupants appears to not be accessible to the adjacent residential areas. The elevation of the I-L site and all improvements are significantly below the adjacent residential area with limited or no line-of-sight nuisance.

Site B

Access to and around the adjacent residential area does not require passing through or by the I-L site. Any and all traffic produced by the I-L building/site occupants appears to not be accessible to the adjacent residential areas. The elevation of the I-L site and all improvements are significantly below the adjacent residential area with limited or no line-of-sight nuisance.

Site C

Access to and around the adjacent residential area does not require passing through or by the I-L site. Any and all traffic produced by the I-L building/site occupants appears to not be accessible to the adjacent residential areas. The elevation of the I-L site and all improvements are significantly below the adjacent residential area with limited or no line-of-sight nuisance.

Site D

Access to and around the adjacent residential area does not require passing through or by the I-L site. Any and all traffic produced by the I-L building/site occupants appears to not be accessible to the adjacent residential areas. The I-L site and all improvements provide limited or no line-of-sight nuisance.

125 Bethany Drive (proposed)

Access to and around the adjacent residential area require passing through or by the proposed I-L site. Any and all traffic produced by the proposed I-L building/site occupants must utilize primary residential access roadways. The location of the proposed I-L site and all improvements are fully exposed to residents with unavoidable line-of-site nuisance.

Additionally, BDNR submits that when reviewing the City's published zoning map for where I-L zoned parcels are generally designated, the overwhelming majority of parcels that border I-L consist of Commercial Service (C-S) type land use, not Residential (refer to Zoning Map Light Industrial with Buffer Zones attached as an exhibit). This strong majority placement of I-L and C-S together suggests an intentional land use adjacency strategy likely to promote complimentary land use activities while also providing an extremely important buffer between more sensitive zoning types, like Residential.

BDNR interprets the City's adopted Code and current placement of I-L zoned parcels as support for maintaining appropriate buffer zones between otherwise incompatible Industrial and Residential areas, and so not to cause harm from one land use activity to another. Chapter 17.26 of the City's Code provides the description and purpose of Light Industrial as follows:

The I-L district is intended to apply to all lands designated in the General Plan as "light industrial." This land use classification is designed to accommodate industrial and industrially related land uses and provide a location for businesses that are inappropriate in commercial or residential zones because of their operations or sizes and because they may create noise, odor, dust or glare and create impacts to traffic, the aquifer or air quality. Uses in this classification shall not encroach upon the character of adjoining land uses and will not expose adjoining uses to hazardous conditions.

BDNR Requests

1. The City reject the proposed redevelopment project until and unless, the Developer provides a revised design resulting in site improvements that do not require a change in zoning and address requests in "CONCERN 2" outlined further below.
2. Directly notify BDNR in advance of any official public proceeding that may directly or indirectly relate to BDNR's Concern 1 so adequate representation can be mobilized.
3. Provide BDNR reasonable opportunities to engage with meaningful feedback regarding proposed design changes in good faith.

CONCERN 2

Negative Declaration Report Statement, (Page 5):

Scenic Resources and Visual Character: [A]lthough the project would represent a visual change from the existing conditions, it would be consistent with the type of development that currently exists in the area and is consistent with the policies related to visual resources in the General Plan.

BDNR Observation

BDNR submits that the project as proposed in the Negative Declaration report is not consistent with the type of development that currently exists in the relevant vicinity. BDNR supports this statement based on various proposed design elements including building height of 34'-9" at three stories, total square footage of 52,822, and building coverage near

or at 50%. BDNR was unable to locate a single structure of similar size or proportion within a relevant vicinity. The average size of structures within a relevant vicinity appears to be ~2,200 square feet excluding the single-story elementary school buildings to the west of the proposed redevelopment site.

Additionally, based on the information provided, 80.2% of the 52,822 square feet is to be designated as storage for up to "227 user spaces". Based on this limited information it appears that this project is generally considered to be an industrial storage type facility, which BDNR contends is not consistent, or a compatible building use for the relevant vicinity.

