



AGENDA

Meeting of the
Scotts Valley City Council
In-Person and Remote Access
Date: December 17, 2025
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	Agenda posted on 12-12-2025 at City Hall, SV Senior Center, SV Public Works Building, and on the Internet at: www.scottsvally.gov
ELECTED OFFICIALS		CITY STAFF MEMBERS
Derek Timm, Mayor Donna Lind, Vice Mayor Steve Clark, Council Member Krista Jett, Council Member Greg Wimp, Council Member		Mali LaGoe, City Manager Kirsten Powell, City Attorney Cathie Simonovich, City Clerk

MEETING NOTICE AND AGENDA PACKET MATERIALS

Notice regarding City Council Meetings:

The City Council meets regularly on the 1st and 3rd Wednesday of each month at 6:00 PM in the City Hall Council Chambers located at 1 Civic Center Drive, Scotts Valley, CA 95066, and via Zoom Webinar remote access.

Agenda and Agenda Packet Materials:

The City Council agenda and the complete agenda packet are available for review by 5:00 PM the Friday before the Wednesday meeting on the Internet at the City's website:

www.scottsvally.gov and in the lobby of City Hall at 1 Civic Center Drive, Scotts Valley, CA.

Pursuant to Government Code §54957.5, materials related to an agenda item, submitted after distribution of the agenda packet, are available for public inspection in the lobby of City Hall during normal business hours, Monday-Friday, 8am-12 pm and 1-5 pm. In accordance with AB 1344, such documents will be posted on the City's website at www.scottsvally.gov.

Public Participation:

The meeting will be available on Zoom and livestreamed to the City of Scotts Valley's YouTube channel: <https://www.youtube.com/@cityofscottsvally>

For those wishing to participate via Zoom you can join the following ways:

Zoom Webinar meeting link: <https://us02web.zoom.us/j/83295730901>

Or dial one of these numbers: (669) 900-9128 or (669) 444-9171

Webinar ID: 832 9573 0901

Whether attendance is in-person or remote, you will be given opportunities to provide public comment at the appropriate times throughout the meeting. The time limit is up to 3 minutes for an individual, or 5 minutes for someone who is representing a group of three or more, at the discretion of the Mayor. Please note that this is not a question-and-answer time, but simply a time to provide comments to the Council. At the appropriate times during the meeting for public comment, on items not on the agenda, and on specific agenda items, the Mayor will announce that public comment will be accepted.

How to comment via in-person attendance:

Please proceed to the public comment podium when the Mayor opens the item for public comment.

How to comment via Zoom Webinar:

Use the webinar attendee option to “raise hand” when the Mayor opens the item for public comment. The Clerk will unmute you when it is your turn. If you have joined via Zoom phone call, dial *9 or your phone to “raise your hand”, and the Clerk will unmute you when it is your turn.

CALL TO ORDER 6:00 PM

PLEDGE OF ALLEGIANCE and MOMENT OF SILENCE

ROLL CALL

COMMITTEE REPORTS

Council members are appointed to committees which are either City committees or committees dealing with other jurisdictions. This portion of the agenda allows the committee member to present oral or written reports to the Council regarding their committee assignments. It also allows the Council to make comments and give the committee member direction, as required.

CITY MANAGER REPORT

PUBLIC COMMENT TIME

This is the opportunity for individuals attending in person to make oral comments to the Council on any items within the purview of the Council, which are NOT part of the Agenda. No action on the item may be taken, but the Council may request the matter be placed on a future agenda. Written public comment may be emailed to the City Clerk by 5:00 PM on the day of the meeting at csimonovich@scottsvally.gov.

ALTERATIONS TO CONSENT AGENDA

Council can remove or add items to the Consent Agenda.

CONSENT AGENDA

The Consent Agenda is comprised of items which are intended to be non-controversial and are approved without discussion. Persons wishing to speak on any item may request the item be moved to the Regular Agenda by raising their hand to be recognized by the Mayor. An item will only be moved from the Consent Agenda to the Regular Agenda if a City Council Member requests it to be moved and a majority of the Council agrees.

1. Approve City Council special meeting minutes of 11-19-2025 and 11-26-2025, and regular meeting minutes of 12-3-2025
2. Monthly Treasurer's Report - September 2025
3. Adopt Resolution No. 2077 to Ratify the 2025 California Fire Code with amendments, as adopted by the Scotts Valley Fire Protection District
4. Local Agency Special Tax and Bond Accountability Act for Fiscal Year 2024-25 - CFD 97-1
5. Adopt Resolution Accepting the FY 2024-25 Annual AB 1600 Development Impact Fee Report
6. Update on Emergency Actions Taken for the Glenwood Road Embankment Failure Project
7. Second reading and adoption of Ordinance No. 16.143 amending the Scotts Valley Municipal Code Title 16 (Subdivisions) and Title 17 (Zoning) to clarify requirements for accessory dwelling units, junior accessory dwelling units, urban lot splits, SB 9 residential development, and ministerial design review.

PUBLIC HEARINGS

1. A public hearing to adopt a resolution certifying the 2025 Town Center Specific Plan Final Environmental Impact Report and Adopting a Statement of Overriding Considerations with respect to significant and unavoidable impacts identified in the EIR, and to adopt a resolution approving the 2025 Town Center Specific Plan

ALTERATIONS TO REGULAR AGENDA

Council can remove or add items to the Regular Agenda.

REGULAR AGENDA

Persons wishing to speak on any item may do so by raising their hand to be recognized by the Mayor.

1. Nomination/Motion of Mayor/Chair (conducted by City Manager)
2. Nomination/Motion of Vice Mayor/Vice Chair (conducted by newly appointed Mayor)
3. Future Council Agenda Items

ADJOURNMENT

ADA NOTICE

The City of Scotts Valley does not discriminate against persons with disabilities. The City Council Chambers is an accessible facility. If you wish to attend a City Council meeting and require assistance such as sign language, a translator, or other special assistance or devices in order to attend and participate at the meeting, please call the City Clerk's office at (831) 440-5608 five to seven days in advance of the meeting to make arrangements for assistance. If you require the agenda of a City Council meeting be available in an alternative format consistent with a specific disability, please call the City Clerk's Office. The California State Relay Service (TTY/VCO/HCO to Voice: English 1-800-735-2929, Spanish 1-800-855-3000; or, Voice to TTY/VCO/HCO: English 1-800-735-2922, Spanish 1-800-855-3000), provides Telecommunications Devices for the Deaf and Disabled and will provide a link between the TDD caller and users of telephone equipment.

PROCEDURAL INFORMATION FOR THE PUBLIC

THE FOLLOWING IS THE PROCEDURE COUNCIL SHOULD TAKE IN APPROVAL OF A RESOLUTION:

1. Move the Resolution number for approval.
2. Second the motion.
3. Vote by body, a roll call vote is not required.

THE FOLLOWING IS THE PROCEDURE COUNCIL SHOULD TAKE IN INTRODUCTION/ADOPTION OF AN ORDINANCE:

1. Move the Ordinance number for introduction (or adoption).
2. Move the Ordinance be introduced by title only and waive the reading of the text.
3. Read the Ordinance title.
4. Second the motion.
5. Vote by body, a roll call vote is not required.

THE FOLLOWING IS THE PROCEDURE COUNCIL SHOULD TAKE IN PUBLIC COMMENT/PUBLIC HEARINGS:

Unless otherwise determined by the presiding officer of the meeting:

1. Three minutes allowed per individual to speak.
2. Five minutes allowed per individual representing a group of three or more.



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MINUTES

Special Meeting of the
Scotts Valley City Council
Date: November 19, 2025
Time: 5:45 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 11-18-2025 at City Hall, SV Senior Center, SV Public Works Building, and on the Internet at www.scottsvally.gov .
CALL TO ORDER 5:45 PM		

The City Council meeting was called to order at 5:46 PM.

PLEDGE OF ALLEGIANCE and MOMENT OF SILENCE

ROLL CALL

**ELECTED OFFICIALS
PRESENT:**
Derek Timm, Mayor
Donna Lind, Vice Mayor
Steve Clark, Council Member
Krista Jett, Council Member
Greg Wimp, Council Member

CITY STAFF MEMBERS PRESENT:
Mali LaGoe, City Manager
Kirsten Powell, City Attorney
Dat Nguyen, Senior Civil Engineer
Cathie Simonovich, City Clerk

ALTERATIONS TO REGULAR AGENDA

M/S: Lind/Clark
To approve the Regular Agenda with no alterations.
Carried 5/0 (AYES: Timm, Lind, Clark, Jett, Wimp)

REGULAR AGENDA

1. Resolution Declaring an Emergency for the Glenwood Drive Slide Pursuant to Public Contract Code §1102 and Authorizing the City Manager to Cause the Repair of the Slide Pursuant to Public Contract Code §§22035 and 22050.

City Manager LaGoe presented this item and responded to questions from the Council. Senior Civil Engineer Dat Nguyen was also in attendance to answer questions. City Manager LaGoe explained on November 12, 2025, the City experienced a significant storm associated with an atmospheric river, producing nearly three inches of rainfall in 24 hours which caused debris accumulation and blockage of roadside inlets, which impeded stormwater flow. The uncontrolled stormwater along the east edge of Upper Glenwood Drive combined with sheet runoff, saturated the soil and caused a mudslide affecting approximately 30 linear feet of the roadway, undermining the pavement, and creating hazardous conditions. In addition, the bike lane was undermined by approximately two feet, requiring closure and forcing bicyclists to share the roadway with vehicles and a water main became exposed creating a risk of catastrophic failure that could disrupt water service to nearby neighborhoods. These conditions pose an immediate threat to public health, safety, and property, necessitating rapid emergency action to stabilize the site, assess hazards, and implement temporary and permanent repairs. She explained that declaring this emergency will allow for the solicitation of a bid without the typical delay experienced from the competitive bid process, and she reiterated that this action is necessary for a timely response to the emergency.

M/S: Lind/Clark

**To adopt Resolution No. 2076, a resolution of the City Council of the City of Scotts Valley declaring an emergency for the Glenwood Drive slide pursuant to the Public Contract Code §1102 and authorizing the City Manager to cause the repair of the slide pursuant to Public Contract Code §§22035 and 22050.
Carried 5/0 (AYES: Timm, Lind, Clark, Jett, Wimp)**

ADJOURNMENT

The meeting adjourned at 6:02 PM.

Approved: _____
Derek Timm, Mayor

Attest: _____
Cathie Simonovich, City Clerk



MINUTES

Special Meeting of the
Scotts Valley City Council
Date: November 26, 2025
Time: 9:30 AM

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 11-25-2025 at City Hall, SV Senior Center, SV Public Works Building, and on the Internet at www.scottsvally.gov .
CALL TO ORDER 9:30 AM		

The City Council meeting was called to order at 9:34 AM.

PLEDGE OF ALLEGIANCE and MOMENT OF SILENCE

ROLL CALL

**ELECTED OFFICIALS
PRESENT:**
Derek Timm, Mayor
Donna Lind, Vice Mayor
Steve Clark, Council Member
Krista Jett, Council Member
Greg Wimp, Council Member

CITY STAFF MEMBERS PRESENT:
Mali LaGoe, City Manager
Kirsten Powell, City Attorney
Rodolfo Onchi, Public Works Director
Cathie Simonovich, City Clerk

ALTERATIONS TO REGULAR AGENDA

M/S: Lind/Clark
To approve the Regular Agenda with no alterations.
Carried 5/0 (AYES: Timm, Lind, Clark, Jett, Wimp)

REGULAR AGENDA

1. Resolution ratifying the proclamation of a local emergency for the Glenwood Drive slide

City Manager LaGoe presented this item and clarified that the special meeting held on November 19 addressed the City's ability to procure a timely solution without following the Public Works bidding contract codes, as the City needed to engage with potential contractors promptly in order to fix the road. The action listed above is broader in that it proclaims an emergency based on the concern that the City will not have the financial resources needed to complete the job. Consequently, City Manager LaGoe proclaimed an emergency on November 19 that needed Council ratification within 7 days. She further explained the tight timeline set forth by CalOES in order to qualify for financial assistance in the future. This declaration will need to be renewed every 60 days, while the previous proclamation will need to be reviewed every 14 days during the procurement process.

M/S: Lind/Clark

To adopt Resolution No. 2079, ratifying the proclamation of a local emergency declared by the City Manager on November 19, 2025, for the Glenwood Drive slide.

Carried 5/0 (AYES: Timm, Lind, Clark, Jett, Wimp)

ADJOURNMENT

The meeting adjourned at 9:49 AM.

Approved: _____
Derek Timm, Mayor

Attest: _____
Cathie Simonovich, City Clerk



MINUTES

Meeting of the
Scotts Valley City Council
Date: December 3, 2025
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 11-26-2025 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 6:00 PM.

Mayor Timm announced that Bryleigh Zeller is Mayor for the Day and will open the meeting, lead the pledge of allegiance, and stay through public comment time.

PLEDGE OF ALLEGIANCE and MOMENT OF SILENCE

ROLL CALL

ELECTED OFFICIALS PRESENT: Derek Timm, Mayor Donna Lind, Vice Mayor Steve Clark, Council Member Krista Jett, Council Member Greg Wimp, Council Member MAYOR FOR THE DAY: Bryleigh Zeller	CITY STAFF MEMBERS PRESENT: Mali LaGoe, City Manager Kirsten Powell, City Attorney Ben Noble, Consultant Planner Cathie Simonovich, City Clerk
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COMMITTEE REPORTS

VM Lind attended a Santa Cruz Metropolitan Transit District (METRO) Board of Directors meeting where they received information on federal and state legislative updates which relate to the budget.

CITY MANAGER REPORT

Street Sweeping Enforcement Program: There are new "no parking" areas on Technology Circle and El Pueblo Drive to accommodate street sweeping, which is necessary for environmental reasons including protecting Carbonera Creek. The program started this week, and a lot of debris was removed.

Repair Work — Glenwood Drive: Public Works staff will be holding a mobilization meeting with Anderson Pacific this week regarding the necessary repair work due to the Glenwood Drive slide. City Manager LaGoe noted that residents can expect traffic control as one lane will be closed during construction.

Shop Local Win Local Holiday Campaign: This campaign was launched last week in partnership with the Chamber of Commerce to encourage people to shop local this holiday season. Simply spend \$10 or more at any local business and enter the receipt for a chance to win prizes. Full details can be found on the City's website.

Crafts and Cocoa Event: The Recreation Department will host the annual Crafts and Cocoa event on December 12. This is a fun family event with cookie decorating and much more.

Special Planning Commission Meeting: There will be a special meeting of the Planning Commission on December 4 at 7:30 PM to review the Town Center Environmental Impact Report (EIR) and the Town Center Specific Plan. This meeting will be held in the City Council Chambers.

New Drainage - Siltanen Park: The new drainage project between Siltanen and the Glenwood preserve is complete. The Santa Cruz Land Trust completed the retaining wall and the City followed up with the new drainage below the retaining wall.

PUBLIC COMMENT TIME

Mayor for the Day, Bryleigh Zeller, expressed that there should be more homes available for people who are homeless, and that this housing should be very affordable.

John Lewis spoke on behalf of Yes In My Back Yard (YIMBY) regarding the Town Center Specific Plan and feels that the plan falls short by 300 units in one parcel. In his opinion, this does not comply with the City's Housing Element.

Matthew Hakimi, a resident of Scotts Valley, feels that the pickleball courts are illegal, and also spoke about sewage issues, herbicide spraying, and soil toxicity.

Don Dietrich, a resident of Scotts Valley, expressed concern over the ingress and egress from the Valley Gardens project area, and suggested that this be on Mt. Hermon rather than Lockwood Lane.

CM Clark and CM Wimp attended the Scotts Valley Boys & Girls Club's annual *Clubsgiving* event and learned about the various programs and recreation activities. They also were able to see first-hand the improvements which are a direct result of the City's community grant program.

VM Lind thanked the Police Officers Association (POA) for the toy drive on Black Friday and noted that the POA will collect more toys at the tree lighting on Saturday, December 6 from 5:00 PM to 7:00 PM. All toys and non-perishable food donations will benefit Valley Churches United.

CM Wimp added that the Light up the Night celebration is a great community event with dancing, singing, and more.

CM Wimp noted that he enjoyed the event at the Boys and Girls Club, and the personal stories were particularly impactful.

ALTERATIONS TO CONSENT AGENDA

City Manager LaGoe requested that the special meeting minutes from November 19 be removed from the Consent Agenda in order to add more detail. These minutes will be updated and placed on the next City Council agenda.

M/S: Lind/Jett

To approve the Consent Agenda with the alteration of removing the 11-19-2025 special meeting minutes as noted above.

Carried 5/0 (AYES: Timm, Lind, Clark, Jett, Wimp)

CONSENT AGENDA

1. Approve City Council Special Meeting minutes of 11-19-2025 and Regular Meeting minutes of 11-19-2025
2. Approve check register dated 11-15-2025 through 11-26-2025
3. Approve Resolution No. 1955.32 Affirming the City Salary Schedules are Monthly Amounts
4. Approve Resolution No. 2076.1 Continuing the Declared Emergency for the Glenwood Drive Slide Pursuant to Public Contract Code §1102 and Authorizing the City Manager to Cause the Repair of the Slide Pursuant to Public Contract Code §§22035 and 22050.

5. Approve contract amendment with Ross Recreation Equipment, Inc. to add 10% contingency and amend scope of work to include unanticipated drainage work

PUBLIC HEARINGS

Due to the timing of the public hearing, this item was heard after Regular Agenda Item 1.

1. Public hearing to consider the Planning Commission's recommendation to amend Scotts Valley Municipal Code Title 16 (Subdivisions) and Title 17 (Zoning) to clarify requirements for accessory dwelling units, junior accessory dwelling units, urban lot splits, SB 9 residential development, and ministerial design review

City Manager LaGoe introduced this item, and Ben Noble, Contract Planner, presented this item. Contract Planner Noble and staff responded to questions from the Council.

Mayor Timm opened the public hearing at 7:49 PM. No members of the public came forward to speak on this item, and Mayor Timm closed the public hearing at 7:49 PM.

A letter received from CalHDF was received on December 3, 2025 and has been made part of the record.

M/S: Clark/Lind

**To introduce Ordinance No. 16.143 with amendments to Municipal Code Title 16 (Subdivisions) and Title 17 (Zoning) to clarify requirements for accessory dwelling units, junior accessory dwelling units, urban lot splits, SB 9 residential development, and ministerial design review, and waive the reading thereof.
Carried 5/0 (AYES: Timm, Lind, Clark, Jett, Wimp)**

M/S: Clark/Lind

**To direct staff to maintain a policy on noticing for ADU and SB9 projects which will have ministerial Community Development Director hearings.
Carried 5/0 (AYES: Timm, Lind, Clark, Jett, Wimp)**

ALTERATIONS TO REGULAR AGENDA

M/S: Lind/Clark

**To approve the Regular Agenda with no alterations.
Carried 5/0 (AYES: Timm, Lind, Clark, Jett, Wimp)**

REGULAR AGENDA

Due to the timing of the public hearing, this item was heard before Public Hearing Item 1.

1. Approve a Resolution of Intention to form an Enhanced Infrastructure Financing District (EIFD)

City Manager LaGoe introduced this item and Joe Dieguez from Kosmont Companies presented the item.

Scotts Valley Fire Chief Mark Correia noted that the Fire District Board of Directors has expressed interest in this partnership.

Matthew Hakimi, a resident of Scotts Valley, expressed concern over his perception that there is no revenue stream for the bonds.

Don Dietrich, a resident of Scotts Valley, expressed his support for the EIFD and volunteered to assist with speaking with the County Supervisors.

M/S: Lind/Clark

To adopt Resolution No. 2080 a resolution of the City Council of the City of Scotts Valley declaring its intention to establish the Scotts Valley Enhanced Infrastructure Financing District to finance the construction , repair, acquisition, and/or maintenance of capital improvements and facilities, including the acquisition and/or remediation of land for such improvements and facilities; establish a public financing authority; and authorizing certain other actions related thereto.