BDNR Requests

1. The City reject the proposed redevelopment project until and unless, the Developer provides a revised design that results in site improvements and building use more congruent with the existing surrounding residential area and address the requests presented in "CONCERN 1" outlined above.
2. Directly notify BDNR in advance of any official public proceeding that may directly or indirectly relate to BDNR's Concern 2 so adequate representation can be mobilized.
3. Provide BDNR reasonable opportunities to engage with meaningful feedback regarding proposed design changes in good faith.

About BDNR

Bethany Drive Neighborhood Residents (BDNR) is a group comprised of 25 concerned residents and/or homeowners to be directly impacted by the proposed redevelopment project and are located only on Tabor Drive, Tabor Way, Bethany Drive, Scotts Valley Drive (north extension), Sawyer Circle, and Sawyer Court. Refer to BDNR Resident Location Map (attached as an exhibit) for additional location context.

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Mahina Hoey

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Michael Zeller

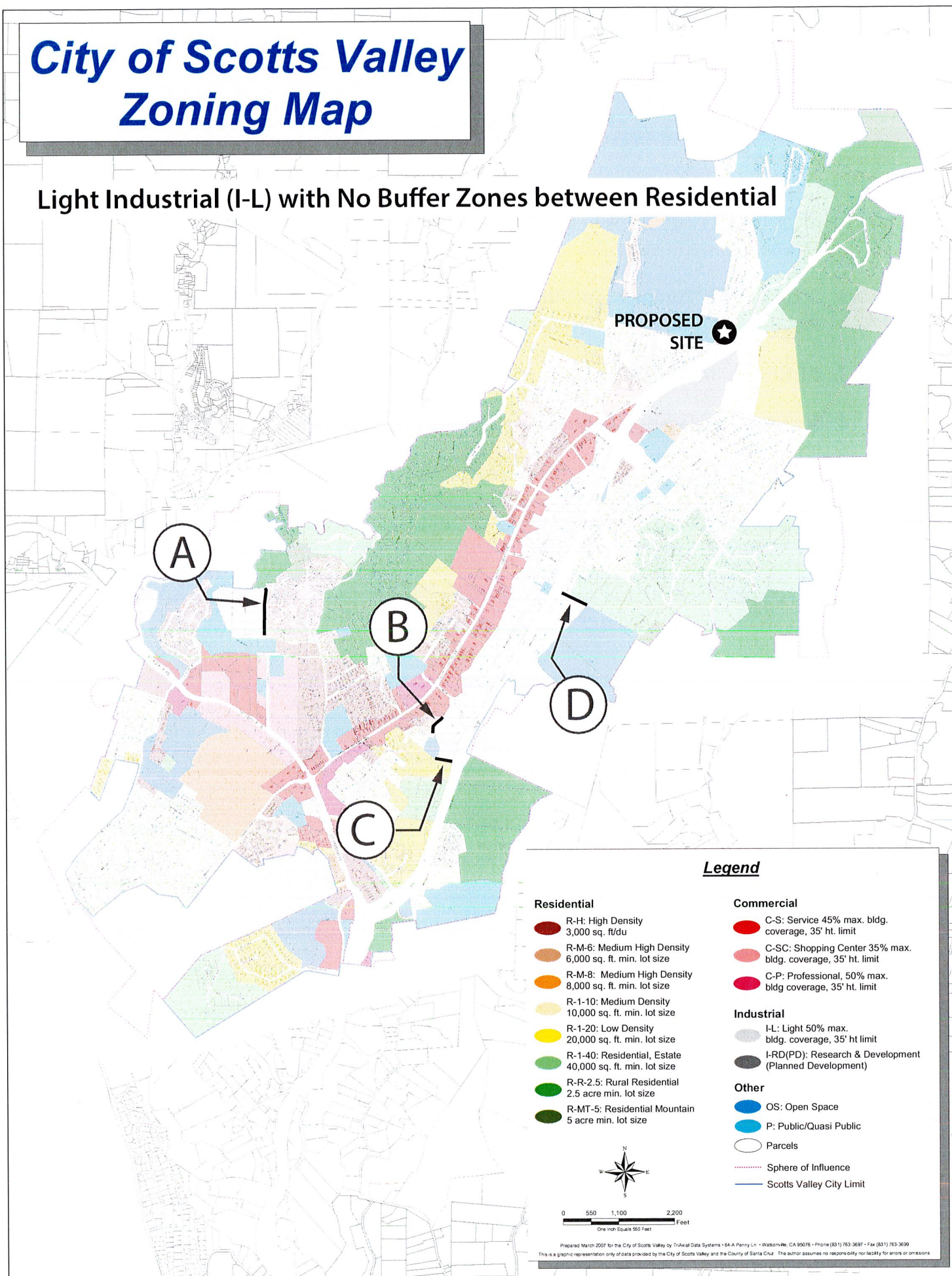
[REDACTED]
Scotts Valley, CA 95066
[REDACTED]