Carried 5/0 (AYES: Timm, Lind, Clark, Jett, Wimp)

M/S: Lind/Jett

To appoint Mayor Timm and Councilmember Clark to the Public Financing Authority Board, and to appoint Councilmember Jett as the alternate Board Member.

Carried 5/0 (AYES: Timm, Lind, Clark, Jett, Wimp)

2. Future Council Agenda Items

None

CONVENE TO CLOSED SESSION

The City Council convened to closed session at 7:56 PM to discuss the following item:

CLOSED SESSION SUBJECT(S)

1. Conference with legal counsel regarding real property negotiations
Legal Authority: Government Code Section 54956.8
Location: 2 lots between 201 and 241 Kings Village Road, Scotts Valley;
APNs 022-601-05 and 022-601-13
Staff Present: City Manager, City Attorney

RECONVENE TO OPEN SESSION

The City Council reconvened to open session at 8:23 PM.

REPORT ON ACTION TAKEN DURING CLOSED SESSION

Mayor Timm announced that there is no report from the closed session meeting.

ADJOURNMENT

The meeting adjourned at 8:23 PM.

Approved: _____
Derek Timm, Mayor

Attest: _____
Cathie Simonovich, City Clerk



Dec 3, 2025

City of Scotts Valley
1 Civic Center Drive
Scotts Valley, CA 95066

By Email: dtimm@scottsvalley.gov; dlind@scottsvalley.gov; sclark@scottsvalley.gov;
kjett@scottsvalley.gov; gwimp@scottsvalley.gov

CC: mlagoe@scottsvalley.gov; kpowell@scottsvalley.gov; csimonovich@scottsvalley.gov;
planningdepartment@scottsvalley.gov

Re: Proposed Changes to the City's ADU Ordinance

Dear Scotts Valley City Council,

The California Housing Defense Fund ("CalHDF") submits this letter regarding the proposed amendments to the City's accessory dwelling unit ("ADU") ordinance, which are calendared as Public Hearing agenda item 1 for the December 3, 2025 Council hearing.

CalHDF would like to thank the City for exempting section 66323 ADUs from parking requirements, as is required by state law. (Gov. Code, § 66323, subd. (b).) However, the proposed ordinance's geographic restrictions on ADUs violate state law, as discussed further *infra*.

Background

The law gives local governments authority to enact zoning ordinances that implement a variety of development standards on ADUs. (Gov. Code, § 66314.) The standards in these local ordinances are limited by state law so as not to overly restrict ADU development. (See *id.*) Separately from local ADU ordinances, Government Code section 66323 establishes a narrower set of ADU types that local governments have a ministerial duty to approve. "Notwithstanding Sections 66314 to 66322 ... a local agency shall ministerially approve" these types of ADUs. (*Id.* at subd. (a).) This means that ADUs that satisfy the minimal requirements of section 66323 must be approved regardless of any contrary provisions of the local ADU ordinance. (*Ibid.*) Local governments may not impose their own standards on such ADUs. (Gov. Code, § 66323, subd. (b)) ["A local agency shall not impose any objective development or

design standard that is not authorized by this section upon any accessory dwelling unit that meets the requirements of any of paragraphs (1) to (4), inclusive, of subdivision (a).”].)

In addition, ADUs that qualify for the protections of Government Code section 66323, like other ADUs, must be processed by local governments within 60 days of a complete permit application submittal. (Gov. Code, § 66317, subd. (a).)

State law also prohibits creating regulations on ADU development not explicitly allowed by state law. Government Code Section 66315 states, “No additional standards, other than those provided in Section 66314, shall be used or imposed, including an owner-occupant requirement, except that a local agency may require that the property may be used for rentals of terms 30 days or longer.”

Impermissible Geographic Restriction

Code section 17.57.030(Q) prohibits all ADUs, including section 66323 ADUs, in certain portions of the City.

However, under no circumstances may the City prohibit ADUs developed pursuant to Government Code section 66323. Government Code section 66323, subdivision (a) imposes a duty on the City to permit ADUs in all residential and mixed-use zoning districts. Government Code section 66323, subdivision (b) forbids the City from applying local standards. This means that the City must allow section 66323 ADUs in all residential and mixed-use districts.

The City’s staff report (pp. 53-54) contains the following legal explanation for this restriction:

The location prohibition is necessary to protect the public health and safety and is authorized by Government Code Section 66314(a) which states that a local ADU ordinance shall “designate areas within the jurisdiction of the local agency where accessory dwelling units may be permitted. The designation of areas may be based on the adequacy of water and sewer services and the impact of accessory dwelling units on traffic flow and public safety.”

However, the City may not use a provision of Government Code section 66314 to justify a restriction on section 66323 ADUs. This is because Government Code section 66323, subdivision (a) reads as follows (emphasis added):

Notwithstanding Sections 66314 to 66322, inclusive, a local agency shall ministerially approve an application for a building permit within a residential or mixed-use zone to create any of the following:

The authority found in Government Code section 66314, subdivision (a) therefore does not apply to section 66323 ADUs. Furthermore, an outright ban on all ADUs is an “objective development or design standard” and the City therefore may not apply it to section 66323 ADUs. (See Gov. Code, § 66323, subd. (b).)

The City must amend its ADU code to allow section 66323 ADUs on all parcels within residential and mixed-use zoning districts, as is required by Government Code section 66323.

Impermissible Discretionary Process

Code section 17.57.060(A)(2) requires Planning Commission review of certain ADUs. However, Government Code sections 66316 and 66317 explicitly prohibit any discretionary processes and all public hearings for ADUs.

The City may not conduct discretionary, public review of any ADUs. If the City wishes to allow creative designs that do not comport with the standards in its ADU ordinance, then it must establish objective criteria and approve such ADUs via a ministerial process without public hearing, as is required by state law.



CalHDF appreciates that the City is updating its zoning code to keep pace with changes in state law. However, CalHDF urges the City to make sure its zoning code actually complies with state law.

CalHDF is a 501(c)(3) non-profit corporation whose mission includes advocating for increased access to housing for Californians at all income levels, including low-income households. You may learn more about CalHDF at www.calhdf.org.

Sincerely,

A handwritten signature in blue ink, appearing to read "Dylan Casey", with a long horizontal flourish extending to the right.

Dylan Casey
CalHDF Executive Director

A handwritten signature in black ink, appearing to read "James M. Lloyd", with a stylized, cursive script.

James M. Lloyd
CalHDF Director of Planning and Investigations

City of Scotts Valley CITY COUNCIL STAFF REPORT

DATE: 12/17/2025
TO: Honorable Mayor and City Council
FROM: Stephanie Hill, Administrative Services Director
APPROVED: Mali LaGoe, City Manager
SUBJECT: **Monthly Treasurer's Report - September 2025**

SUMMARY OF ISSUE

Summary and Statutory Requirement

California Government Code Section 41004 requires the City Treasurer to submit a written report and accounting of all receipts, disbursements, and fund balances to the City Clerk and the legislative body. The attached Treasurer's Report is prepared to fulfill this statutory requirement.

The attachment provides a summary of the City's cash-based investment activity and financial position for September 2025. This report reflects only cash receipts, disbursements, and fund balances for the period presented. It does not include internal accounting entries, accrual adjustments, depreciation, interfund reclassifications, or other year-end transactions that occur as part of the annual audit and close process.

The FY 2024-25 Annual Comprehensive Financial Report (ACFR) is currently in process. Accordingly, the beginning fund balances included in this report are unaudited and subject to change based on final year-end audit entries. Final audited fiscal year-end results will be formally reported in the ACFR upon completion of the audit.

First Quarter Financial Interpretation, July Through September

The information presented reflects financial activity through the first quarter of the fiscal year. At this early stage, the City's financial position may appear unfavorable due to the timing of revenue receipts rather than an indication of budgetary imbalance.

Major revenue sources, most notably property tax, are not received evenly throughout the fiscal year. Property tax revenues are primarily distributed in December and April, consistent with when residents and businesses make their payments. As a result, property tax receipts are minimal during the first quarter.

Additional revenues, including certain intergovernmental revenues, grants, franchise fees, and reimbursements, are often received later in the fiscal year following eligibility confirmation and reporting processes.

On the expenditure side, several costs occur evenly throughout the year while others are concentrated early in the fiscal year. These include annual insurance premiums, contracted services, and technology licensing. This natural timing difference between early expenditures and later revenue receipts can create the appearance of short-term imbalance during the first quarter.

For these reasons, first-quarter results should be viewed as a timing snapshot rather than a performance indicator for the full fiscal year.

How to Interpret the Treasurer's Report

The Treasurer's Report is a cash-based snapshot of the City's financial activity. It shows:

- Money actually received
- Money actually spent
- Current fund balances based on cash activity

This report is an important tool for monitoring:

- Short-term cash flow
- Liquidity
- Investment balances
- Disbursement activity

However, this report does not represent full accrual-based financial reporting and should not be interpreted, by itself, as a measure of full budget compliance or long-term financial condition.

Because many of the City's largest revenues are received later in the fiscal year, including property taxes and certain sales and franchise fees, the City's financial position can appear weaker early in the year even when revenues are tracking normally.

Similarly, some expenditures occur in concentrated periods rather than evenly throughout the year, including insurance premiums, technology systems, and major contract renewals. These timing differences normalize as the fiscal year progresses.

Relationship to the Annual Audit and Financial Forecasting

The Treasurer's Report is unaudited and reflects cash activity only. The City's official audited financial statements are presented annually in the Annual Comprehensive Financial Report (ACFR) following completion of the independent audit.

Staff continuously monitors revenue and expenditure trends throughout the year using:

- Treasurer's Reports
- Budget to actual tracking
- Cash flow projections
- Mid-year and year-end forecasts

Any significant budget variances or emerging fiscal risks will be reported to the City Council through future financial updates, mid-year budget reviews, and year-end reporting.

Ongoing Use Throughout the Fiscal Year

As the fiscal year progresses, future Treasurer's Reports will begin to reflect:

- Major property tax distributions
- Sales and transient occupancy tax trends
- Grant reimbursements
- Stabilized expenditure patterns

Later quarters provide increased clarity regarding full-year financial performance. Early reports, particularly those from the first quarter, are best understood as liquidity and timing indicators rather than final performance results.

FISCAL IMPACT

There is no fiscal impact in receiving and filing the report.

STAFF RECOMMENDATION

Review and accept the Treasurer's Report for the month ended September 30, 2025.

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1. 2025.09_Monthly Treasurer's Report

Cash and Investments Balance by Fund

In accordance with California Government Code Section 53601, the City utilizes a pooled cash and investment approach. This means that all available cash from various City funds is consolidated into a single investment pool for the purpose of maximizing interest earnings and ensuring effective cash management.

The pooled funds are invested in compliance with the City's adopted Investment Policy, which is guided by the primary objectives of safety, liquidity, and yield. Investments are made only in instruments permitted under Government Code §53601, including but not limited to:

- U.S. Treasury and agency securities
- Bank certificates of deposit
- Bank demand deposits
- Local Agency Investment Fund (LAIF)
- California Asset Management Program (CAMP)
- Municipal bonds
- Money market accounts

Each fund participating in the pool retains its individual equity interest and receives its proportionate share of investment earnings based on its average cash balance.

This pooling strategy provides economies of scale, increases investment diversification, and ensures that public funds are managed responsibly in accordance with state law and best practices for public sector finance.

As of September 30, 2025, the City's unaudited cash and investments totaled \$21,808,166.

Fund Category	Cash Summary
General Fund	\$ 959,319
General Capital Improvement Fund	\$ 1,002,777
Special Revenue Fund - Development Impact Fees	\$ 3,833,732
Special Revenue Fund	\$ 13,294,448
Debt Service	\$ 769,878
Wastewater Enterprise Fund	\$ 1,948,013
	\$ 21,808,166

- *A negative fund balance may occur temporarily when expenditures are incurred before related revenues are received, or when internal transfers from other funds are pending. These timing differences are expected to be resolved in future periods as revenues are collected or transfers are completed.*

Investment Type	Cash Summary
Bank of America	\$ 315,495
LAIF	\$ 490,139
CAMP	\$ 18,664,190
SCHWAB	\$ 2,338,343
	\$ 21,808,166

City's Current Financial Position

In accordance with California government code section 53646 (b) (3), the City is financially positioned and able to meet its estimated expenditure requirements for the next six months.

The following Fund Balance schedule represents actual funding available for all funds at the end of the monthly period. This amount differs from the above Cash Summary schedule as assets and liabilities are components of the fund balance. As illustrated in the summary below, *Total Cash* is adjusted by the addition of *Total Assets* less the amount of *Total Liabilities* to arrive at the *Ending Fund Balance* – which represents the actual amount of funds available.

Working capital represents the difference between the Wastewater Fund's current assets (such as cash, investments, and receivables) and its current liabilities (such as accounts payable and accrued expenses). It is a measure of the Fund's short-term financial health and its ability to meet operating obligations as they come due.

Adjusting Cash to Ending Fund Balance		
Total Cash	\$	21,808,166
Plus: Assets	\$	8,835,171
Less: Liabilities	\$	(7,764,262)
Ending Fund Balance	\$	22,879,075

City of Scotts Valley
Changes in Total Fund Balance
For the month ended September 30, 2025

Fund	Description	Beginning Fund Balance 07/01/2025	Increase / (Decrease) July- August	Current Period Revenue	Current Period Expenditure	Fund Balance as of 09/30/2025
General Fund						
1	General Fund	3,248,974	(2,348,028)	1,709,467	(2,124,607)	485,806
6	Equipment Replacement Reserve	960,604	-	-	-	960,604
	Recreation Funds (4, 28, 123)	(92,151)	(93,182)	38,298	(57,415)	(204,450)
Subtotal General Funds		4,117,428	(2,441,210)	1,747,765	(2,182,022)	1,241,960
General Capital Improvement Fund						
150	Major Capital Projects	1,113,152	(24,221)	120,000	(2,261)	1,206,671
151	Capital Outlay Projects	6,589	(11,625)	-	(78,924)	(83,960)
Subtotal Capital Improvement Fund		1,119,741	(35,846)	120,000	(81,185)	1,122,711
Special Revenue Fund - Development Impact Fees						
7	Drainage Construction Impact Fees	143,947	1,308	2,276	(14)	147,516
8	Traffic Impact Mitigation Fees	1,176,836	11,276	18,496	(118)	1,206,491
9	Park & Recreation Facilities Impact Fees	1,786,209	20,025	29,413	(179)	1,835,468
21	General Facility Impact Fees	6,202	856	464	(1)	7,521
27	Police Facility Building Impact Fees	410,308	1,979	5,551	(41)	417,798
86	Library Impact Fees	213,991	1,677	3,293	(21)	218,939
Subtotal Special Revenue Funds - Development Impact f		3,737,494	37,121	59,493	(375)	3,833,732
Special Revenue Fund						
2	Recycling/Environment	198,335	-	(250,284)	(15,508)	(67,456)
3	Gas Tax	1,173,854	30,858	42,807	(120)	1,247,399
5	SMIP Fees	5,722	214	111	-	6,047
17	Home Grant Program	111,064	-	1,256	(11)	112,309
19	Affordable Housing	4,001,507	70,023	40,322	(355)	4,111,497
24	Lennar Funds	621,150	-	-	-	621,150
31	STP Exchange Projects	-	-	-	-	-
33	Tree Replacement	55,416	120	320	-	55,856
35	Green Building Funding	624,993	51,323	76	-	676,392
36	Disability Compliance	25,919	598	768	(77)	27,208
50	Pinewood Estates Maint. Dist.	222	(386)	-	(390)	(554)
51	Mt. Hermon Traffic Mitigation	162,706	-	1,840	(16)	164,531
77	Skypark Landscape Maint. Dist.	(3,988)	(3,119)	-	(5,246)	(12,353)
78	Skypark Landscape Maint. Dist. Insurance	562,869	-	6,367	(56)	569,180
88	Library Improvements (Measure S)	140	-	1,986	(17)	2,109
89	Library - Cty MOE Excess Distribution	647,062	-	5,335	(47)	652,350
115	Section 115 Set Aside - Pension	2,270,164	37,918	30,646	(385)	2,338,343
155	Measure D Sales Tax for Transportation	1,032,320	-	11,549	(102)	1,043,768
156	SB-1 (RMRA)	1,149,812	30,435	40,027	(117)	1,220,157
200	Quimby Act	204,508	-	2,313	(20)	206,801
201	Measure Q	-	-	-	-	-
306	Supplemental Law Enforcement Services	156,585	-	1,771	(16)	158,341
313	Youth Focused Programs	51,173	1,822	1,240	-	54,235
317	Community And Economic Grants	472,689	-	5,347	(47)	477,989
Subtotal Special Revenue Funds - Other		13,524,223	219,806	(56,202)	(22,530)	13,665,297
Debt Service						
66	Debt Service	1,069,878	-	-	(300,000)	769,878
Subtotal Debt Service Funds		1,069,878	-	-	(300,000)	769,878
Wastewater Enterprise Fund						
10	Wastewater Operations	574,110	(413,642)	2,053,836	(181,889)	2,032,414
11	Tertiary Operating	(262,632)	(75,550)	-	(86,624)	(424,806)
12	Waterwater Treatment Facility Fee (DIF)	436,775	11,962	10,425	(44)	459,119
14	Wastewater Capital Replacement Fund	237,817	1,725,754	-	(1,784,800)	178,771
Subtotal Wastewater Enterprise Funds		986,070	1,248,524	2,064,261	(2,053,357)	2,245,498
Total All Funds		24,554,833	(971,605)	3,935,317	(4,639,470)	22,879,075

City of Scotts Valley
Monthly Wire Payments
SEPTEMBER 2025



Date	Vendor	Description	Amount
9/5/2025	Payroll	Payroll 09/05/2025	\$ 320,308.15
9/5/2025	PARS	Payroll Deductions	\$ 49.50
9/5/2025	SVPOA	Payroll Deductions	\$ 247.00
9/5/2025	PORAC	Payroll Deductions	\$ 675.00
9/5/2025	SEIU	Payroll Deductions	\$ 581.95
9/5/2025	COPE	Payroll Deductions	\$ 10.00
9/5/2025	ICMA	Payroll Deductions	\$ 10,228.95
9/5/2025	Health Equity (FSA)	Payroll Deductions	\$ 970.82
9/5/2025	Fallen Officer	Payroll Deductions	\$ 10.00
9/8/2025	CalPERS	CalPERS Health	\$ 142,426.56
9/9/2025	CalPERS	CalPERS Pension 09/05 PR	\$ 67,913.53
9/15/2025	Bank of America	Bank Fees	\$ 817.54
9/19/2025	Payroll	Payroll 09/19/2025	\$ 313,825.11
9/19/2025	PARS	Payroll Deductions	\$ 234.83
9/19/2025	SVPOA	Payroll Deductions	\$ 247.00
9/19/2025	LEGAL	Payroll Deductions	\$ 1,150.00
9/19/2025	COPE	Payroll Deductions	\$ 10.00
9/19/2025	ICMA	Payroll Deductions	\$ 10,563.96
9/19/2025	Health Equity (FSA)	Payroll Deductions	\$ 970.82
9/19/2025	Fallen Officer	Payroll Deductions	\$ 10.00
9/26/2025	BNY	BNY LRB 2019A Payment	\$ 80,275.00
9/26/2025	BNY	BNY LRB 2019B Payment	\$ 599,022.60
9/29/2025	CalPERS	CalPERS UAL	\$ 188,768.92
			\$ 1,739,317.24

Check #	Check Date	Vendor Name	Check Amount
134616	09/05/25	AAA WORKSPACE	\$ 464.87
134617	09/05/25	ACE PORTABLE SERVICES	\$ 1,500.48
134619	09/05/25	AMAZON CAPITAL SERVICES	\$ 873.92
134620	09/05/25	AQUATIC INFORMATICS INC.	\$ 4,997.81
134621	09/05/25	AT&T	\$ 1,962.06
134622	09/05/25	AT&T	\$ 452.53
134623	09/05/25	AT&T	\$ 58.49
134624	09/05/25	AUTO CARE LIFESAVER TOWING	\$ 90.00
134625	09/05/25	AXON ENTERPRISE, INC	\$ 22,323.40
134626	09/05/25	BRENDA'S FACE PAINTING	\$ 390.00
134627	09/05/25	BRIGHTVIEW LANDSCAPE	\$ 4,166.50
134628	09/05/25	BUSINESS WITH PLEASURE	\$ 2,327.80
134629	09/05/25	CAL-WEST LIGHTING & SIGNAL INC	\$ 1,539.47
134630	09/05/25	CALIFORNIA MARINE SANCTUARY	\$ 746.40
134631	09/05/25	CIVICPLUS	\$ 16,241.73
134632	09/05/25	COMCAST	\$ 675.41
134633	09/05/25	COMCAST	\$ 1,050.55
134634	09/05/25	COMMUNITY TREE SERVICE, INC.	\$ 9,825.00
134635	09/05/25	CRYSTAL SPRINGS WATER CO	\$ 311.50
134636	09/05/25	CSG CONSULTANTS, INC	\$ 25,794.85
134637	09/05/25	CUSHMAN CONTRACTING CORPORATIO	\$ 65,397.55
134638	09/05/25	DASH MEDICAL GLOVES	\$ 234.16
134639	09/05/25	DEPT OF JUSTICE	\$ 30.00
134640	09/05/25	DUDEK	\$ 4,305.00
134641	09/05/25	DUDEK	\$ 2,330.00
134642	09/05/25	DUDEK	\$ 4,331.25
134643	09/05/25	DUDEK	\$ 1,398.75
134644	09/05/25	DUDEK	\$ 4,897.50
134645	09/05/25	DUDEK	\$ 3,805.00
134646	09/05/25	DUNCAN AUTO TECH	\$ 1,647.48
134647	09/05/25	INDUSTRIAL SCIENTIFIC CORP	\$ 6,922.99
134648	09/05/25	JAMES FISCHER JR	\$ 28,860.00
134649	09/05/25	KARLA PATRICIA KIRCH	\$ 315.00
134650	09/05/25	M-GROUP	\$ 15,480.00
134651	09/05/25	MARQUEZ JUMPERS	\$ 299.00
134652	09/05/25	MISSION UNIFORM SERVICE	\$ 741.69
134653	09/05/25	MONTEREY BAY ANALYTICAL SVCS	\$ 1,298.20
134654	09/05/25	OPENGOV, INC.	\$ 44,756.77
134655	09/05/25	PHILLIP D NEUMAN	\$ 34,287.80
134656	09/05/25	RIVERSIDE LIGHTING INC	\$ 6.16
134657	09/05/25	S.V. WATER DISTRICT	\$ 15,118.63
134658	09/05/25	SALINAS VALLEY SOLID WASTE	\$ 4,000.00

Check #	Check Date	Vendor Name	Check Amount
134659	09/05/25	SAN LORENZO VALLEY WATER DISTR	\$ 380.48
134660	09/05/25	SANTA CRUZ COUNTY INFORMATION	\$ 1,583.46
134661	09/05/25	SCARBOROUGH LUMBER	\$ 5.87
134662	09/05/25	SCOTT GARNER	\$ 115.90
134663	09/05/25	SCOTTS VALLEY CAR WASH	\$ 789.29
134664	09/05/25	SCOTTS VALLEY SPRINKLER	\$ 104.25
134665	09/05/25	SOUTHWEST VALVE & EQUIPMENT	\$ 8,850.23
134666	09/05/25	SOUTHWEST VALVE & EQUIPMENT	\$ 39,529.60
134667	09/05/25	STERLING WATER TECHNOLOGIES	\$ 2,880.00
134668	09/05/25	SYCAL ENGINEERING INC	\$ 3,331.64
134669	09/05/25	THE HANGAR AT SKY PARK LLC	\$ 6,138.00
134670	09/05/25	URETSKY SECURITY	\$ 1,662.98
134671	09/05/25	WEX BANK	\$ 9,254.03
134672	09/12/25	ACE PORTABLE SERVICES	\$ 1,374.97
134673	09/12/25	ADAMS ASHBY GROUP, INC	\$ 3,500.00
134674	09/12/25	ALVAREZ IND INC CLEAN BLDG	\$ 615.00
134675	09/12/25	AMAZON CAPITAL SERVICES	\$ 506.63
134676	09/12/25	AT&T	\$ 8.85
134677	09/12/25	AT&T	\$ 1,716.21
134678	09/12/25	BATTERIES + BULBS #314	\$ 175.30
134679	09/12/25	BKF ENGINEERS	\$ 20,341.50
134680	09/12/25	BRASS KEY LOCKSMITH	\$ 26.27
134681	09/12/25	BRISHAN INC.	\$ 3,950.21
134682	09/12/25	C & N TRACTORS	\$ 244.52
134683	09/12/25	CAL-WEST LIGHTING & SIGNAL INC	\$ 1,336.33
134684	09/12/25	CARLOS SOTO	\$ 27,172.50
134685	09/12/25	CENTRAL HOME SUPPLY	\$ 306.92
134686	09/12/25	DARSHANA CROSKREY	\$ 163.89
134687	09/12/25	DAVID SANGUINETTI	\$ 273.90
134688	09/12/25	DAWN BANKS	\$ 131.20
134689	09/12/25	DEREK TIMM	\$ 131.83
134690	09/12/25	DOCTORS ON DUTY	\$ 290.00
134691	09/12/25	ENTERPRISE FM TRUST	\$ 11,962.60
134692	09/12/25	ENVIRONMENTAL INNOVATIONS	\$ 9,169.64
134693	09/12/25	EWING IRRIGATION PRODUCTS	\$ 5,665.96
134694	09/12/25	FERGUSON ENTERPRISES, LLC #795	\$ 109.23
134695	09/12/25	HERC RENTALS	\$ 793.78
134696	09/12/25	HOSE SHOP	\$ 14.43
134697	09/12/25	INTERWEST CONSULTING GROUP	\$ 15,645.00
134698	09/12/25	K & D LANDSCAPING, INC.	\$ 3,711.00
134699	09/12/25	KIARA JACOBSEN	\$ 876.00
134700	09/12/25	LIEBERT CASSIDY WHITMORE	\$ 3,757.50

Check #	Check Date	Vendor Name	Check Amount
134701	09/12/25	MARY LOUISE DEFALCO	\$ 53.60
134702	09/12/25	MID VALLEY SUPPLY	\$ 1,734.81
134703	09/12/25	MISSION UNIFORM SERVICE	\$ 331.85
134704	09/12/25	MONTEREY BAY ANALYTICAL SVCS	\$ 1,395.40
134705	09/12/25	NATIONAL COMTEL NETWORK INC.	\$ 20.34
134706	09/12/25	NORCAL MEDTAC, LLC	\$ 1,422.00
134707	09/12/25	OLIN CORPORATION AS SOLE	\$ 5,937.98
134708	09/12/25	PACIFIC GAS & ELECTRIC CO	\$ 84,515.53
134709	09/12/25	PATRICK AHRENS	\$ 38.14
134710	09/12/25	PHILLIP D NEUMAN	\$ 1,574.48
134711	09/12/25	PHOENIX GROUP	\$ 365.43
134712	09/12/25	PLACEWORKS, INC.	\$ 2,195.00
134713	09/12/25	PURETEC INDUSTRIAL WATER	\$ 59.66
134714	09/12/25	RDO EQUIPMENT CO.	\$ 268.97
134715	09/12/25	REGIONAL GOVERNMENT SERVICES	\$ 11,298.00
134716	09/12/25	S V CHAMBER OF COMMERCE	\$ 25,000.00
134717	09/12/25	SANTA CRUZ CO ENVIRONMENTAL	\$ 5,125.00
134718	09/12/25	SCARBOROUGH LUMBER	\$ 816.84
134719	09/12/25	SCOTTS VALLEY SANDWICH, INC.	\$ 430.00
134720	09/12/25	SCOTTS VALLEY SPRINKLER	\$ 69.11
134721	09/12/25	SECURITY CRIME PREVENTIO	\$ 238.15
134722	09/12/25	SHARRON BARTH	\$ 54.00
134723	09/12/25	STANDARD INSURANCE COMPANY	\$ 991.62
134724	09/12/25	STEVE CLARK	\$ 445.90
134725	09/12/25	SUMMIT UNIFORMS	\$ 175.00
134726	09/12/25	SYCAL ENGINEERING INC	\$ 402.00
134727	09/12/25	THE BANK OF NEW YORK MELLON	\$ 4,035.00
134728	09/12/25	THE PIED PIPER INC.	\$ 155.50
134729	09/12/25	THOMSON REUTERS-WEST	\$ 416.30
134730	09/12/25	TIMOTHY D BOWEN	\$ 1,746.00
134731	09/12/25	U.S. BANCORP OFFICE	\$ 1,300.62
134732	09/12/25	USA BLUE BOOK	\$ 419.73
134733	09/12/25	WATSONVILLE DIESEL	\$ 200.00
134734	09/12/25	WBA CONSULTING	\$ 2,000.00
134735	09/12/25	WEBER,HAYES, & ASSOCIATES	\$ 300.00
134736	09/12/25	WENDY O'MEARA	\$ 32.80
134737	09/12/25	U.S. BANK CORPORATE	\$ 13,557.48
134738	09/19/25	ACCENT CLEAN & SWEEP INC	\$ 2,739.00
134739	09/19/25	ALVAREZ IND INC CLEAN BLDG	\$ 615.00
134740	09/19/25	ASSOCIATED SERVICES CO.	\$ 82.24
134741	09/19/25	AT&T	\$ 87.39
134742	09/19/25	AT&T MOBILITY	\$ 1,681.46

Check #	Check Date	Vendor Name	Check Amount
134743	09/19/25	BLUETRITON BRANDS INC	\$ 311.38
134744	09/19/25	BUSINESS WITH PLEASURE	\$ 54.87
134745	09/19/25	CALIFORNIA MUNICIPAL	\$ 600.00
134746	09/19/25	COMCAST	\$ 777.08
134747	09/19/25	CSG CONSULTANTS, INC	\$ 1,283.50
134748	09/19/25	DUNCAN AUTO TECH	\$ 247.50
134749	09/19/25	INTERWEST CONSULTING GROUP	\$ 16,338.00
134750	09/19/25	KIMLEY-HORN & ASSOCIATES INC	\$ 1,289.20
134751	09/19/25	LOGAN & POWELL, LLP	\$ 18,417.77
134752	09/19/25	MAR-KEN INTERNATIONAL POLICE	\$ 7,200.00
134753	09/19/25	NBS GOVERNMENT FINANCE GROUP	\$ 825.00
134754	09/19/25	PHILLIP D NEUMAN	\$ 1,107.50
134755	09/19/25	PHOENIX GROUP	\$ 345.36
134756	09/19/25	PITNEY BOWES GLOBAL	\$ 527.84
134757	09/19/25	SANTA CRUZ CO ENVIRONMENTAL	\$ 341.00
134758	09/19/25	SANTA CRUZ COUNTY SHERIFF	\$ 23,975.00
134759	09/19/25	SCARBOROUGH LUMBER	\$ 877.69
134760	09/19/25	SCOTTS VALLEY CAR WASH	\$ 269.82
134761	09/19/25	STERICYCLE INC	\$ 265.39
134762	09/19/25	TALLEN CALIFORNIA, LLC	\$ 2,187.50
134763	09/19/25	THE PIED PIPER INC.	\$ 70.50
134764	09/19/25	WIZIX TECHNOLOGY GROUP, INC	\$ 853.50
134765	09/26/25	831 TACOS	\$ 680.00
134766	09/26/25	ACC BUSINESS	\$ 1,838.87
134767	09/26/25	AFLAC-FLEX ONE	\$ 688.11
134768	09/26/25	ALLIANT	\$ 621.00
134769	09/26/25	ALVAREZ IND INC CLEAN BLDG	\$ 451.00
134770	09/26/25	BATTERIES + BULBS #314	\$ 24.09
134771	09/26/25	BKF ENGINEERS	\$ 19,856.50
134772	09/26/25	BKF ENGINEERS	\$ 2,824.00
134773	09/26/25	CENTRAL COAST SYSTEMS	\$ 635.00
134774	09/26/25	COMCAST	\$ 301.08
134775	09/26/25	COUNTY OF SANTA CRUZ	\$ 39.00
134776	09/26/25	DARSHANA CROSKREY	\$ 73.84
134777	09/26/25	DEPT OF JUSTICE	\$ 96.00
134778	09/26/25	DIXON & SON TIRE	\$ 848.70
134779	09/26/25	ENVIRONMENTAL INNOVATIONS	\$ 9,676.87
134780	09/26/25	KOSMONT COMPANIES, INC	\$ 1,580.00
134781	09/26/25	LEO'S U-SAVE LIQUORS	\$ 51.58
134782	09/26/25	MISSION UNIFORM SERVICE	\$ 1,530.45
134783	09/26/25	MONTEREY BAY ANALYTICAL SVCS	\$ 2,877.55
134784	09/26/25	MONTEREY REGIONAL	\$ 9,583.80

Check #	Check Date	Vendor Name	Check Amount
134785	09/26/25	MUTUAL OF OMAHA	\$ 1,278.95
134786	09/26/25	PETE'S OUTFLOW TECHNICIANS	\$ 3,850.00
134787	09/26/25	PETERSON POWER SYSTEMS, INC.	\$ 1,287.93
134788	09/26/25	PETTY CASH - LAUREN LAMBERT	\$ 100.00
134789	09/26/25	PHILLIP D NEUMAN	\$ 72,083.03
134790	09/26/25	PRINICPAL LIFE INSURANCE CO	\$ 7,931.86
134791	09/26/25	S.V. WATER DISTRICT - BULK	\$ 347.36
134792	09/26/25	SCARBOROUGH LUMBER	\$ 190.34
134793	09/26/25	SCOTTS VALLEY CAR WASH	\$ 35.98
134794	09/26/25	STATE WATER RESOURCES CONTROL	\$ 220.00
134795	09/26/25	TORO PETROLEUM CORP	\$ 7,223.01
134796	09/26/25	URBAN FIELD STUDIO OAKLAND	\$ 3,367.50
134797	09/26/25	USA BLUE BOOK	\$ 486.15
134798	09/26/25	WEBER,HAYES, & ASSOCIATES	\$ 4,000.00
		Checks total:	<u><u>\$ 934,024.88</u></u>

City of Scotts Valley CITY COUNCIL STAFF REPORT

DATE: 12/17/2025
TO: Honorable Mayor and City Council
FROM: Nelson Alfaro, Building Official
APPROVED: Mali LaGoe, City Manager
SUBJECT: **Adopt Resolution No. 2077 to Ratify the 2025 California Fire Code with amendments, as adopted by the Scotts Valley Fire Protection District**

SUMMARY OF ISSUE

Approximately every three years, new model building code standards relating to fire and panic safety are reviewed, modified and adopted by the State Fire Marshal, and are mandated for local jurisdiction enforcement within 180 days of publication.

On November 12, 2025, the Scotts Valley Fire Protection District adopted Ordinance No. 2025-2 adopting building standards relating to fire and panic safety that are more stringent than those building standards adopted by the State Fire Marshall; and on December 10, 2025, the Scotts Valley Fire Protection District adopted Ordinance No. 2025-3 to amend Section 25.903.2.4 of Ordinance No. 2025-2.

A city within the boundaries of a fire protection district may ratify, modify, or deny an adopted ordinance and transmit its determination to the district within 15 days of the determination.

FISCAL IMPACT

There is no fiscal impact associated with this action.

STAFF RECOMMENDATION

It is recommended that the Council adopt Resolution No. 2077 to ratify the adoption of the 2025 California Fire Code and Local Amendments by the Scotts Valley Fire Protection District by Ordinance No. 2025-2 and Ordinance No. 2025-3.

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SCOTTS VALLEY FIRE PROTECTION DISTRICT

7 Erba Lane, Scotts Valley, CA 95066-4199 • scottsvalleyfire.com • 831-438-0211

December 10, 2025

Scotts Valley City Council
One Civic Center Drive
Scotts Valley, CA 95066

Re: Adoption of the 2025 California and the 2024 International Fire Codes with amendments

Dear Mayor:

At the last regularly scheduled meeting on November 12, 2025 the Board of Directors of Scotts Valley Fire Protection District held a public hearing for the purpose of adopting Scotts Valley Fire Protection District Ordinance 2025-2 and the acceptance of the Negative Declaration of Environmental Impact which was prepared as directed by the Board of Directors.

Due to one change, we had to amend Section 25.903.2.4 as outlined in Ordinance 2025-3.

The Board of Directors of the Scotts Valley Fire Protection District requests that you place Scotts Valley Fire Protection District Ordinance 2025-2 and Ordinance 2025-3 on your December 17, 2025 agenda for Ratification as outlined in Health & Safety Code §13869.7(c), and upon ratification, please return a signed original of said ordinance, the second copy may be retained by the Clerk of your Board.

The Scotts Valley Fire Protection District will file copies of ratified ordinance with the California Department of Housing and Community Development and the California State Fire Marshal's Office.

Should you have any questions, please feel free to contact me at (831) 439-2225.

Sincerely,

Erin Collins
Fire Marshal

Enc: Adopted Scotts Valley Fire Protection District Ordinance 2025-2
Adopted Scotts Valley Fire Protection District Ordinance 2025-3

RESOLUTION NO. 2077
RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SCOTTS
VALLEY RATIFYING THE 2025 CALIFORNIA FIRE CODE AND
AMENDMENTS ADOPTED BY THE SCOTTS VALLEY FIRE
PROTECTION DISTRICT

WHEREAS, approximately every three years, new model building code standards relating to fire and panic safety are reviewed, modified and adopted by the State Fire Marshal, and thenceforth mandated for local jurisdiction enforcement within 180 days of publication; and

WHEREAS, the Scotts Valley Fire Protection District is a fire protection district organized pursuant to Part 2.7 (commencing with Section 13800) of Division 12 of the California Health and Safety Code which jurisdiction includes the City of Scotts Valley; and

WHEREAS, pursuant to Section 13869.7 of the California Health and Safety Code, a fire protection district may adopt building standards relating to fire and panic safety that are more stringent than those building standards adopted by the State Fire Marshal; and

WHEREAS, on November 12, 2025, the Scotts Valley Fire Protection District adopted Ordinance No. 2025-2 adopting building standards relating to fire and panic safety that are more stringent than those building standards adopted by the State Fire Marshall; and on December 10, 2025, the Scotts Valley Fire Protection District adopted Ordinance No. 2025-3 to amend Section 25.903.2.4 of Ordinance No. 2025.2; and

WHEREAS, pursuant to Section 13869.7 of the California Health and Safety Code, a city within the boundaries of a fire protection district may ratify, modify, or deny an adopted ordinance and transmit its determination to the district within 15 days of the determination; and

WHEREAS, the City Council desires to ratify the adopted ordinances of the Scotts Valley Fire Protection District.

NOW, THEREFORE, BE IT RESOLVED AND ORDERED by the City Council of the City of Scotts Valley that the City Council hereby ratifies the adoption of the 2025 California Fire Code and Local Amendments by the Scotts Valley Fire Protection District by Ordinance No. 2025-2 and Ordinance No. 2025-3.

NOW, THEREFORE, BE IT FURTHER RESOLVED AND ORDERED that the City Clerk is hereby directed to notify the Scotts Valley Fire Protection District of such ratification and request that the Scotts Valley Fire Protection District file a copy of the findings of the District, together with the adopted ordinance expressly marked and identified to which each finding refers, with the Department of Housing and Community Development.

The above and foregoing resolution was duly and regularly adopted by the City Council of the City of Scotts Valley at a meeting held on the 17th day of December 2025, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

Approved: _____
Derek Timm, Mayor

Attest: _____
Cathie Simonovich, City Clerk

**Scotts Valley Fire Protection District
Fire Code**

ORDINANCE NO. 2025-2

An ordinance of the Scotts Valley Fire Protection District adopting the 2025 edition of the California Fire Code, regulating and governing the safeguarding of life and property from fire and explosion hazards arising from the storage, handling and use of hazardous substances, materials and devices, and from conditions hazardous to life or property in the occupancy of buildings and premises in the Scotts Valley Fire Protection District providing for the issuance of permits and collection of fees therefore; repealing the Previous Adoption of the 2025 California Fire Code and all other ordinances and parts of the ordinances in conflict therewith.