EXHIBITS

1. Scotts Valley Zoning Map Locations without Buffer Zones between Light Industrial and Residential
2. Scotts Valley Zoning Map with Buffer Zones between Light Industrial and Residential
3. BDNR Resident Location Map
4. Negative Declaration Report Date July 24, 2023 (without appendices)

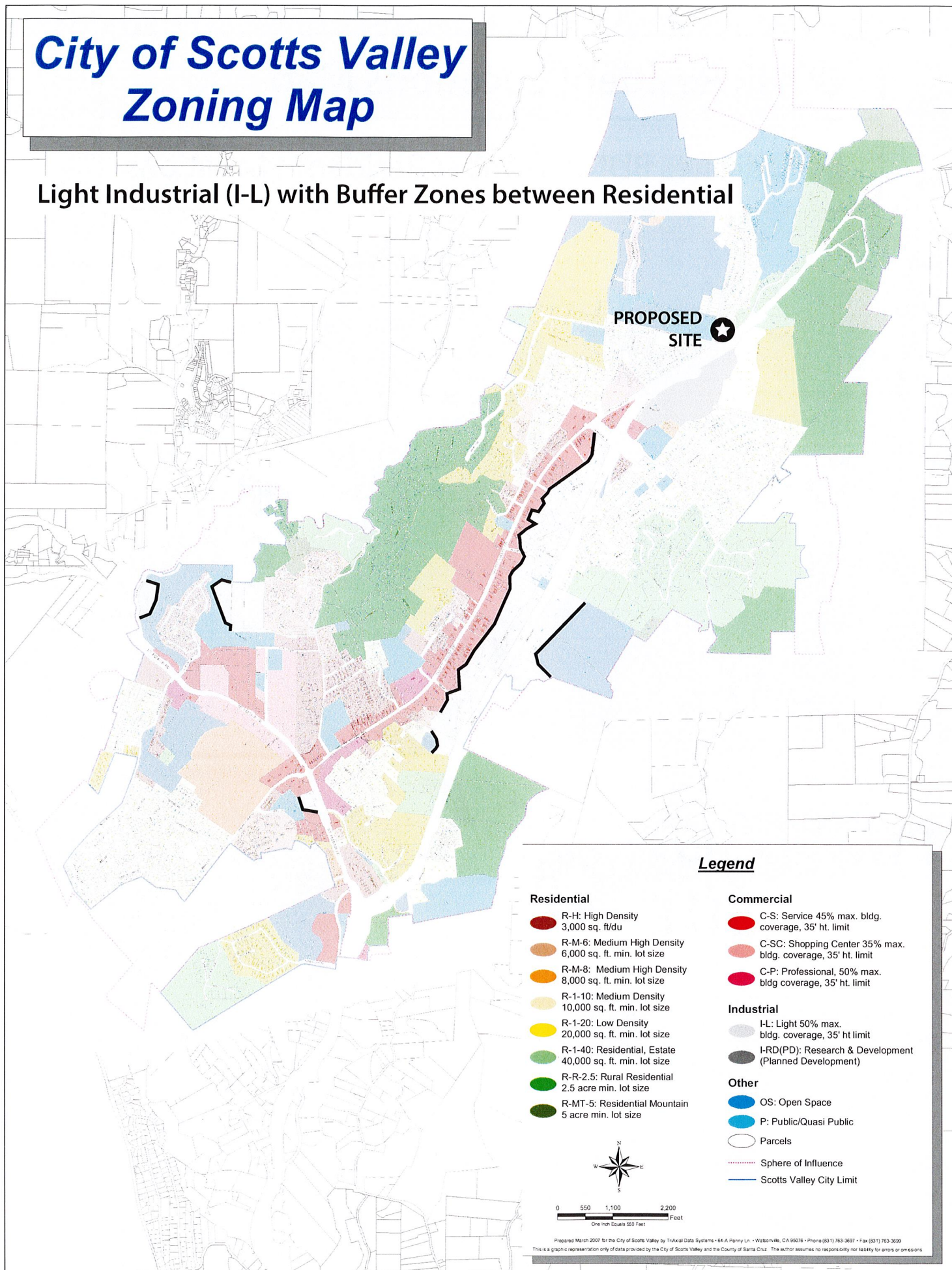
City of Scotts Valley Zoning Map

Light Industrial (I-L) with No Buffer Zones between Residential



City of Scotts Valley Zoning Map

Light Industrial (I-L) with Buffer Zones between Residential



■ Indicates BDNR Member Residence Locations

PROPOSED SITE





125 Bethany Dr - redevelopment project

From Marcus Poteete <mapoteete@gmail.com>

Date Fri 9/27/2024 5:56 PM

To Scotts Valley Planning Department <planningdepartment@scottsvalley.gov>; City Council <citycouncil@scottsvalley.gov>

Cc Eli May <elinathanielmay@gmail.com>

[EXTERNAL EMAIL] DO NOT CLICK links or attachments unless you recognize the sender and know the content is safe.

Dear City Council and Staff,

As a longtime resident and graduate of both Brook Knoll and SVMS, I've seen our community grow and change over the 30+ years I've lived here. I'm writing to express my support for the 125 Bethany Drive redevelopment project. I believe this project will be a positive addition to our neighborhood and will benefit both local businesses and residents.

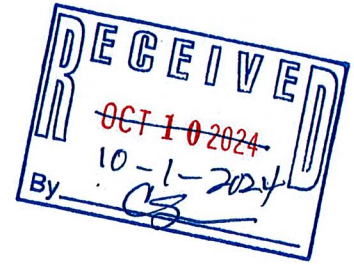
Post-pandemic our city needs to be able to evolve as fast as the ever-changing needs of small businesses, and I believe the re-development plans for 125 Bethany Drive benefits the city by revitalizing the existing space, improving community aesthetics, and will also attract new businesses and other residents.