PART 1

The Scotts Valley Fire Protection District Fire Code does ordain as follows:

That portion of the 2025 California Fire Code that imposes substantially the same requirements as are contained in the International Fire Code, 2024 Edition published by the International Code Council and the California Building Standards Commission with Errata, together with those portions of the International Fire Code, 2024 Edition, including Appendices D, I, N and O as published by the International Code Council not included in the California Fire Code, and Appendix P as published by the California Building Standards Commission as modified and amended by this ordinance, are adopted by this reference into this code, and are hereby collectively declared to be the Fire Code of the Scotts Valley Fire Protection District, in the State of California regulating and governing the safeguarding of life and property from fire and explosion hazards arising from the storage, handling and use of hazardous substances, materials and devices, and from conditions hazardous to life or property in the occupancy of buildings and premises as herein provided; providing for the issuance of permits and collection of fees for same; and each and all of the regulations, provisions, penalties, conditions and terms of said Fire Code on file in the office of the Scotts Valley Fire Protection District are hereby referred to, adopted, and made a part hereof, as if fully set out in this ordinance, with the additions, insertions, deletions and changes, if any, prescribed in Part 2 of this ordinance.

PART 2

Ordinance No. 2022-1 of the Scotts Valley Fire Protection District is hereby repealed and replaced with Ordinance 2025-2 to read as follows:

California Fire Code Adopted.

That portion of the 2025 California Fire Code that imposes substantially the same requirements as are contained in the International Fire Code, 2024 Edition published by the International Code Council and the California Building Standards Commission with errata, together with those portions of the International Fire Code, 2024 Edition, including Appendices D, I, N and O published by the International Code Council not included in the 2025 California Fire Code, and Appendix P as published by the California Building Standards Commission as modified and amended by this ordinance, are adopted by this reference into code, and are hereby collectively declared to be the Fire Code of the Scotts Valley Fire Protection District for the purpose of regulating and governing the safeguarding of life, property and public welfare to a reasonable degree from the hazards of fire, hazardous materials release and explosion arising from the storage, use and handling of dangerous and hazardous materials, substances and devices, conditions hazardous to life or property in the occupancy and use of buildings and premises, the operation, installation, construction, location, safeguarding and maintenance of attendant equipment, the installation and maintenance of adequate means of egress not provided for by the building code, and providing for the issuance of permits and collection of fees for same.

Section 25.101.1 is amended – Title.

Section 101.1 of Chapter 1 of the Fire Code of the Scotts Valley Fire Protection District is amended to read as follows:

25.101.1 - Title. These regulations shall be known as the Fire Code of the Scotts Valley Fire Protection District, hereinafter referred to as “this code.”

Section 25.102.1 is amended – Construction and design provisions.

Section 102.1 of Chapter 1 of the Fire Code of the Scotts Valley Fire Protection District is amended to read as follows:

25.102.1 - Construction and design provisions. The construction and design provisions of this code shall apply to:

1. Structures, facilities and conditions arising after the adoption of this code.
2. Existing structures, facilities and conditions not legally in existence at the time of adoption of this code.
3. Existing structures, facilities and conditions where required in Chapter 11.
4. Existing structures, facilities and conditions that, in the opinion of the fire code official, constitute a distinct hazard to life or property.
5. Existing Structures, Alterations and Repairs. All new work performed in alterations and/or repairs to existing structures shall comply with the current provisions of this Chapter. When alterations and/or repairs result in the removal, alteration, modification, replacement and/or repair of fifty percent or more of the external walls of a building, or result in the removal, modification, replacement and/or repair of fifty percent or more of the existing internal structural and/or non-structural framework, independently or in combination thereof, within a five year period, the entire building shall be made to conform to the current provisions of this chapter. The determination under this section of the requirement for upgrading any existing structure to full conformance with current provisions of this Chapter shall be at the sole discretion of the Fire Code Official.

Section 25.102.9 is amended - Matters not provided for.

Section 102.9 of Chapter 1 of the Fire Code of the Scotts Valley Fire Protection District is amended to read as follows:

25.102.9 - Matters not provided for. Requirements that are essential for the public safety of an existing or proposed activity, building or structure, or for the safety of the occupants thereof, which are not specifically provided for by this code shall be determined by the fire code official.

The fire chief is authorized to render interpretations of this code and to make and enforce rules, supplemental regulations and standards in order to carry out the application and intent of its provisions. Such interpretations, rules, regulations and standards shall be in conformance with the intent and purpose of this code and shall be available to the public during normal business hours. Those standards promulgated by the Santa Cruz County Fire Chiefs Association shall be deemed as prima facie evidence of compliance with this code.

Section 25.103.5 is added – Law enforcement powers.

Section 103.5 of Chapter 1 of the Fire Code of the Scotts Valley Fire Protection District is added to read as follows:

25.103.5 - Law enforcement powers. The fire code official and his/her deputies shall have the powers of law enforcement officers in performing their duties under this code. When requested to do so by the fire code official, the chief of police or county sheriff of the jurisdiction is authorized to assign such available law enforcement as necessary to assist the fire code official with enforcing the provisions of this code.

Section 25.105.1 is amended – General.

Section 105 of Chapter 1 of the Fire Code of the Scotts Valley Fire Protection District is amended to read as follows:

25.105.1 - General. Permits shall be in accordance with Sections 105.1.1. through 105.6.25 or other provisions of this code as required by the jurisdiction having authority. When required by the fire code official, a permit shall be obtained. Permit fees, if any, shall be paid prior to issuance of the permit. Issued permits shall be kept on the premises designated therein at all times and shall be readily available for inspection by the fire code official.

Sections 112.1 through 112.4 are deleted and replaced – Means of Appeals.

Sections 112.1 through 112.4 of Chapter 1 of the Fire Code of the Scotts Valley Fire Protection District are deleted and replaced to read as follows:

Section 25.112.1 is added - Board of appeals established.

Section 112.1 of Chapter 1 of the Fire Code of the Scotts Valley Fire Protection District is added to read as follows:

25.112.1—Board of appeals established. In order to hear and decide appeals of orders, decisions or determinations made by the fire code official relative to the application and interpretation of this code, there shall be and is hereby created a Board of Appeals. The Board of Appeals shall be:

1. For the Santa Cruz County Fire Department, the Board of Supervisors of Santa Cruz County, or a sub-committee as appointed by the Board of Supervisors of Santa Cruz County; or,
2. For the independent Fire Districts in Santa Cruz County, the Board of Directors of the Fire District, or a sub-committee as appointed by the Board of Directors of the Fire District.

The fire code official shall be an ex-officio member of said board but shall have no vote on any matter before the board. The board may adopt additional rules of procedure for conducting its business and shall render all decisions and findings in writing to the appellant with a duplicate copy to the fire code official.

Section 25.112.2 is added – Limitations on Authority.

Section 112.2 of Chapter 1 of the Fire Code of the Scotts Valley Fire Protection District is added to read as follows:

25.112.2 Limitations on Authority. An application for appeal shall be based on a claim that the true intent of this code or the rules legally adopted thereunder have been incorrectly interpreted, the provisions of this code do not fully apply or an equivalent or better form of construction is proposed. The board shall not have authority to waive requirements of this code or interpret the administration of this code.

Section 25.112.3 is added - Qualifications.

Section 112.3 of Chapter 1 of the Fire Code of the Scotts Valley Fire Protection District is added to read as follows:

25.112.3 Qualifications. The board of appeals shall consist of members who are qualified by experience and training to pass on matters pertaining to hazards of fire, explosions, hazardous conditions or fire protection systems, and are not employees of the jurisdiction.

25.112.4 is added – Appeals process.

112.4 of Chapter 1 of the Fire Code of the Scotts Valley Fire Protection District is added to read as follows:

25.112.4.1 - Initiating appeal. Any beneficially interested party has the right to appeal the order served by the fire code official by filing a written "NOTICE OF APPEAL" with the office of the fire code official within

fourteen (14) days after service of such order. The notice shall state the order appealed from, the identity and mailing address of the appellant, and the specific grounds upon which the appeal is made.

25.112.4.2 - Stay of order. The filing of a properly completed notice of appeal shall have the effect of staying the implementation of the order appealed from, until the final decision of appeal.

Exception: Orders affecting acts or conditions which in the opinion of the fire code official, pose an immediate threat to life, property, or the environment as a result of panic, fire, explosion, or release.

25.112.4.3 - Hearing of appeal. Following is the process for establishing and hearing appeals:

1. The Board of Appeals, or the secretary thereof, shall set the matter to be heard at a date within thirty days of receipt of such notice of appeal. Written notice of the time and place set for hearing shall be served on the appellant by first class mail to the mailing address given in the notice of appeal at least five days prior to the date set for the hearing. The fire code official shall transmit to the Board of Appeals all records related to the appeal.
2. At the hearing on the appeal, the appellant shall, in the first instance present evidence in support of the grounds enumerated in her/his notice of appeal. The fire code official shall next present evidence in support of her/his order. The appellant and the fire code official shall each have one opportunity to rebut the evidence presented by the other. The hearing shall be de novo in all respects.

25.112.4.4 - Decision of the board of appeals. Upon hearing the appeal, the Board of Appeals may issue a decision affirming, modifying or vacating the order of the fire code official. The decision shall be in writing and shall be served upon the appellant by first class mail to the mailing address given in the notice of appeal.

25.112.4.5 - Time of decision. The Board of Appeals shall have the power to continue any hearing and may, in its discretion, take the appeal under submission. The Board of Appeals shall render a decision not later than the seventh day following the date the matter was taken under submission, and forthwith notify the interested parties as previously set forth.

Section 25.113.4 is amended – Violation penalties.

Section 113.4 of Chapter 1 of the Fire Code of the Scotts Valley Fire Protection District is amended to read as follows:

25.113.4 - Violation penalties. Persons who shall violate a provision of this code or shall fail to comply with any of the requirements thereof or who shall erect, install, alter, repair or do work in violation of the approved construction documents, or of a permit or certificate used under provisions of this code, shall be guilty of an infraction.

Acts denominated as infractions shall not be punishable by imprisonment. Every violation determined to be an infraction is punishable by:

1. A fine not exceeding one hundred dollars for a first violation;
2. A fine not exceeding two hundred dollars for a second violation of the same provision of this code within one year;
3. A fine not exceeding five hundred dollars for each additional violation of the same provision of this code within one year.

A person charged with an infraction shall not be entitled to a trial by jury. A judgment that a person convicted of an infraction be punished by fine may also provide for the payment to be made within a specified time or in specified installments, contingent upon the person giving his written promise to either pay the fine as provided or to appear in court on the due date. Any person who willfully violates any such written promise is guilty of a misdemeanor.

Each day that a violation continues after due notice has been served shall be deemed a separate offense.

Section 25.113.4.1 is amended – Abatement of violation.

Section 113.4.1 of Chapter 1 of the Fire Code of the Scotts Valley Fire Protection District is amended to read as follows:

25.113.4.1 - Abatement of violation. In addition to the imposition of the penalties herein described, the fire code official is authorized to institute appropriate action to prevent unlawful construction or to restrain, correct or abate a violation; or to prevent illegal occupancy of a structure or premises; or to stop an illegal act, conduct of business or occupancy of a structure on or about any premises. Any violation of this code shall be deemed a public nuisance pursuant to Santa Cruz County Code Section 1.12.050 and/or the County of Santa Cruz Fire Code. In the event that a public nuisance is not abated in accordance with the fire code official's order or the order of the Board of Appeals, if any, the fire code official may, upon securing approval of the Board of Supervisors of the County of Santa Cruz, or if violation is in a fire district, the Board of Directors of said District, proceed to abate the nuisance by force account, contract, or any other method deemed most expedient by the Board. The cost of such abatement may be charged to the owner of record or assessed to the property in a manner provided in Sections 1.14.040 through 1.14.080 of the County of Santa Cruz Fire Code.

Section 25.113.4.2 is added – Enforcement.

Section 113.4.2 of Chapter 1 of the Fire Code of the Scotts Valley Fire Protection District is added to read as follows:

25.113.4.2 - Enforcement. The fire code official and her/his delegated subordinates, pursuant to the provisions of Section 836.5 of the Penal Code of the State of California, are hereby authorized to arrest a person without a warrant whenever they have reasonable cause to believe that the person has committed a violation of any of the provisions of this Code in their presence.

Upon making such an arrest, the fire code official or her/his delegated subordinate shall prepare a citation and release the person arrested pursuant to Section 853.6 of the Penal Code of the State of California, the provisions of which are hereby adopted by reference as part of this Section.

Section 25.114.4 is amended – Failure to comply.

Section 114.4 of Chapter 1 of the Fire Code of the Scotts Valley Fire Protection District is amended to read as follows:

25.114.4 - Failure to comply. It is unlawful for any person, firm or corporation to violate or fail to comply with any lawful order of the fire code official; fail to comply with an order by the Board of Appeals; or, fail to comply with an order of the court of competent jurisdiction within the time fixed therein. Every such violation shall be deemed a misdemeanor and shall be punishable by a fine of not more than \$500.00 plus court assigned fees or by imprisonment not exceeding 1 year in the county jail, or both such fine and imprisonment.

Section 25.202 is amended – Definition of All-Weather Surface.

Definition of All-Weather Surface in Section 202 of Chapter 2 of the Fire Code of Scotts Valley Fire Protection District is added after Alcohol-Blended Fuels to read as follows:

ALL WEATHER SURFACE. An all-weather surface shall be a minimum of 6" of compacted Class II base rock for grades up to and including 5%, oil and screened for grades up to and including 15%, and asphaltic concrete for grades exceeding 15%. No grade shall be allowed to exceed 16% in State Responsibility Area (SRA) or 20% in Local Responsibility Area (LRA).

Section 25.202 is amended – Definition of Bridge.

Definition of Bridge in Section 202 of Chapter 2 of the Fire Code of the Scotts Valley Fire Protection District is added after Breakout to read as follows:

BRIDGE. A bridge shall be defined as a structure designed to carry a roadway over a depression or obstacle.

Section 25.202 is amended – Definition of De Novo.

Definition of De Novo in Section 202 of Chapter 2 of the Fire Code of the Scotts Valley Fire Protection District is added after Deluge System to read as follows:

DE NOVO. adj. Latin for "anew," which means starting over, as in a trial de novo. For example, a decision in a small claims case may be appealed to a local trial court, which may try the case again, de novo.

Section 25.202 is amended – Definition of Greenhouse.

Definition of Greenhouse in Section 202 of Chapter 2 of the Fire Code of the Scotts Valley Fire Protection District is added after Grandstand to read as follows:

GREENHOUSE. A greenhouse is a structure with walls and roof made chiefly of a non-combustible, transparent material, such as glass, in which plants requiring regulated climatic conditions are grown. Construction within the greenhouse is also of a non-combustible nature.

Section 25.202 is amended – Definition of Local Responsibility Area (LRA).

Definition of Local Responsibility Area (LRA) in Section 202 of Chapter 2 of the Fire Code of the Scotts Valley Fire Protection District is added after Listed to read as follows:

LOCAL RESPONSIBILITY AREA (LRA). Shall mean lands on which neither the state nor the federal government has any legal responsibility for providing fire protection. Local responsibility areas include incorporated cities and cultivated agriculture lands. Local responsibility area fire protection is typically provided by city fire departments, fire protection districts, special districts, counties, and by CAL FIRE under contract to local government.

Section 25.202 is amended – Definition of Stage.

Definition of Stage in Section 202 of Chapter 2 of the Fire Code of the Scotts Valley Fire Protection District is added after Sprinkler Express Riser to read as follows:

STAGE. A space within a building utilized for entertainment or presentations, which includes overhead hanging curtains, drops, scenery or stage effects other than lighting and sound. Stage area shall be measured to include the entire performance area and adjacent backstage and support areas not separated from the performance area by fire-resistance rated construction. Stage height shall be measured from the lowest point on the stage floor to the highest point of the roof or floor deck above the stage.

Section 25.202 is amended – Definition of State Responsibility Area (SRA).

Definition of State Responsibility Area (SRA) in Section 202 of Chapter 2 of the Fire Code of the Scotts Valley Fire Protection District is added after Standpipe System, Classes Of to read as follows:

STATE RESPONSIBILITY AREA (SRA). Shall mean lands that are classified by the Board of Forestry pursuant to Public Resources Code Section 4125-4127; and the California Code of Regulations, Title 14, Division 1.5, Chapter 7, Article 1, Sections 1220-1220.5 where the financial responsibility of preventing and suppressing forest fires is primarily the responsibility of the State of California.

Section 25.202 is amended – Definition of Turnaround.

Definition of Turnaround in Section 202 of Chapter 2 of the Fire Code of the Scotts Valley Fire Protection District is added after Tube Trailer to read as follows:

TURNAROUND. A roadway, unobstructed by parking, which allows for a safe opposite change of direction for emergency equipment. Maximum grade in all directions may not exceed 5% and maximum distance from the structure is 150 feet (45.720 mm) or as approved by the fire code official. Design of such area may be found in Santa Cruz County Fire Prevention Officers Standards.

Section 25.202 is amended – Definition of Turnout.

Definition of Turnout in Section 202 of Chapter 2 of the Fire Code of the Scotts Valley Fire Protection District is added after Turnaround to read as follows:

TURNOUT. A widening in a roadway to allow vehicles to pass. Design of such area may be found in Santa Cruz County Fire Prevention Officers Standards.

Section 25.304.1.3 is amended - Vegetation.

Section 304.1.3 of Chapter 3 of the Fire Code of the Scotts Valley Fire Protection District is amended to read as follows:

25.304.1.3 - Vegetation. Weeds, grass, vines or other growth that is capable of being ignited and endangering property, shall be cut down and removed by the owner or occupant of the premises. Vegetation clearance requirements in urban-wildland interface areas shall be maintained around and adjacent to buildings and structures. A firebreak shall be made by removing and clearing away, for a distance of not less than 30 feet on each side of the building or structure or to the property line, whichever is nearer, all flammable vegetation or other combustible growth. This does not apply to single specimens of trees or other vegetation that is well-pruned and maintained so as to effectively manage fuels and not form a means of rapidly transmitting fire from other nearby vegetation to any building or structure.

When required by state law, or local ordinance, rule or regulation, an additional fire protection zone or firebreak may be made by removing all brush, flammable vegetation, or combustible growth that is located within 100 feet from the building or structure or to the property line. This section does not prevent an insurance company that insures a building or structure from requiring the owner of the building or structure to maintain a firebreak of more than 100 feet around the building or structure. Grass and other vegetation located more than 30 feet from the building or structure and less than 18 inches in height above the ground may be maintained where necessary to stabilize the soil and prevent erosion. This does not apply to single specimens of trees or other vegetation that is well-pruned and maintained so as to effectively manage fuels and not form a means of rapidly transmitting fire from other nearby vegetation to a dwelling or structure.

Vegetation clearance requirements in the wildland-urban interface areas shall be in accordance with Part 7 of Title 24 California Code of Regulations (California Wildland-Urban Interface Code).

Section 25.305.4 is amended – Deliberate or negligent burning

Section 305.4 of Chapter 3 of the Fire Code of the Scotts Valley Fire Protection District is amended to read as follows:

25.305.4 Deliberate or negligent burning. It shall be unlawful to deliberately or through negligence set fire to or cause the burning of combustible material in such a manner as to endanger the safety of persons or property. Any person or entity violating this section is guilty of a misdemeanor; however, any violation of this section may, in the discretion of the district attorney, be charged and prosecuted as an infraction.

Section 25.307.2 is amended – Permit required.

Section 307.2 of Chapter 3 of the Fire Code of the Scotts Valley Fire Protection District is amended to read as follows:

25.307.2 - Permit required. When required by the CAL FIRE Fire Chief for the San Mateo-Santa Cruz Unit, a permit shall be obtained from the fire code official in accordance with Section 105.6 prior to kindling a fire for recognized silvicultural or range or wildlife management practices, prevention or control of disease or pests, or a bonfire. Application for such approval permit shall only be presented by and permits issued to the owner of the land upon which the fire is to be kindled. In addition, open burning is not allowed within the Local Responsibility Area of Santa Cruz County without the approval of the local fire chief having jurisdiction over that property.

The open burn season for Santa Cruz County unless otherwise declared shall be December 1st through April 30th of the calendar year. Within areas designated State Responsibility Area, open burn season shall not be declared between May 1st and the date CAL FIRE declares, by proclamation, that hazardous fire conditions have been abated for that year.

During the open burn season pile burning is allowed under CAL FIRE permits provided that all conditions specified in the permits are followed. Monterey Bay Area Unified Air Pollution Control District (MBARD) permits may also be required given the location, time of year, and type of burn. Responsibility for obtaining the proper MBARD permit rests with the applicant.

Section 25.311.5 is amended – Placards.

Section 311.5 of Chapter 3 of the Fire Code of the Scotts Valley Fire Protection District is amended to read as follows:

25.311.5 – Placards. When required by the fire code official, Any any building or structure determined to be unsafe pursuant to Section 110 of this code relating to structural or interior hazards shall be marked as required by Sections 311.5.1 through 311.5.5.

Section 25.501.3 is amended – Construction documents.

Section 501.3 of Chapter 5 of the Fire Code of the Scotts Valley Fire Protection District is amended to read as follows:

25.501.3 – Construction documents. Construction documents for proposed fire apparatus access, location of fire lanes, security gates across fire apparatus access roads and construction documents and hydraulic calculations for fire hydrant systems shall be submitted to the fire department for review and approval prior to construction. When grading work is needed for the access road(s) within the jurisdiction of Santa Cruz County, application for a grading permit shall be made with the Santa Cruz County Planning Department pursuant to the Santa Cruz County Grading Ordinance. Such Permits shall be reviewed by the Santa Cruz County Environmental Coordinator as required.

Section 25.503 is added – Fire Apparatus Access Roads.

Section 503 of Chapter 5 of the Fire Code of the Scotts Valley Fire Protection District is added and amended below.

Section 25.503.2.1 is amended – Dimensions.

Section 503.2.1 of Chapter 5 of the Fire Code of the Scotts Valley Fire Protection District is amended to read as follows:

25.503.2.1 – Dimensions. Fire Apparatus access roads shall have an unobstructed width of not less than 20 feet (6096 mm) except for approved security gates in accordance with Section 503.7, and an unobstructed vertical clearance of not less than 15 feet. In addition, areas within 10 feet (3048 mm) on each side of portions of highways, public and private streets and roads which are ordinarily used for vehicular traffic shall be cleared of flammable vegetation and other combustible growth.

Single specimens of trees, ornamental shrubbery or cultivated ground cover such as green grass, ivy, succulents or similar plants used as ground covers, are exempt provided that they do not form a means of readily transmitting fire.

EXCEPTIONS:

1. Outside of the Urban Services Line as established by the County of Santa Cruz, access roads shall be a minimum of 18 feet wide for all access roads or driveways serving more than two habitable structures, and 12 feet for an access road or driveway serving two or fewer habitable structures. Where it is environmentally inadvisable to meet these criteria (due to excessive grading, tree removal or other environmental impacts), a 12-foot wide all-weather surface access road with

12-foot wide by 35-foot long turnouts located approximately every 500 feet may be provided with the approval of the fire code official.

2. Inside of the Urban Services Line, private access roads extending from a public road shall be a minimum of 18 feet wide for all access roads or driveways serving more than two habitable structures, and 12 feet for an access road or driveway serving two or fewer habitable structures. Where it is environmentally inadvisable to meet these criteria (due to excessive grading, tree removal or other environmental impacts), a 12-foot wide all-weather surface access road with 12-foot wide by 35-foot long turnouts located approximately every 500 feet may be provided with the approval of the fire code official.

3. Vertical clearance may be reduced, provided such reduction does not impair access by fire apparatus and approved signs are installed and maintained indicating the established vertical clearance when approved by the fire code official.

Section 25.503.2.1.1 is added – Vegetation clearance along access roads.

Section 503.2.1.1 of Chapter 5 of the Fire Code of the Scotts Valley Fire Protection District is added to read as follows:

25.503.2.1.1 – Vegetation clearance along access roads. Areas within 10 feet (3048 mm) horizontal and 15 feet (4572 mm) vertical on each side of portions of highways, public and private streets, roads and driveways which are ordinarily used for vehicular traffic shall be cleared of flammable vegetation and other combustible growth. Design of such area may be found in Santa Cruz County Fire Prevention Officers Standards.

Exception: Single specimens of trees, ornamental shrubbery or cultivated ground cover such as green grass, ivy, succulents or similar plants used as ground covers, are exempt provided they do not form a means of readily transmitting fire at the discretion of the fire code official.

Section 25.503.2.3 is amended – Surface.

Section 503.2.3 of Chapter 5 of the Fire Code of the Scotts Valley Fire Protection District is amended to read as follows:

25.503.2.3 - Surface. An all-weather surface shall be a minimum of 6" of compacted Class II base rock for grades up to and including 5%, oil and screened for grades up to and including 15%, and asphaltic concrete for grades exceeding 15%. No grade shall be allowed to exceed 16% in State Responsibility Area (SRA) or 20% in Local Responsibility Area (LRA).

Section 25.503.2.4 is amended – Turning radius.

Section 503.2.4 of Chapter 5 of the Fire Code of the Scotts Valley Fire Protection District is amended to read as follows:

25.503.2.4 – Turning radius. In the State Responsibility Area (SRA) no roadway shall have a horizontal inside radius of curvature of less than 50 feet and additional surface width of 4 feet shall be added to curves of 50-100 feet radius; 2 feet to those from 100-200 feet. In the Local Responsibility Area (LRA) the minimum centerline radius shall be 35 feet.

Section 25.503.2.5.1 is added – New dead-end access roads.

Section 503.2.5 of Chapter 5 of the Fire Code of the County of Scotts Valley Fire Protection District is amended to read as follows:

25.503.2.5.1 – New dead-end access roads. New dead-end roads are prohibited, without secondary access, serving more than one parcel in new minor land divisions or subdivisions which exceed the following distances from an adequate through road unless approved by the applicable fire protection agency, the Department of Public Works, and by the Planning Commission; in no case shall a new dead-end road exceed ½ mile in length.

Urban & Suburban General Plan and LCP Land Use Plan designation	500'
Rural General Plan and LCP Land Use Plan designation	1000'
Mountain General Plan and LCP Land Use Plan designation	1500'

Section 25.503.2.6.1 is added – Width.

Section 503.2.6.1 of Chapter 5 of the Fire Code of the Scotts Valley Fire Protection District is added to read as follows:

25.503.2.6.1 - Width. All bridges shall be a minimum of 20 feet of clear width. The fire code official may allow the width to be reduced for access to U or R-3 occupancies in accordance with Objective 6.5 – Fire Hazards of the Santa Cruz County General Plan.

Section 25.503.2.6.2 is added – Certification.

Section 503.2.6.2 of Chapter 5 of the Fire Code of the Scotts Valley Fire Protection District is added to read as follows:

25.503.2.6.2 - Certification. Every private bridge hereafter constructed shall be engineered by a licensed civil or structural engineer and approved by the fire code official. Certification shall be provided by the licensed engineer in writing that the bridge complies with the design standard required by this section to the fire code official.

Section 25.503.2.6.3 is added – Recertification.

Section 503.2.6.3 of Chapter 5 of the Fire Code of the Scotts Valley Fire Protection District is added to read as follows:

25.503.2.6.3 - Recertification. Every private bridge shall be recertified every ten years or whenever deemed necessary by the fire code official. Such recertification shall be in accordance with the requirements of 503.2.6.2.

Section 25.503.2.6.4 is added – Existing private bridges.

Section 503.2.6.4 of Chapter 5 of the Fire Code of the Scotts Valley Fire Protection District is added to read as follows:

25.503.2.6.4 - Existing private bridges. An existing private bridge not conforming to these regulations may be required to conform when in the opinion of the fire code official, such repairs are necessary for public safety.

Section 25.503.2.6.5 is added – Fees.

Section 503.2.6.5 of Chapter 5 of the Fire Code of the Scotts Valley Fire Protection District is added to read as follows:

25.503.2.6.5 - Fees. All fees charged for the purpose of certification or recertification shall be at the owner's expense.

Section 25.503.2.7 is amended – Grade.

Section 503.2.7 of Chapter 5 of the Fire Code of the Scotts Valley Fire Protection District is amended to read as follows:

25.503.2.7 – Grade. The grade for all roads, streets, private lanes and driveways shall not exceed 16% in State Responsibility Area (SRA) and 20% in Local Responsibility Area (LRA).

Section 25.503.6 is added – Gates.

Section 503.6 of Chapter 5 of the Fire Code of the Scotts Valley Fire Protection District is amended to read as follows:

25.503.6 – Gates. The installation of security gates across a fire apparatus access road shall be approved by the fire code official. Where security gates are installed, they shall have an approved means of emergency operation. The security gates and the emergency operation shall be maintained operational at all times. Electric gate operators, where provided, shall be listed in accordance with UL 325. Gates intended for automatic operation shall be designed, constructed and installed to comply with the requirements of ASTM F2200.

All Gates providing access from a road to a driveway, or within any access road, shall be located at least 30 feet from the roadway and shall open to allow a vehicle to stop without obstructing traffic on the road. Gate entrances shall be at least 2 (two) feet wider than the access road being secured, but in no case shall the width be less than 14 (fourteen) feet unobstructed horizontal clearance and unobstructed vertical clearance of 15 (fifteen) feet. When gates are to be locked, the installation of a key box or other acceptable means for immediate access may be required as in Section 506.1

Section 25.505.2 is amended – Street and road signs.

Section 505.2 of Chapter 5 of the Fire Code of the Scotts Valley Fire Protection District is amended to read as follows:

25.505.2 - Street and road signs. Streets and roads shall be identified with approved signs. Temporary signs shall be installed at each street intersection when construction of new roadways allows passage by vehicles. Signs shall be of an approved size, weather resistant and be maintained until replaced by permanent signs. Posting of any road names and numbers not authorized by the Office of Street Naming and Numbering of the County of Santa Cruz, and the fire code official is prohibited.

Section 25.507.3 is amended – Fire flow.

Section 507.3 of Chapter 5 of the Fire Code of the Scotts Valley Fire Protection District is amended to read as follows:

25.507.3 – Fire flow. Fire flow requirements for buildings or portions of buildings and facilities shall be determined by an approved method, Appendix B, or Appendix BB (for school buildings as scoped in BB 101.1)

Parcels not within the boundaries of a public or private water purveyor shall have a minimum water supply capable of supplying a flow of 500 gallons per minute for 20 minutes (10,000 gallons) for all new fire sprinklered (NFPA 13D) dwellings, residential additions in excess of 500 square feet, and other structures classified as a residential accessory uses such as garages, storage buildings, barns, etc..

Privately owned water that is not supplied by a licensed water purveyor shall:

1. serve no more than two dwellings and no more than 10,000 square feet of habitable dwelling space, and;
2. be provided pursuant to a recorded covenant that runs with the land if the water supply originates from another parcel. If a water purveyor supplies the water, the applicant must submit with the building plan written verification from the licensed purveyor that the water supply meets the flow requirement.

Exception: A 2% reduction will be allowed for flow supplied by approved stationary water tanks, to account for the nominal standardized capacity of such tanks.

Section 25.507.5.7 is added – Painting.

Section 507.5.7 of Chapter 5 of the Fire Code of the Scotts Valley Fire Protection District is added to read as follows:

25.507.5.7 – Painting. When required by the fire code official, fire hydrants shall be painted in accordance with NFPA 291 and Santa Cruz County Fire Prevention Officers Standards.

Section 25.509.1.2 is added – Alternate power sources.

Section 509.1.2 of Chapter 5 of the Fire Code of the Scotts Valley Fire Protection District is added to read as follows:

25.509.1.2. - Alternate power sources. All permanent installations of electrical generators, wind generators, solar photovoltaic cells, or other power sources shall be approved by the building code official. In addition to all applicable provisions of Title 24 CCR for any such installation, a sign reading:

"WARNING – This premise is provided with an Alternate Power Source. Disconnection of commercial power may not disable the electrical power source"

shall be permanently affixed. Sign shall be red in color with a minimum of ½" tall contrasting lettering and shall be permanently affixed on each electrical panel subject to back-feed from alternate power sources. Any and all power disabling switches shall be clearly labeled.

CFC Sections 903.2 through 903.2.10.2 are deleted and replaced – Automatic Sprinkler Systems.

Sections 903.2 through 903.2.10.2 of Chapter 9 of the Fire Code of Scotts Valley Fire Protection District are deleted and replaced to read as follows:

25.903.2 - Where required. Approved automatic sprinkler systems in new buildings and structures shall be provided in the locations described in this section.

25.903.2.1 - New structures. An automatic fire sprinkler system shall be provided in all new occupancies as defined in Chapter 3 of the California Building Code, regardless of type of construction and/or floor area, unless otherwise pre-empted by the California Health and Safety Code. Any occupancy not specifically mentioned shall be included in the group that it most nearly resembles based on the proposed life and fire hazard;

Exceptions:

1. Private garages, carports, sheds not more than 1,000 square feet (93 m²) of total floor area shall not require fire sprinklers where they are detached and separate from other structures and provided with exterior wall and opening protection as per the California Building Code.
2. Sheds exceeding 1,000 square feet (93 m²) but not exceeding 3,000 square feet (278 m²) shall not require fire sprinklers at the discretion of the fire chief when the applicant demonstrates that the applicant's proposal does not increase the fire hazard or fire load.
3. Agricultural buildings as defined in Appendix Chapter C, of the California Building Code having a clear unobstructed side yard exceeding 60 feet (18,280 mm) in all directions, not exceeding 25 feet (7620 mm) in height and located within an Agricultural zoned district, as defined in the Santa Cruz County Planning Code.
 - a. Not exceeding 2,000 square feet (186 m²) or as exempted by the fire chief, shall not require fire sprinklers.
 - b. Exceeding 2,000 square feet (186 m²) but not exceeding 5,000 square feet, shall not require fire sprinklers at the discretion of the fire chief when the applicant demonstrates the applicant's proposal does not increase the fire hazard or fire load.
 - c. Greenhouses of non-combustible construction shall not require fire sprinklers.
4. Group B and Group M Occupancies not more than 500 square feet (46.5 m²) shall not require fire sprinklers where they are detached and separate from other structures and provided with exterior wall and opening protection as per the California Building Code, Table 508.3.3.
5. For public school state-funded construction projects see CFC Section 903.2.19.

25.903.2.1.4 - Group R. An automatic sprinkler system installed in accordance with Section 903.3 shall be provided throughout all buildings with a Group R fire area.

Exceptions:

1. Existing Group R-3 occupancies converted to Group R-3.1 occupancies not housing bedridden clients, not housing non-ambulatory clients above the first floor, and not housing clients above the second floor.
2. Existing Group R-3 occupancies converted to Group R-3.1 occupancies housing only one bedridden client and complying with section 425.8.3.3 of the California Building Code.
3. Pursuant to Health and Safety Code Section 13113 occupancies housing ambulatory children only, none of whom are mentally ill or mentally retarded, and the buildings or portions thereof in which such children are housed are not more than two stories in height, and buildings or portions thereof housing such children have an automatic fire alarm system activated by approved smoke detectors.
4. Pursuant to Health and Safety Code Section 13143.6 occupancies licensed for protective social care which house ambulatory clients only, none of whom is a child (under the age of 18 years), or who is elderly (65 years of age or over).

When not used in accordance with Section 504.2 or 506.3 of the California Building Code an automatic sprinkler system installed in accordance with Section 903.3.1.2 shall be allowed in Group R-2.1 occupancies.

25.903.2.1.5 - Group R-3 congregate residences. An automatic sprinkler system installed in accordance with Section 903.3.1.3 shall be permitted in Group R-3 congregate living facilities with 16 or fewer residents.

25.903.2.1.6 - Care facilities. An automatic sprinkler system installed in accordance with Section 903.3.1.3 shall be permitted in care facilities with 5 or fewer individuals in a single-family dwelling.

25.903.2.2 - Existing buildings and structures except for one- and two-family dwellings. An automatic sprinkler system shall be installed in existing buildings and structures, except One- and Two-Family Dwellings, after the effective date of this code, when a building permit is issued to allow additions to be made, as follows:

1. For existing buildings less than 6,000 square feet in gross floor area when an addition to the building causes the structure to exceed 6,000 square feet, the entire structure shall be provided with an automatic sprinkler system.
2. For existing buildings larger than 6,000 square feet in gross floor area when an addition is equal to or greater than 10% of the existing square footage or when extensive renovation or remodeling is done to more than 50% of the gross floor area, the entire structure shall be provided with an automatic sprinkler system.

For the purposes of this section, extensive renovation or remodeling shall be defined as any change, addition or modification in construction or occupancy or structural repair or change in primary function to an existing structure made by, on behalf of or for the use of a public accommodation or commercial facility that affects or could affect the usability of the building or facility or part thereof. Alterations include, but are not limited to, remodeling, renovation, rehabilitation, reconstruction, historic restoration, changes or rearrangement of the structural parts or elements, and changes or rearrangement in the plan configuration of walls and full-height partitions.

All new work performed in alterations and/or repairs to existing structures shall comply with the current provisions of this Chapter. When alterations and/or repairs result in the removal, alteration, modification, replacement and/or repair of fifty percent or more of the external walls of a building, or result in the removal, modification, replacement and/or repair of fifty percent or more of the existing internal structural and/or non-structural framework, independently or in combination thereof, within a five year period, the entire building shall be made to conform to the current provisions of this chapter. The determination under this section of the requirement for upgrading any existing structure to full conformance with current provisions of this Chapter shall be at the sole discretion of the Fire Code Official.

Exceptions to Section 25.903.2.2 (1 and 2)

- (a) **Group A2.** An automatic sprinkler system shall be provided throughout stories containing Group A-2 occupancies and throughout all stories from the Group A-2 occupancy to and including the levels of exit discharge serving that occupancy where one of the following conditions exists:
 - 1. The fire area exceeds 5,000 square feet (464 m²).
 - 2. The fire area has an occupant load of 100 or more.
 - 3. The fire area is located on a floor other than a level of exit discharge serving such occupancies.
 - 4. The structure exceeds 5,000 square feet (465 m²), contains more than one fire area containing a Group A-2 occupancy, and is separated into two or more buildings by fire walls of not less than 4-hour fire-resistance rating without openings.
- (b) **Group A-5.** Occupancies exceeding 1,000 square feet in the following areas: concession stands, retail areas, press boxes and other accessory use areas shall have an automatic sprinkler system installed.
- (c) **Assembly occupancies on roofs.** Where an occupied roof has an assembly occupancy with an occupant load exceeding 100 for Group A-2 and 300 for other Group A occupancies, all floors between the occupied roof and the level of exit discharge shall be equipped with an automatic sprinkler system in accordance with Section 903.3.1.1 or 903.3.1.2.
Exception: Open Parking garages of Type I or Type II construction.
- (d) **Multiple fire areas of Group A-1, A-2, A-3 or A-4 occupancies share exit or exit access components and the combined occupant load of these fire areas is 300 or more.**
- (e) **Group B.** Regardless of square footage, an automatic sprinkler system shall be provided for Group B occupancies as follows:
 - 1. **Ambulatory Care Facilities.** An automatic sprinkler system shall be installed throughout the entire floor containing an ambulatory care facility where either of the following conditions exist at any time:
 - a. Four or more care recipients are incapable of self-preservation.
 - b. One or more care recipients that are incapable of self-preservation are located at other than the level of exit discharge serving such a facility.

In buildings where ambulatory care is provided on levels other than the level of exit discharge, an automatic sprinkler system shall be installed throughout the entire floor as well as all floors below where such care is provided, and all floors between the level of ambulatory care and the nearest level of exit discharge, the level of exit discharge, and all floors below the level of exit discharge.