I understand that some people are concerned about the traffic impact of the project. However, I believe that the developer has done a great job of addressing these concerns and mitigating any potential challenges.

Overall, I believe that the 125 Bethany Drive re-development project is a well-designed and thoughtful project that will benefit our community. I urge you to vote in favor of this important project.

Kind Regards,
Marcus Poteete

(916) 346-2989



MCCONNELL VETERINARY SERVICE

Ty McConnell DVM 4444 Scotts Valley Drive Suite 2 Scotts Valley, CA 95066

Fax: 831-438-0875 Phone: 831-438-0751 www.mcconnellvet.com

October 1, 2024

Dear City Council,

As business owners who operate in Scotts Valley at 4444 Scotts Valley Drive, we are deeply concerned about the reduction of professional commercial space in the city, particularly with the planned conversion of key sites like ours for affordable housing. While we fully understand and support the need for more housing, there is a critical need to maintain viable spaces for businesses like ours to continue thriving in the community.

Scotts Valley has a shortage of new office space and commercial spaces, and without proper planning for future commercial development, local businesses will have nowhere to go. Many of us rely on office space to conduct our daily operations, serve the community, and provide employment to local residents. If we lose these spaces, the future of our businesses, and the jobs they provide will be at risk.

Approving the 125 Bethany Drive project will not only help businesses stay in Scotts Valley but also ensure the local economy remains vibrant and diverse. We urge you to support this project and help provide the necessary infrastructure for similar businesses like ours to continue in the community.