Exception: Floors classified as an open parking garage are not required to be sprinklered.
 - 2. **Laboratories involving research and development or testing.** An automatic sprinkler system shall be installed throughout the fire areas utilized for the research and development or testing of lithium-ion or lithium metal batteries.
- (f) **Group F-1 occupancies.** An automatic sprinkler system shall be provided throughout all buildings containing a Group F-1 occupancy where one of the following conditions exists:
 - 1. A Group F-1 fire area exceeds 6,000 square feet (1115 m²).

2. A Group F-1 fire area is located more than three stories above grade plane.
3. The combined area of all Group F-1 fire areas on all floors, including any mezzanines, exceeds 5,000 square feet (2230 m²).

Group F-1 Woodworking Operations. An automatic sprinkler system shall be provided throughout all Group F-1 occupancy fire areas that contain woodworking operations in excess of 2,500 square feet (232 m²) in area that generate finely divided combustible waste or use finely divided combustible materials. [SFM] A fire wall of less than 4-hour fire-resistance rating without openings, or any fire wall with openings, shall not be used to establish separate fire areas.

Group F-1 Distilled Spirits. An automatic sprinkler system shall be provided throughout a Group F-1 fire area used for the manufacture of distilled spirits.

Group F-1 Upholstered Furniture or Mattresses. An automatic sprinkler system shall be provided throughout a Group F-1 fire area that exceeds 2,500 square feet (232 m²) used for the manufacture of upholstered furniture or mattresses.

- (g) **Group H occupancies** shall be provided with an automatic sprinkler system.
- (h) **Group I occupancy** fire areas shall be provided with an automatic sprinkler system.

Exceptions:

- (1) Those areas exempted by Section 407.6 of the California Building Code.
 - (2) Group I-2 occupancies, or any alterations thereto, located in Type IA construction in existence on or before March 4, 1972 as required in California Health and Safety Code Section 13113(d).
- (i) **Group I-2 occupancies.** An existing, unsprinklered Group I-2, nurses' stations open to fire-resistive exit access corridors shall be protected by an automatic sprinkler system located directly above the nurses' station. It shall be permitted to connect the automatic sprinkler system to the domestic water service.
 - (j) **Group I-3 occupancies.** Every building, or portion thereof, where inmates or persons are in custody or restrained shall be protected by an automatic sprinkler system conforming to NFPA 13. The main sprinkler control valve or valves and all other control valves in the system shall be locked in the open position and electrically supervised so that at least an audible and visual alarm will sound at a constantly attended location when valves are closed. The sprinkler branch piping serving cells may be embedded in the concrete construction.
 - (k) **Group M occupancy** used for the display and sale of upholstered furniture or mattresses exceeds 5,000 square feet.
 - (l) **Group M.** An automatic sprinkler system shall be provided throughout buildings containing a Group M occupancy where one of the following conditions exists:
 1. A Group M fire area exceeds 12,000 square feet (1115 m²).
 2. A Group M fire area is located more than three stories above grade plane.
 3. The combined area of all Group M fire areas on all floors, including any mezzanines, exceeds 24,000 square feet (2230 m²).
 4. [SFM] The structure exceeds 24,000 square feet (465 m²), contains more than one fire area containing a Group M occupancy, and is separated into two or more buildings by fire walls of not less than 4-hour fire-resistance rating without openings.

- (m) Group S-1 occupancies used for the storage of commercial motor vehicles where the fire area exceeds 5,000 square feet.
 - (n) Group S-1 occupancies exceeding 2,500 square feet used for the storage of upholstered furniture or mattresses shall have an automatic sprinkler system installed.
 - (o) Group S-1 fire areas exceeding 5,000 square feet used for the repair of commercial motor vehicles.
 - (p) Structures where the area for the storage of tires exceeds 20,000 cubic feet shall be equipped throughout with an automatic fire sprinkler system in accordance with Section 903.3.1.1.
 - (q) Group U occupancies exceeding 1,000 square feet shall have an automatic sprinkler system installed. Group U occupancies not exceeding 1,000 square feet are exempt where they are detached and separate from other structures and provided with exterior wall and opening protection as per the California Building Code.
 - (r) Sheds exceeding 1,000 square feet but not exceeding 3,000 square feet shall not require fire sprinklers at the discretion of the fire chief when the applicant demonstrates that the applicant's proposal does not increase the fire hazard or fire load.
 - (s) Agricultural buildings as defined in Appendix Chapter C, of the California Building Code having a clear unobstructed side yard exceeding 60 feet (18,280 mm) in all directions, not exceeding 25 feet (7620 mm) in height and located within an Agricultural zoned district, as defined in the Santa Cruz County Planning Code.
 - i. Not exceeding 2,000 square feet (186 m²) or as exempted by the fire chief, shall not require fire sprinklers.
 - ii. Exceeding 2,000 square feet (186 m²) but not exceeding 5,000 square feet, shall not require fire sprinklers at the discretion of the fire chief when the applicant demonstrates the applicant's proposal does not increase the fire hazard or fire load.
 - iii. Greenhouses of non-combustible construction shall not require fire sprinklers.
3. Any alteration and/or repair within a building that contains an automatic fire sprinkler system requires that the automatic fire sprinkler system be extended/modified to the area of proposed work, thus, creating fire sprinkler protection throughout the entire building.
 4. Any change in use or occupancy creating a more hazardous fire/life safety condition, as determined by the Fire Chief, requires that the entire structure be provided with an automatic sprinkler system.
 5. Any combination of addition, alteration, repair and/or change of use shall comply with Sections 903.2.11 through 903.6.

Exceptions to Section 25.903.2.2:

- (a) Seismic or Accessibility improvements.
- (b) Any exemption otherwise allowable under the Fire Code, if in the discretion of the Fire Chief, the safety of the public is not compromised.

- (c) Exterior improvements and work not requiring permits as provided in the Building Code.
- (d) Work requiring only a mechanical, electrical, plumbing and/or demolition permit.

25.903.2.3 - Existing one- and two-family dwellings. An automatic sprinkler system shall be installed in existing one- and two-family dwellings, after the effective date of this code, when a building permit is issued to allow additions to be made, as follows:

1. Any addition is made which increases the total existing square footage by 50% or more.

Exception: Construction for the purpose of either an ADU or JADU

2. The proposed total floor area exceeds the available fire flow as specified in Section 507.1 or APPENDIX B.
3. Any addition to a one- or two-family dwelling that contains an automatic fire sprinkler system requires that the automatic fire sprinkler system be extended/modified to the area of proposed work, thus, creating fire sprinkler protection throughout the entire dwelling.

Exceptions to Section 25.903.2.3:

- (a) Additions of 500 square feet or less when the proposed total floor area does not exceed the available fire flow are exempt from fire sprinklers unless the dwelling is already protected by a fire sprinkler system.

Section 25.903.2.4 – is added – Accessory Dwelling Unit (ADU)

Section 903.2.4 of Chapter 9 of the Fire Code of the Scotts Valley Fire Protection District is added to read as follows:

Accessory Dwelling Unit(s). The following is included for clarification of the requirements for newly constructed accessory dwelling units. All newly constructed ADUs are required to comply with the standards for fire protection such as water supply and fire department access contained in Chapter 5 of this code.

1. Accessory Dwelling Units constructed on lots with an existing sprinklered primary residence:
 - a) Attached to main residence – fire sprinklers required.
 - b) Detached from main residence, fire sprinklers required.
2. Accessory Dwelling Units constructed on lots with an existing non-sprinklered primary residence:
 - a) Attached to main residence and is less than or equal to 50% of the existing sq.-ft. of the primary residence – fire sprinklers not required.
3. Accessory Dwelling Units are required to comply with the standards for fire protection such as water supply and fire department access set forth in Chapter 5 of this code.
 - a) Water supply for fire protection shall be a minimum of 1,000 gpm for 60 minutes as required in §507.3 and Appendix B Table 105.1(1) of this code.
 - b) Access for new ADUs and JADUs shall be within 150 feet of all portions of the structure in accordance with §503.1.1 of this code.

Where a newly constructed accessory dwelling unit does not meet these fire protection standards, an automatic residential sprinkler system may be utilized as an alternative to items 3(a) and, or 3(b) above.

Section 25.903.3.1.3 is amended – NFPA 13D sprinkler systems.

Section 903.3.1.3 of Chapter 9 of the Fire Code of the Scotts Valley Fire Protection District is amended to read as follows:

25.903.3.1.3 - NFPA 13D sprinkler systems. Automatic sprinkler systems installed in one and two-family dwellings, Group R-3 and R-4 congregate living facilities and townhouses, non-habitable structures classified as accessory to a residential use and not intended for commercial usage or mercantile, shall be permitted to be installed throughout in accordance with NFPA 13D and installation guidelines as promulgated by the Santa Cruz County Fire Chiefs Association.

Section 25.903.3.7 is amended – Fire department connections.

Section 903.3.7 of Chapter 9 of the Fire Code of the Scotts Valley Fire Protection District is amended to read as follows:

25.903.3.7 - Fire department connections. Fire department connections for automatic sprinkler systems shall be installed in accordance with Section 912. Buildings equipped with a fire sprinkler system in accordance with this chapter shall have a fire department connection located within 100 feet (183m). The location of the fire department connections shall be approved by the fire code official.

Exception: Single- and two-family dwellings protected by a fire sprinkler system in accordance with Section 903.3.1.3.

Section 25.3905.1.3 is amended – Operation

Section 3905.1.3 of Chapter 39 of the Fire Code of the Scotts Valley Fire Protection District is amended to read as follows:

25.3905.1.3 – Operation. Activation of the gas detection system shall result in all of the following:

1. Initiation of distinct audible and visual alarm signals in extraction room.
2. Deactivation of all heating systems located in the extraction room.
3. Activation of the mechanical ventilation system, where the system is interlocked with gas detection.
4. De-energize all light switches and electrical outlets.
5. For detection levels at or exceeding 25% of the LEL/LFL shall result in the activation of the building's fire alarm system.

Section 25.5303.5.3 is amended – Securing compressed gas containers, cylinders and tanks.

Section 5303.5.3 of Chapter 53 of the Fire Code of the Scotts Valley Fire Protection District is amended to read as follows:

25.5303.5.3 - Securing compressed gas containers, cylinders and tanks. Compressed gas containers, cylinders and tanks shall be secured to prevent falling caused by contact, vibration or seismic activity. Securing of compressed gas containers, cylinders and tanks shall be by one of the following methods:

1. Securing containers, cylinders and tanks to a fixed object with ~~one~~ two or more non-combustible restraints. The object used to anchor the restraint to shall be capable of withstanding the anticipated load(s) imposed. Anchor(s) shall be attached to a structural framing member or similar.
2. Securing containers, cylinders and tanks on a cart or other mobile device designed for the movement of compressed gas containers, cylinders or tanks.
3. Nesting of compressed gas containers, cylinders and tanks at container filling or servicing facilities or in seller's warehouses not accessible to the public. Nesting shall be allowed provided the nested containers, cylinders or tanks, if dislodged, do not obstruct the required means of egress.
4. Securing of compressed gas containers, cylinders and tanks to or within a rack, framework, cabinet or similar assembly designed for such use.

Exception: Compressed gas containers, cylinders and tanks in the process of examination, filling, transport or servicing.

CHAPTER 56 is amended - EXPLOSIVES AND FIREWORKS.

Chapter 56 of the Fire Code of the Scotts Valley Fire Protection District is amended to read as follows:

25.5601.1.3 – Fireworks. The possession, manufacture, storage, sale, handling and use of fireworks are prohibited within the County of Santa Cruz.

Exception: The use of fireworks for fireworks displays, pyrotechnics before a proximate audience and pyrotechnic special effects in motion pictures, television, theatrical or group entertainment productions as allowed in Title 19, Division 1, Chapter 6 Fireworks reprinted in Section 5608 and Health and Safety Code Division 11.

25.5601.2 – Permit required. Permits shall be required as set forth in 105.5 and regulated in accordance with this section. Permits for explosives as contained within this chapter, with the exception of display fireworks, shall be obtained by the Law Enforcement Agency of Jurisdiction.

25.5601.2.2 - Sale and retail display. Persons shall not construct a retail display nor offer for sale explosives, explosive materials or fireworks on highways, sidewalks, public property or in Group A or E occupancies within Santa Cruz County.

CHAPTER 90 is added – SUPPRESSION AND CONTROL OF FIRE IN WILDFIRE RISK AREAS.

Chapter 90 of the Fire Code of the Scotts Valley Fire Protection District is added to read as follows:

25.9001 - SCOPE. The unrestricted use of grass-, grain-, brush- or forest-covered land in wildfire risk areas is a potential menace to life and property from fire and resulting erosion. Safeguards to prevent the occurrence of fires and to provide adequate fire-protection facilities to control the spread of fire which might be caused by recreational, residential, commercial, industrial or other activities shall be in accordance with Chapter 90.

25.9002 - RESTRICTED ENTRY. The fire code official shall determine and publicly announce when wildfire risk areas shall be closed to entry and when such areas shall again be opened to entry. Entry on and occupation of wildfire risk areas, except public roadways, inhabited areas or established trails and camp sites which have not been closed during such time when the wildfire risk area is closed to entry, is prohibited.

Exceptions:

1. Residents and owners of private property within wildfire risk areas and their invitees and guests going to or being upon their lands.
2. Entry, in the course of duty, by peace or police officers, and other duly authorized public officers, members of a fire department and members of the United States Forest Service.

25.9003 - TRESPASSING ON POSTED PROPERTY.

25.9003.1 - General. When the fire code official determines that a specific area within a wildfire risk area presents an exceptional and continuing fire danger because of the density of natural growth, difficulty of terrain, proximity to structures or accessibility to the public, such areas shall be closed until changed conditions warrant termination of closure. Such areas shall be posted as hereinafter provided.

25.9003.2 - Signs. Approved signs prohibiting entry by unauthorized persons and referring to §9002 shall be placed on every closed area.

25.9003.3 - Trespassing. Entering and remaining within areas closed and posted is prohibited.

Exception: Owners and occupiers of private or public property within closed and posted areas, their guests or invitees, and local, state and federal public officers and their authorized agents acting in the course of duty.

25.9004 - USE OF FIRE ROADS AND FIREBREAKS. Motorcycles, motor scooters and motor vehicles shall not be driven or parked upon, and trespassing is prohibited upon, fire roads or firebreaks beyond the point where travel is restricted by a cable, gate or sign, without the permission of the property owners. Vehicles shall not be parked in a manner which obstructs the entrance to a fire road or firebreak.

Exception: Public officers acting within their scope of duty.

Radio and television aerials, guy wires thereto, and other obstructions shall not be installed or maintained on fire roads or firebreaks unless located 16 feet (4877 mm) or more above such fire road or firebreak.

25.9005 - USE OF MOTORCYCLES, MOTOR SCOOTERS AND MOTOR VEHICLES. Motorcycles, motor scooters and motor vehicles shall not be operated within wildfire risk areas, without a permit by the fire code official, except upon clearly established public or private roads. Permission from the property owner shall be presented when requesting a permit.

25.9006 - LIABILITY FOR DAMAGE. The expenses of fighting fires which result from a violation of this chapter shall be a charge against the person whose violation caused the fire. Damages caused by such fires shall constitute a debt of such person and are collectable by the fire code official in the same manner as in the case of an obligation under a contract, expressed or implied.

PART 3

The geographic limits referred to in certain sections of the Fire Code of the Scotts Valley Fire Protection District are hereby established as follows:

Establishment of limits of districts in which storage of flammable or combustible liquids in outside aboveground tanks is prohibited. The limits referred to in Sections 5704.2.9.6.1 and 5706.2.4.4 of the Fire Code of the County of Santa Cruz in which the storage of Class I flammable liquids or Class II combustible liquids in aboveground tanks outside of buildings is restricted are hereby established as the incorporated area of the political boundary of the Scotts Valley Fire Protection District.

Exceptions: Such use is allowed in the following zoning districts:

1. The storage of Class I flammable liquids or Class II combustible liquids in aboveground tanks outside of buildings is allowed in A or A-1 Zones;
2. The storage of Class I flammable liquids or Class II combustible liquids in aboveground tanks outside of buildings is allowed in M-1, M-2 or M-3 Zones;
3. The storage of Class I flammable liquids or Class II combustible liquids in aboveground tanks outside of buildings is allowed in NR Zones.

Establishment of limits of districts in which storage of flammable cryogenic fluids in stationary containers is to be prohibited. The limits referred to in Section 5806.2 of the Fire Code of the Scotts Valley Fire Protection District in which storage of flammable cryogenic fluids in stationary containers is prohibited are hereby established as the political boundary of the County of Santa Cruz.

Exceptions:

1. The storage of flammable cryogenic fluids in stationary containers is allowed in an M-2 Zone with a Conditional Use Permit issued by the Planning Department.
2. The storage of flammable cryogenic fluids in stationary containers is allowed in an M-3 Zone.

Establishment of limits for storage of Liquefied Petroleum Gas. The limits referred to in Section 6104.2 of the Fire Code of the County of Santa Cruz are hereby limited to a maximum of 2,000 gallons water capacity within the political boundary of the County of Santa Cruz.

PART 4

Ordinance No. 2025-2 of the Scotts Valley Fire Protection District entitled "2025 Fire Code", and all other ordinances or parts of ordinances in conflict herewith are hereby repealed.

PART 5

That if any section, subsection, sentence, clause or phrase of this ordinance is, for any reason, held to be unconstitutional, such decision shall not affect the validity of the remaining portions of this ordinance. The Board of Directors of the Scotts Valley Fire Protection District hereby declares that it would have passed this ordinance, and each section, subsection, clause or phrase thereof, irrespective of the fact that any one or more sections, subsections, sentences, clauses and phrases be declared unconstitutional.

PART 6

That nothing in this ordinance or in the Fire Code hereby adopted shall be construed to affect any suit or proceeding impending in any court, or any rights acquired, or liability incurred, or any cause or causes of action acquired or existing, under any act or ordinance hereby repealed as cited in Part 4 of this ordinance; nor shall any just or legal right or remedy of any character be lost, impaired or affected by this ordinance.

PART 7

That the Clerk of the Board is hereby ordered and directed to cause a notice of this ordinance to be published in a newspaper in general circulation in accordance with Section 6066 of the California Government Code.

PART 8

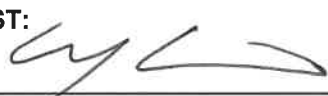
That this ordinance and the rules, regulations, provisions, requirements, orders and matters established and adopted hereby shall take effect and be in full force and effect on January 1, 2026 pursuant to Health and Safety Code Section 18941.5. This Ordinance shall remain in full force and effect until a subsequent superseding ordinance becomes effective.

PASSED AND ADOPTED this 12th day of November 2025, by the Board of Directors of the Scotts Valley Fire Protection District by the following vote:

YES: 5
 NOES: _____
 ABSENT: _____
 ABSTAIN: _____



 Chairperson of the Scotts Valley Fire Protection District Board of Directors

ATTEST: 

 Clerk of the Board

APPROVED AS TO FORM:

 District Council

DISTRIBUTION: Board of Supervisors
 Scotts Valley City Council

RATIFIED _____

DENIED _____

MODIFIED _____

this _____ day of _____, 2025, by the Scotts Valley City Council by the following vote:

AYES: _____ CITY COUNCIL

NOES: _____ CITY COUNCIL

ABSENT: _____ CITY COUNCIL

ABSTAIN: _____ CITY COUNCIL

City Council signature

ATTEST:

Clerk of the Board

DISTRIBUTION:

General Services Department/O.E.S.
State of California Housing & Community Development
Office of the California State Fire Marshal

**Scotts Valley Fire Protection District
Fire Code**

ORDINANCE NO. 2025-3

AN ORDINANCE OF THE SCOTTS VALLEY FIRE PROTECTION DISTRICT AMENDING ORDINANCE NO. 2025-2 TO CORRECT AND CLARIFY ACCESSORY DWELLING UNIT (ADU) SPRINKLER REQUIREMENTS

WHEREAS, the Board of Directors adopted Ordinance No. 2025-2 on November 12, 2025, establishing the Fire Code of the Scotts Valley Fire Protection District with local amendments; and

WHEREAS, Section 25.903.2.4 of Ordinance No. 2025-2 establishes automatic fire sprinkler requirements for newly constructed accessory dwelling units (ADUs); and

WHEREAS, one sentence within that section created an unnecessary size-based condition for attached ADUs on parcels with non-sprinklered primary residences and did not accurately reflect current requirements; and

WHEREAS, correction of this language clarifies proper application of existing ADU sprinkler standards and does not impose a new requirement or fee.

NOW, THEREFORE, BE IT ORDAINED by the Board of Directors of the Scotts Valley Fire Protection District:

Section 1. Amendment to Section 25.903.2.4 of Ordinance No. 2025-2

Section 25.903.2.4 of Ordinance No. 2025-2 is amended to read as follows:

25.903.2.4 – Accessory Dwelling Unit (ADU)

Accessory Dwelling Unit(s). The following is included for clarification of the requirements for newly constructed accessory dwelling units. All newly constructed ADUs are required to comply with the standards for fire protection such as water supply and fire department access contained in Chapter 5 of this code.

1. Accessory Dwelling Units constructed on lots with an existing sprinklered primary residence:
 - a) Attached to main residence – fire sprinklers required.
 - b) Detached from main residence – fire sprinklers required.
2. Accessory Dwelling Units constructed on lots with an existing non-sprinklered primary residence:
 - a) Fire sprinklers not required.
3. Accessory Dwelling Units are required to comply with the standards for fire protection such as water supply and fire department access set forth in Chapter 5 of this code.
 - a) Water supply for fire protection shall be a minimum of 1,000 gpm for 60 minutes as required in §507.3 and Appendix B Table 105.1(1) of this code.
 - b) Access for new ADUs and JADUs shall be within 150 feet of all portions of the structure in accordance with §503.1.1 of this code.

Exception:

Where a newly constructed accessory dwelling unit does not meet these fire protection standards, an automatic residential sprinkler system may be utilized as an alternative to items 3(a) and/or 3(b) above.

Section 2. Continuation of Ordinance 2025-2

Except as amended herein, Ordinance No. 2025-2 remains in full force and effect.

Section 3. Effective Date

This ordinance shall take effect on January 1, 2026, consistent with Ordinance No. 2025-2 and Health and Safety Code Section 18941.5.

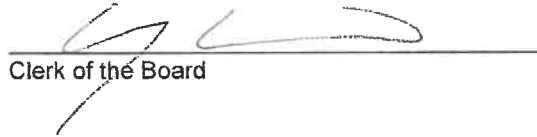
PASSED AND ADOPTED this 10th day of December 2025, by the Board of Directors of the Scotts Valley Fire Protection District by the following vote:

YES:	<u>5</u>
NOES:	<u>0</u>
ABSENT:	<u>0</u>
ABSTAIN:	<u>0</u>



Chairperson of the Scotts Valley Fire Protection District Board of Directors

ATTEST:



Clerk of the Board

DISTRIBUTION: Board of Supervisors
 Scotts Valley City Council

RATIFIED _____

DENIED _____

MODIFIED _____

this _____ day of _____, 2025, by the Scotts Valley City Council by the following vote:

AYES: _____ CITY COUNCIL

NOES: _____ CITY COUNCIL

ABSENT: _____ CITY COUNCIL

ABSTAIN: _____ CITY COUNCIL

City Council signature

ATTEST:

Clerk of the Board

DISTRIBUTION:

General Services Department/O.E.S.
State of California Housing & Community Development
Office of the California State Fire Marshal

City of Scotts Valley CITY COUNCIL STAFF REPORT

DATE: 12/17/2025
TO: Honorable Mayor and City Council
FROM: Kendra Reed, Finance Manager
APPROVED: Mali LaGoe, City Manager
SUBJECT: **Local Agency Special Tax and Bond Accountability Act for Fiscal Year 2024-25 - CFD 97-1**

SUMMARY OF ISSUE

Senate Bill 165, filed with the Secretary of State on September 19, 2000, enacted the Local Agency Special Tax and Bond Accountability Act (Act) to provide accountability measures associated with a local agency's adoption of voter approved special taxes and certain forms of bonded indebtedness. The Act requires that, on or after January 1, 2001, any local special tax or bond measure subject to voter approval shall provide accountability measures that include:

1. A statement indicating the purpose of the special tax or bond;
2. A requirement that proceeds of the special tax or bond be applied to those specific identified purposes;
3. The creation of an account into which the proceeds shall be deposited; and
4. An annual report containing specified information concerning the use of the proceeds.

At present, the City of Scotts Valley has one Community Facilities District (CFD) that falls under the provisions of the act, CFD 97-1. Previous council actions, public hearings, and elections have formally established the aforementioned district, authorized the levy of the special tax, and authorized the issuance of a special tax bond to finance the acquisition of certain necessary public improvements. The documents associated with those actions fulfill, or provide for, satisfaction of the first three requirements referenced above. The purpose of this report is to comply with the Annual Report requirements (No. 4, above) of the Act as they pertain to the above referenced CFD.

FISCAL IMPACT

None.

STAFF RECOMMENDATION

It is recommended that the City Council receive and file the Local Agency Special Tax and Bond Accountability Act report for the Fiscal Year ended June 30, 2025.

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1. FY2425_SB 165: LOCAL AGENCY SPECIAL TAX AND BOND ACCOUNTABILITY ACT

1. SB 165: LOCAL AGENCY SPECIAL TAX AND BOND ACCOUNTABILITY ACT

Senate Bill 165, filed with the Secretary of State on September 19, 2000, enacted the Local Agency Special Tax and Bond Accountability Act (the “Act”). This Act requires that any local special tax or local bond measure subject to voter approval contain a statement indicating the specific purposes of the special tax, require that the proceeds of the special tax be applied to those purposes, require the creation of an account into which the proceeds shall be deposited, and require an annual report containing specified information concerning the use of the proceeds. The Act only applies to any local special tax measure or local bond measure adopted on or after January 1, 2001, in accordance with Section 50075.1 or Section 53410 of the California Government Code.

Some of the requirements of the Act are handled at the formation of the Special Tax District and others are handled through annual reports. This Section of this report intends to comply with Sections 50075.3 and 53411 of the California Government Code that states:

“The chief fiscal officer of the issuing local agency shall file a report with its governing body no later than January 1, 2002, and at least once a year thereafter. The annual report shall contain both of the following:

1. The amount of funds collected and expended.
2. The status of any project required or authorized to be funded as identified in subdivision (a) of Sections 50075.1 [and] 53410.”

The requirements of the Act apply to the Funds for the following:

City of Scotts Valley
Community Facilities District 97-1
August 23, 2011

Purpose of Special Tax

The special tax provides funding for arterial and frontage improvements to Scotts Valley Drive between the Granite Creek interchange with State Highway 17 and Mount Hermon Road. Collectively, the improvements included street improvements, utility undergrounding, professional services, and land acquisition.

The projects funded by the Bonds are complete.

Collections and Expenditures

Fund Name	06/30/2024 Balance	Amount Collected	Amount Expended	06/30/2025 Balance
Special Tax Fund	\$400,697.14	\$410,731.86	\$423,995.77	\$387,433.23

Fund Name	Initial Deposit ⁽¹⁾	6/30/2025 Balance	Amount Expended	Status
Costs of Issuance Fund	\$140,738.27	\$0.00	\$0.00	Closed
Escrow Fund	3,523,126.90	0.00	0.00	Closed
Prepayment Fund	0.00	9,005.06	0.00	Ongoing
Reserve Fund	300,599.92	438,612.91	0.00	Ongoing

(1) The initial amounts deposited from the 2011 refunding bonds.

City of Scotts Valley CITY COUNCIL STAFF REPORT

DATE: 12/17/2025
TO: Honorable Mayor and City Council
FROM: Kendra Reed, Finance Manager
APPROVED: Mali LaGoe, City Manager
SUBJECT: **Adopt Resolution Accepting the FY 2024-25 Annual AB 1600 Development Impact Fee Report**

SUMMARY OF ISSUE

Under the California Mitigation Fee Act (AB 1600), cities and counties have authority to implement development impact fees (DIF). The authority allows the City of Scotts Valley to collect funds for new development projects to cover public infrastructure, facilities, improvements, service, and community amenity costs related to the new development's proportionate share on those facilities.

Ordinance 143 and a report prepared by the Management Services Institute (April 1990) established seven development impact mitigation fees on all development within the City. This ordinance and report continue to demonstrate a reasonable relationship between the fee and the purpose for which it is charged. The identified funds are storm drainage facilities, streets and thoroughfares, parks and recreation facilities, wastewater facilities, general facilities and equipment, law enforcement facilities and equipment, and the library facility.

Under AB1600, Government Code Section 66006 requires the City to produce an annual report on the status of each DIF, listing the following:

A brief description of the type of fee in the account/fund

1. The amount of the fee
2. Beginning and ending balance of the account/fund
3. Amount of fees collected and interest earned
4. Identification of each public improvement for which fees were spent
5. An approximate date by which construction of public improvements will commence if the City has determined that sufficient funds have been collected to complete the financing on an incomplete public improvement
6. Amount of refunds or re-allocations of development impact fees made pursuant to Government Code 66001

These reports were made public on the City's website on December 1, 2025, meeting the 15

day public posting requirements.

FISCAL IMPACT

The attached reports show that the ending fund balances for development impact fees totals \$4,174,268 at June 30, 2025.

STAFF RECOMMENDATION

It is recommended that the City Council adopt Resolution No. 1198.81, accepting the FY 2024-2025 AB 1600 Development Impact Fee Annual Report and making certain findings related thereto.

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1. Resolution No. 1198.81 FY2024-2025 DIF Report
2. FY2024-2025 Annual Impact Fee Report

RESOLUTION NO. 1198.81

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SCOTTS VALLEY ACCEPTING THE FY 2024-25 ANNUAL AB1600 DEVELOPMENT IMPACT FEE REPORT AND MAKING CERTAIN FINDINGS RELATED THERETO

WHEREAS, on January 16, 1991, the City Council of the City of Scotts Valley approved Ordinance No. 143, an Ordinance of the City of Scotts Valley Establishing Development Impact Mitigation Fees on All New Development Within the City (the “Ordinance”); and

WHEREAS, the Ordinance and a report prepared by the Management Services Institute (the “Report”) on April 1990, established seven development impact mitigation fees on all development within the City and demonstrated a reasonable relationship between the fee and the purpose for which it is charged; and

WHEREAS, the Report analyzed the need for new public facilities required for new development and recommended the establishment of the seven development impact mitigation fees on all development within the City; and

WHEREAS, pursuant to California Government Code Section 66006 (“AB 1600”), the City is required to prepare an annual report providing the following information about those fees:

- (1) A brief description of the type of fee in the account/fund;
- (2) The amount of the fee;
- (3) Beginning and ending balances of the account/fund;
- (4) Amount of fees collected and interest earned, if applicable;
- (5) Identification of each public improvement for which fees were spent;
- (6) An approximate date by which construction of public improvements will commence if the City has determined that sufficient funds have been collected to complete the financing on an incomplete public improvement; and
- (7) Amount of refunds or re-allocations of development impact fees made pursuant to Government Code 66001, if applicable.

WHEREAS, Section 66001(d) of the Government Code requires that for the fifth fiscal year following the first deposit into the account or fund, and every five years thereafter, the local agency shall make certain findings with respect to that portion of the account or fund remaining unexpended, whether committed or uncommitted; and

WHEREAS, the City has prepared its annual report for FY 2024-2025 which includes the required information.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Scotts Valley that the FY 2024-2025 Annual AB 1600 Development Impact Fee Report, a copy of which is attached hereto, is hereby accepted and determined to comply with the requirements of AB 1600.

BE IT FURTHER RESOLVED by the City Council of the City of Scotts Valley that any unexpended funds collected pursuant to the Ordinance were collected for the purposes outlined in the Ordinance and the Report and demonstrate a reasonable relationship between the fee and purpose for which it was charged as they will be used for those projects or related projects as outlined in the Ordinance and the Report.

The above and foregoing resolution was duly and regularly adopted by the City Council of the City of Scotts Valley at a regular meeting held on the 17th day of December, 2025 by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

Approved: _____
Derek Timm, Mayor

Attest: _____
Cathie Simonovich, City Clerk



DEVELOPMENTAL IMPACT FEE ANNUAL REPORT

City of Scotts Valley

For the Fiscal Year Ending June 30, 2025

www.scottsvalley.gov

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SUMMARY & BACKGROUND

Development Impact Fees are fees imposed by local governments on new development projects to finance the acquisition, construction, and improvement of public facilities and infrastructure needed to serve those projects. California state law requires local agencies to prepare a report on the status of their Development Impact Fee (DIF) program on an annual basis and make additional findings every fifth year. This report meets the legal requirements for Fiscal Year (FY) 24-25 (July 1, 2024 through June 30, 2025).

The City of Scotts Valley (City) first established its DIF Program on January 16, 1991, with the adoption of Ordinance No. 143. The following impact fees were established and to be imposed on the issuance of all building permits for development within the City of Scotts Valley to finance the cost of the following categories of public facilities and improvements required by new development:

Developmental Impact Fee	Description	Fund
Storm Drainage Facilities	For payment of the actual or estimated costs of constructing and improving the storm drain facilities within the city, including any required acquisition of land.	007
Streets & Thoroughfares	For payment of the actual or estimated costs of the design, upgrading or improvement of the traffic network, including any required acquisition of land.	008
Parks & Recreation	For payment of the actual or estimated costs of constructing and improving the park and recreation facilities within the city, including any required acquisition of land, as well as grading, irrigation, and turfing costs associated therewith.	009
Wastewater Treatment Facilities	For payment of the actual or estimated costs of constructing and improving the sewage treatment facilities within the city, including any required acquisition of land.	012
General Facilities & Equipment	For payment of the actual or estimated costs of constructing and improving the general municipal facilities within the city, including any required acquisition of land.	021
Law Enforcement Facilities & Equipment	For payment of the actual or estimated costs of law enforcement facilities, equipment, and training, including any required acquisition of land.	027
Library Facilities	For payment of the actual or estimated costs of constructing and improving the library facilities within the city, including any required acquisition of land.	086

REQUIREMENTS OF THE MITIGATION FEE ACT (AB1600)

Assembly Bill (AB) 1600, commonly known as the Mitigation Fee Act, was enacted by the state of California in 1987 and created Section 66000 et. seq. of the Government Code and was amended by AB518 and Senate Bill (SB) 1693. AB1600 requires the city to report fee information annually and every fifth year. Within 180 days after the last day of each fiscal year, the City must make available the following information from the prior fiscal year:

1. Brief description of the type of fee in the account or fund.
2. Amount of the fee.
3. Beginning and ending balance in the account or fund.
4. Amount of fees collected, and the interest earned during the previous year.
5. Identification of each public improvement for which fees were expended and the amount of expenditures, including the total percentage of the cost of the public improvement that was funded with fees.
6. An identification of an approximate date by which the construction of the public improvement will commence if the local agency determines that sufficient funds have been collected to complete financing on an incomplete public improvement and the public improvement remains incomplete.
7. Description of each interfund transfer or loan made from the account, including the public improvement on which the transferred or loaned fees will be expended, and when each loan will be repaid and the rate of interest the account will receive on the loan.
8. Identification of any refunds made once determined that sufficient monies have been collected to fund fee-related projects.

For the fifth fiscal year following the first deposit into the account or fund, and every five years thereafter, the City must make the following findings with respect to any remaining funds in the fee account, regardless of whether those funds are committed or uncommitted:

1. Identification of the purpose to which the fees are to be put.
2. Demonstrate a reasonable relationship between the fee and the purpose for which it is charged.
3. Identification of all sources and amounts of funding anticipated to complete financing in incomplete improvements identified as part of the City's annual report.
4. Identification of the approximate dates on which the funding referred to in Requirement 3 is expected to be deposited into the appropriate account or fund.

The City must make this information available for public review and must present it at the next regularly scheduled public meeting no less than 15 days after this information is made available to the public. This report is intended to satisfy the annual reporting requirements for FY 24-25. The City previously completed a five-year report in FY 22-23.

ANNUAL REPORT

The following section provides information necessary to meet the annual reporting legal requirements for each impact fee fund. This includes a brief description of the fee, the amount of the fee, the beginning and ending balances, fee revenues collected, interest earned, and the expenditures on each project including the percentage that was funded with fees. It also includes a table summary of whether sufficient funds have been identified to complete future projects and the approximate date by which the construction of the public improvement will commence if sufficient funds have been identified. Any loans are also identified as well as any refunds from the account.

FUND 007 – STORM DRAINAGE FACILITIES FEE

This fee is established for payment of the actual or estimated costs of constructing and improving the storm drainage, including acquisition of land. It assures that each new development or expansion of use pays its fair share of the West Branch-Carbonera Creek, Carbonera Creek, Camp Evers Tributary, and Bean Creek improvements needed to accommodate the cumulative impacts related to capital costs. The fees are as follows:

Residential or commercial per impervious square foot

Carbonero Creek	\$	0.31
West Branch	\$	0.28
Camp Evers Tributary	\$	0.14
Bean Creek	\$	0.19

Sources and amounts of funding anticipated to complete financing of incomplete improvements:

Fund Balance at 7/1/2024		\$	106,765
Impact Fees Collected	\$	31,863	
Other Revenue/Transfers			
Interest Earned		5,368	
Total Source of Funds		\$	37,232
Administrative		(49)	
Total Expenses		\$	(49)
Fund Balance at 6/30/2025		\$	143,947

Anticipated Capital Projects

Project	Fiscal Year	Projected Cost
Storm Drain Master Plan Update	FY 2026/27	\$ 100,000

FUND 008 – STREETS & THOROUGHFARES FEE

This fee is established for payment of the actual or estimated costs of the design, upgrading or improvement of the traffic network, including any required acquisition of land. It assures that each new development or expansion of use pays its fair share of streets improvements needed to accommodate the cumulative impacts related to capital costs. The fees are as follows:

<u>Residential or Commercial per unit</u>	
Mountain (R-MT-5)	\$ 7,115.00
Rural (R-R-2.5)	\$ 7,115.00
Estate (R-1-40)	\$ 7,115.00
Low Density (R-1-20)	\$ 7,115.00
Single Family (R-1-10)	\$ 7,115.00
Two Family (R-M-6 & R-M-8)	\$ 4,222.00
Multiple Family (R-H)	\$ 4,222.00
building) (C-S, C-SC)	\$ 14.15
building) (I-L, I-RD)	\$ 14.15
Hotel (per room)	\$ 4,268.00

Sources and amounts of funding anticipated to complete financing of incomplete improvements:

Fund Balance at 7/1/2024		\$ 1,047,069
Impact Fees	\$ 79,735	
Other Revenue/Transfers		
Interest	50,486	
Total Revenue		\$ 130,221
Administrative	(454)	
Total Expenses		\$ (454)
Fund Balance at 6/30/2025		\$ 1,176,836

Anticipated Capital Projects

Project	Fiscal Year	Projected Cost
Active Transportation Plan Projects	Unscheduled	Under Development
Traffic Signal Upgrade	FY 2027/28 & FY2029/30	\$ 500,000

FUND 009 – PARKS & RECREATION FACILITIES FEE

This fee is established for payment of the actual or estimated costs of constructing and improving the park facilities within the City, including acquisition of land. It assures that each new development or expansion of use pays its fair share of park development and acquisition needed to accommodate the cumulative impacts related to capital costs. The fees are as follows:

<u>Residential per unit</u>	
Mountain (R-MT-5)	\$ 12,636.00
Rural (R-R-2.5)	\$ 12,636.00
Estate (R-1-40)	\$ 12,636.00
Low Density (R-1-20)	\$ 12,636.00
Single Family Detached (R-1-10)	\$ 12,636.00
Single Family Attached (R-1-10)	\$ 9,777.00
Two Family (R-M-6 & R-M-8)	\$ 9,839.00
Multiple Family (R-H)	\$ 6,316.00
Mobile Homes and Second Unit	\$ 6,568.00

Sources and amounts of funding anticipated to complete financing of incomplete improvements:

Fund Balance at 7/1/2024		\$ 1,571,210
Impact Fees	\$ 139,734	
Other Revenue/Transfers		
Interest	75,949	
Total Revenue		\$ 215,683
Administrative	(684)	
Total Expenses		\$ (684)
Fund Balance at 6/30/2025		\$ 1,786,209