Sincerely,

Ty McConnell, DVM
McConnell Veterinary Service
4444 Scotts Valley Dr., Ste. 2
Scotts Valley, CA 95066

From: Eli May <~~elinathanielmay@gmail.com~~>

Subject: Re: Emails objecting to the proposed development 125 BethanyDr

Date: October 1, 2024 at 12:37:50 PM PDT

To: Donna Lind <dlindslind@gmail.com>

Hi Donna,

Thank you. I appreciate you sending these and providing us an opportunity to respond.

Before getting into the specifics of the letters, I just want to note when we officially applied to the city with a full set of plans - It was October 2021 (4 years ago). Since then we have spoken with countless neighbors and members of the community. We sent direct mail to all of our neighbors in a much larger radius than what is required of the city for notification. We also built a website bethanyredevelopment.com to give the community more information about the project and our vision, and a way to contact us.

In response to the first letter:

Regarding the EIR: Our project has been evaluated through the CEQA process to assess impacts. This included many professional studies, including traffic studies, noise studies, arborist studies, and archeology studies. All of these reports and more were then evaluated by the city and its outsourced team at Kimley Horn. The result was a Negative Declaration, which is on the lowest scale possible of impacts. This is the absolute best result possible.

Regarding the General Plan and Zone change: The planning staff would under no circumstance allow us to submit this project under the existing commercial zoning - something we disagree with and fought very hard to change. It was made clear to us that the only way staff would allow our project to be heard was if we included a zone and GP change. In an effort to mitigate any issues with the new zoning, the planning staff and us agreed to include a PLANNED DEVELOPMENT application attached to this project. What that means is - only the specific uses defined in the Planned Development application will be allowed at this site - those uses are ADMINISTRATIVE OFFICE and GENERAL STORAGE. This essentially makes the base zoning irrelevant. Absolutely no industrial uses will be allowed on site. This project simply needs to be conditioned for only those uses

I would like to note that it is within the City Council's purview to approve the use, along with a planned development application, without a zone and general plan change, which we

think would be more appropriate. But regardless of the zoning, the uses will not change from what they are currently and what is proposed - office and storage.

In regards to child safety: the safety of everyone, especially children, is absolutely paramount to us. This site has had several schools as tenants over the years, and those schools catered specifically to children with disabilities. We know what it is to have a mix of uses and making sure everyone is safe, which we have been very successful with. The idea that some storage use will be a net danger to children is quite a leap. However, the new site will have advanced security features such as...

- Access control - Every access point into and out of the building will have individualized key code entry and exit - this means we will know exactly who accessed the buildings and when.
- Security and camera system - we use the most advanced security cameras on the market - Verkada Cameras - that utilize AI to capture faces of people entering and exiting the buildings, read and keep license plates of cars that enter and exit our property, and also have 24/7 live monitoring that can report after-hour intrusions directly to the owners and the police.
- Owners/Developers will have an office onsite - just as we do right now, we will be there every day just as we are right now. We manage our own properties. We make ourselves available to the community and we are incredibly responsive.

In response to the second letter:

I'm glad to hear this citizen (sounds like Dave) heard our presentation at the planning commission and agrees this is a good idea.

In regards to use: this project is fully within the city's building code requirements, including...

- Adheres to the 35 ft height limit allowed by Scotts Valley's zoning code.
- Remains fully within the building envelope standards & compliant with all code requirements.
- The footprint is consistent with existing structures, maintaining a similar land use while modernizing the facilities.

In regards to the trees: The only trees being removed are already dead. We've made a big effort to keep as much of the existing mature landscape as possible. The old and dying trees are being replaced by better more drought tolerant trees that require less water use.

In regards to traffic: I would only cite the CEQA analysis and the findings by the city's environmental consultant and the city's traffic engineer. All of the impacts were evaluated and studied...ad nauseam. They showed no additional impacts.

In conclusion: The tenants of this new, green building are also residents and business owners in Scotts Valley who deserve to have space that fits their needs. Finally - with the addition of 1220+ new residential units in the next 8 years, and the proposals to demolish existing office space (such as 4444 SV Drive) - and no new business space being built - this site is actually perfect!

Apologies for the lengthy email. In case I failed to answer anything, or you have any follow up questions, I am available over email or a phone call - 831-419-9641.

Thanks,
Eli