Anticipated Capital Projects

Project	Fiscal Year	Projected Cost
Al Shugart Park Construction	FY 2025/26 & 2026/27	\$ 2,654,863

FUND 012 – WASTEWATER TREATMENT FACILITIES FEE

This fee is established for the actual or estimated costs of constructing or improving the sewage treatment facilities within the City, including any required acquisition of land. It assures that each new development or expansion of use pays its fair share of wastewater facility improvements needed to accommodate the cumulative impacts related to capital costs. The fees are as follows:

Residential per unit		
Mountain (R-MT-5)	\$	7,548.00
Rural (R-R-2.5)	\$	7,548.00
Estate (R-1-40)	\$	7,548.00
Low Density (R-1-20)	\$	7,548.00
Single Family (R-1-10)	\$	7,548.00
Two Family (R-M-6 & R-M-8)	\$	5,461.00
Multiple Family (R-H)	\$	5,461.00
Commercial (per gallon, per day) (C-S, C-SC)	\$	32.12
Industrial (per gallon, per day) (I-L, I-RD)	\$	32.12

Sources and amounts of funding anticipated to complete financing of incomplete improvements:

Fund Balance at 7/1/2024		\$	338,022
Impact Fees	\$	108,559	
Other Revenue/Transfers			
Interest		2,452	
Total Revenue		\$	111,011
Administrative	\$	(12,258)	
Total Expenses		\$	(12,258)
Fund Balance at 6/30/2025		\$	436,775

Anticipated Capital Projects

Project	Fiscal Year	Projected Cost
Wastewater Treatment Plan		
Master Plan	FY 2025/26	\$ 350,000
MBR Upgrade	FY 2025/26	\$ 250,000
Collection System Pipeline		
Upgrades	FY 2025/26 - 2027/28	\$ 900,000

FUND 021 – GENERAL FACILITIES & EQUIPMENT FEE

This fee is established for payment of the actual or estimated costs of constructing or improving the general municipal facilities within the City, including any required acquisition of land. It assures that each new development or expansion of use pays its fair share of the corporation yard, renovation of Civic Center, City maintenance fleet expansion, and Scotts Valley Senior Center improvements needed to accommodate the cumulative impacts related to capital costs. The fees are as follows:

<u>Residential or Commercial per unit</u>		
Mountain (R-MT-5)	\$	540.00
Rural (R-R-2.5)	\$	540.00
Estate (R-1-40)	\$	540.00
Low Density (R-1-20)	\$	540.00
Single Family (R-1-10)	\$	540.00
Two Family (R-M-6 & R-M-8)	\$	540.00
Multiple Family (R-H)	\$	540.00
Commercial (per acre) (C-S, C-SC)	\$	1,425.00
Industrial (per acre) (I-L, I-RD)	\$	1,376.00

Sources and amounts of funding anticipated to complete financing of incomplete improvements:

Fund Balance at 7/1/2024		\$ (5,997)
Impact Fees	\$ 6,349	
Other Revenue/Transfers		
Interest	5,901	
Total Revenue		\$ 12,250
Administrative	(51)	
Total Expenses		\$ (51)
Fund Balance at 6/30/2025		\$ 6,202

Anticipated Capital Projects

Project	Fiscal Year	Projected Cost
Public Works Facility Improvements	FY 2026/27	Under Development

FUND 027 – LAW ENFORCEMENT FACILITIES & EQUIPMENT FEE

The Law Enforcement Facilities & Equipment fee was established for payment of the actual or estimated costs of law enforcement facilities, equipment, and training, including any required acquisition of land. It assures that each new development or expansion of use pays its fair share of the construction of a new police facility, equipment, and training for additional officers and dispatchers, police fleet expansion, and records management upgrade needed to accommodate the cumulative impacts related to capital costs. The fees are as follows:

<u>Residential or Commercial per unit</u>	
Mountain (R-MT-5)	\$ 1,249.00
Rural (R-R-2.5)	\$ 1,249.00
Estate (R-1-40)	\$ 1,249.00
Low Density (R-1-20)	\$ 1,249.00
Single Family (R-1-10)	\$ 1,249.00
Two Family (R-M-6 & R-M-8)	\$ 1,249.00
Multiple Family (R-H)	\$ 1,249.00
Commercial (per acre) (C-S, C-SC)	\$ 28,659.00
Industrial (per Acre) (I-L, I-RD)	\$ 28,659.00

Sources and amounts of funding anticipated to complete financing of incomplete improvements:

Fund Balance at 7/1/2024		\$ 377,709
Impact Fees	\$ 14,684	
Other Revenue/Transfers		
Interest	18,077	
Total Revenue		\$ 32,761
Administrative	(162)	
Total Expenses		\$ (162)
Fund Balance at 6/30/2025		\$ 410,308

Anticipated Capital Projects

Project	Fiscal Year	Projected Cost
Police Station Locker Room	FY 2026/27	\$ 233,648
Police Station Armory	FY 2026/27	\$ 70,000
Universal Power Supply	FY 2026/27	\$ 80,000

FUND 086 – LIBRARY FACILITIES FEE

This fee is established for payment of the actual or estimated costs of constructing and improving the library facilities within the City, including any required acquisition of land. It assures that each new development or expansion of use pays its fair share of a tier II library upgrade needed to accommodate the cumulative impacts related to capital costs. The fees are as follows:

<u>Residential per unit</u>	
Mountain (R-MT-5)	\$ 1,530.00
Rural (R-R-2.5)	\$ 1,436.00
Estate (R-1-40)	\$ 1,342.00
Low Density (R-1-20)	\$ 1,200.00
Single Family (R-1-10)	\$ 1,058.00
Two Family (R-M-6 & R-M-8)	\$ 1,058.00
Multiple Family (R-H)	\$ 918.00

Sources and amounts of funding anticipated to complete financing of incomplete improvements:

Fund Balance at 7/1/2024		\$ 191,329
Impact Fees	\$ 13,527	
Other Revenue/Transfers		
Interest	9,217	
Total Revenue		\$ 22,744
Administrative	(83)	
Total Expenses		\$ (83)
Fund Balance at 6/30/2025		\$ 213,991

Anticipated Capital Projects

<u>Project</u>	<u>Fiscal Year</u>	<u>Projected Cost</u>
Building Improvements	Unscheduled	Under Development

FUND SUMMARY

The following table provides an accounting of each impact fee and a total impact fee account balance. The table summarizes the starting fund balance, the amount of fees collected, the interest earned, the total expenditures, and the fiscal year ending fund balance.



DEVELOPMENT IMPACT FEE FUND SUMMARY									
Description	Fund No.	Storm Drainage	Streets & Thoroughfares	Parks & Recreation	Wastewater Treatment	General Facilities & Equipment	Law Enforcement Facilities & Equipment	Library Facilities	
		007	008	009	012	021	027	086	
Starting Balance									
As of July 1, 2024	\$	106,765	\$ 1,047,069	\$ 1,571,210	\$ 338,022	\$ (5,997)	\$ 377,709	\$ 191,329	
REVENUES									
Impact Fees	\$	31,863	\$ 79,735	\$ 139,734	\$ 108,559	\$ 6,349	\$ 14,684	\$ 13,527	
Grants	\$	-	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Other Revenue	\$	-	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Interest Earnings	\$	5,368	\$ 50,486	\$ 75,949	\$ 2,452	\$ 5,901	\$ 18,077	\$ 9,217	
Total Revenues	\$	37,232	\$ 130,221	\$ 215,683	\$ 111,011	\$ 12,250	\$ 32,761	\$ 22,744	
EXPENDITURES									
Project Expenditures	\$	-	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Administrative Expenditures	\$	(49)	\$ (454)	\$ (684)	\$ (12,258)	\$ (51)	\$ (162)	\$ (83)	
Total Expenditures	\$	(49)	\$ (454)	\$ (684)	\$ (12,258)	\$ (51)	\$ (162)	\$ (83)	
Transfers in	\$	-	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Transfers Out	\$	-	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Net Transfer/Advances	\$	-	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Ending Balance									
As of June 30, 2025	\$	143,947	\$ 1,176,836	\$ 1,786,209	\$ 436,775	\$ 6,202	\$ 410,308	\$ 213,991	

City of Scotts Valley CITY COUNCIL STAFF REPORT

DATE: 12/17/2025
TO: Honorable Mayor and City Council
FROM: Rodolfo Onchi, Public Works Director
APPROVED: Mali LaGoe, City Manager
SUBJECT: **Update on Emergency Actions Taken for the Glenwood Road Embankment Failure Project**

SUMMARY OF ISSUE

On November 19, 2025, the City Council declared an emergency pursuant to Public Contract Code Section 1102 resulting from the slide on Glenwood Road and authorized the City Manager to cause the repair and stabilization of the slide pursuant to Public Contract Code 22050. The City Manager was authorized to take all necessary actions to stabilize the area and initiate emergency repairs under Public Contract Code §§ 1102, 22035, and 22050. On December 3, 2025, the City Council continued the emergency declaration, confirming the City Manager's authority to execute contracts and direct emergency work as needed.

Emergency Actions Taken

Pursuant to the emergency authority granted by the City Council, the City Manager has taken the following actions:

- Executed a Public Works Contract with Anderson Pacific Engineering Construction, Inc. for the Glenwood Road Embankment Failure Project.
- Directed Public Works staff to proceed with immediate stabilization and repair work at the slide site.

Project Scope

The emergency repair work on Glenwood Drive includes stabilization of the failing embankment and restoration of roadway safety. The contractor will provide all labor, materials, equipment, transportation, traffic control, and related incidentals necessary to perform the work on a time-and-materials basis.

Initial work elements include:

- Construction of a concrete block retaining wall
- Placement of permeable Class 2 aggregate
- Slope regrading and erosion-control measures
- Installation of a drainage dike

- Installation of cable railing

Due to variable field conditions, additional or modified work may be required to ensure the stability of the roadway. As directed by the City, the contractor may perform excavation, stabilization, drainage adjustments, utility protection, slope modifications, or other measures necessary to address safety risks or unforeseen site conditions. Work limits, quantities, and methods may be adjusted at any time by the City as needed.

The contractor will mobilize immediately upon Notice to Proceed and continue work until the roadway is stabilized and determined safe for the public.

Closure of Emergency Procurement Pathway

Now that a contract has been executed, and the emergency work is proceeding, the City is no longer operating under the public works procurement emergency authorized by PCC § 22035. This means:

- The bypassing of normal bidding procedures is no longer needed or in effect.
- Regular procurement requirements will resume for any future related work not covered under the emergency contract.

Ongoing Disaster Declaration

In a separate action, on November 26, 2025, in accordance with Government Code section 8630, the City Council declared a local emergency due to the slide. That emergency remains in effect until January 15, 2025, unless extended by the City Council.

FISCAL IMPACT

The estimated total cost for the Glenwood Road Embankment Failure Project is \$300,000. This amount is unbudgetted however for cashflow purposes, funding is available in the General Fund. If actual costs exceed the City's resources to respond, the City will seek reimbursement from state or federal disaster programs. This estimate reflects the anticipated work under the time-and-materials contract, and actual costs may vary depending on field conditions and additional work required to stabilize the roadway. This amount does not include the full cost of repair which includes professional services, and permanent repairs which may be needed after the emergency repairs are complete.

STAFF RECOMMENDATION

Receive and file this report providing an update on actions taken under the emergency authority previously granted by the City Council.

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None

City of Scotts Valley CITY COUNCIL STAFF REPORT

DATE: 12/17/2025
TO: Honorable Mayor and City Council
FROM: Ben Noble, Consultant
APPROVED: Mali LaGoe, City Manager
SUBJECT: **Second reading and adoption of Ordinance No. 16.143 amending the Scotts Valley Municipal Code Title 16 (Subdivisions) and Title 17 (Zoning) to clarify requirements for accessory dwelling units, junior accessory dwelling units, urban lot splits, SB 9 residential development, and ministerial design review.**

SUMMARY OF ISSUE

On December 3, 2025, the City Council introduced Ordinance No. 16.143 amending the Scotts Valley Municipal Code Title 16 (Subdivisions) and Title 17 (Zoning) to clarify requirements for accessory dwelling units, junior accessory dwelling units, urban lot splits, SB 9 residential development, and ministerial design review.

FISCAL IMPACT

This action does not create a fiscal impact.

STAFF RECOMMENDATION

It is recommended that the City Council adopt Ordinance No. 16.143 amending the Scotts Valley Municipal Code Title 16 (Subdivisions) and Title 17 (Zoning) to clarify requirements for accessory dwelling units, junior accessory dwelling units, urban lot splits, SB 9 residential development, and ministerial design review.

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1. Ordinance No. 16.143 ADU-SB9-Lot Splits-Ministerial Design Review

ORDINANCE NO. 16.143

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF SCOTTS VALLEY AMENDING SCOTTS VALLEY MUNICIPAL CODE TITLE 16 (SUBDIVISIONS) AND TITLE 17 (ZONING) TO CLARIFY REQUIREMENTS FOR ACCESSORY DWELLING UNITS, JUNIOR ACCESSORY DWELLING UNITS, URBAN LOT SPLITS, SB 9 RESIDENTIAL DEVELOPMENT, AND MINISTERIAL DESIGN REVIEW

WHEREAS, Government Code Sections 66314 and 66333 authorize a local agency to adopt an ordinance regulating accessory dwelling units (ADUs) and junior accessory dwelling units (JADUs);

WHEREAS, on December 4, 2024 the City Council adopted Ordinance No. 16.142 establishing regulations for ADUs and JADUs in Scotts Valley (“ADU Ordinance”);

WHEREAS, on January 27, 2025 the City submitted the ADU Ordinance to the California Department of Housing and Community Development (HCD) as required by Government Code Section 66326;

WHEREAS, on April 7, 2025 the City received a letter from HCD that identifies changes to the ADU Ordinance needed to comply with state ADU law;

WHEREAS, the City desires to amend the ADU Ordinance to comply with state ADU law in a manner consistent with the findings in the April 7, 2025 HCD letter;

WHEREAS, in 2025 the California Legislature approved and on October 10, 2025 the Governor signed into law AB 1154 and SB 543 which amend state ADU and JADU law;

WHEREAS, the City desires to amend the ADU Ordinance to remain consistent with state ADU law as amended by AB 1154 and SB 543;

WHEREAS, Government Code Sections 66452, 65852.21 and 66411.7 (“SB 9”) requires local agencies to allow, in single-family zoning districts, two primary dwellings on one lot and an urban lot split with two dwelling units allowed on each newly created lot for projects that meet specified requirements;

WHEREAS, on May 15, 2024 the City Council adopted Ordinance No. 16.141 establishing regulations for SB 9 development and urban lot splits in Scotts Valley (“SB 9 Ordinance”);

WHEREAS, SB 450 (Chapter 286, Statutes of 2024), amended the Government Code to prohibit local jurisdictions from imposing standards on SB 9 development that do not apply uniformly to development in the underlying zone unless these standards are more permissive than the generally applicable standards;

WHEREAS, on June 18, 2025 the City Council adopted Ordinance No 16.142.1

amending the City's SB 9 Ordinance to comply with SB 450;

WHEREAS, the City desires to adopt additional amendments to the SB 9 Ordinance to clarify the maximum height requirement for SB 9 development;

WHEREAS, the Planning Commission held a duly noticed public hearing on November 20, 2025 at which time it considered all evidence presented, both written and oral, and at the end of the hearing voted to recommend that the City Council adopt this Ordinance; and

WHEREAS, the City Council held a duly noticed public hearing on this Ordinance on December 3, 2025, at which time it considered all evidence presented, both written and oral.

WHEREAS, pursuant to Government Code sections 65852.21(k) and 66411.7(n), a local ordinance to implement SB 9 shall not be considered a project under the California Environmental Quality Act ("CEQA"); and

WHEREAS, pursuant to Public Resources Code section 21080.17 and CEQA Guidelines section 15282(h), a local ordinance to implement state ADU law shall not be considered a project under the California Environmental Quality Act ("CEQA"); and

NOW, THEREFORE, the City Council of the City of Scotts Valley does hereby ordain as follows:

Section 1. Subsection F, Setbacks, in Section 16.78.040, General requirements, of Chapter 16.78, Urban Lot Splits, of Title 16, Subdivisions, of the Scotts Valley Municipal Code is hereby amended to read as follows:

"F. Setbacks. An SB 9 residential development on a parcel created by an urban lot split shall comply with the following setback requirements:

1. Minimum Yards:
 - a. Front: As required in the applicable zoning district.
 - b. Side: Four feet, except that no yard is required for a new side lot line shared between two parcels created through the urban lot split.
 - c. Rear: Four feet.
2. As provided in Section 17.55.050, an SB 9 residential development that complies with the minimum yard requirement for a single-family dwelling in the applicable zoning district is eligible for greater unit size than is allowed for SB9 residential development that does not comply with the zoning district minimum yard requirement.
3. Notwithstanding Paragraph 1 above, no setback is required for an existing structure or a structure reconstructed in the same location and to the same dimensions as an existing structure."

Section 2. The definition of junior accessory dwelling unit (JADU) in Section 17.04.130, Definition of “J” terms, of Chapter 17.04, Definitions, of Title 17, Zoning, of the Scotts Valley Municipal Code is hereby amended to read as follows:

“17.04.130 - Definition of “J” terms.

“Junior accessory dwelling unit (JADU)” means a converted accessory dwelling unit that is no more than five hundred square feet of interior livable space in size and contained entirely within a single-family residence. A junior accessory dwelling unit may include separate sanitation facilities, or may share sanitation facilities with the existing structure.”

Section 3. Section 17.50.035, Ministerial design review, of Chapter 17.50, Administrative Procedures, Required Permits and Appeals, of Title 17, Zoning, of the Scotts Valley Municipal Code is hereby amended to read as follows:

“17.50.035 Ministerial design review.

- A. Purpose. Ministerial design review is a by-right approval process to determine project compliance objective standards.
- B. Review Authority. The community development director shall review and act on design review applications or may refer the application to the planning commission for review and final decision.
- C. Application Submittal and Review. A ministerial design review application shall be made using a form provided by the planning department, together with all required information, materials, and application fees.
- D. Public Notice and Hearing.
 - 1. No public notice or hearing is required for ministerial design review applications acted on by the community development director.
 - 2. The following public notice and hearing requirements apply to ministerial design review applications acted on by the planning commission.
 - a. The planning commission shall consider a ministerial design review application at a hearing with notice given in the same manner as required for discretionary design review applications.
 - b. After receiving public comment and considering the proposed project, the planning commission must either approve the application, deny the application, or continue the hearing to a future date.
 - c. The hearing may be continued only if additional information is needed to determine project conformance with objective standards. A hearing may be continued one time after which the planning commission must render a decision.

- E. Decision. The planning commission shall approve a ministerial design review application if the project complies with all applicable objective standards in the general plan, any applicable specific plan, and the municipal code.
- F. Appeals.
 - 1. Ministerial design review decisions may be appealed as provided in Section 17.50.060 of this chapter.
 - 2. The subject of appeal is limited to the determination of project conformance with applicable objective standards.”

Section 4. Subsection A, Building Height, in Section 17.55.050, Development standards, of Chapter 17.55, SB 9 Development, of Title 17, Zoning, of the Scotts Valley Municipal Code is hereby amended to read as follows:

- “A. Building Height. The maximum building height for SB 9 residential development is the same as for single-family dwellings in the applicable zoning district and combining district.

”

Section 5. Subsection C, Yards, in Section 17.55.050, Development standards, of Chapter 17.55, SB 9 Development, of Title 17, Zoning, of the Scotts Valley Municipal Code is hereby amended to read as follows:

“C. Yards.

1. Minimum yards for an SB 9 residential development are as follows:
 - a. Front: As required in the applicable zoning district
 - b. Side: Four feet, except that no yard is required for a new side lot line shared between two parcels created through an urban lot split.
 - c. Rear: Four feet.
2. As provided in A and B above, an SB 9 residential development that complies with the minimum yard requirement for a single-family dwelling in the applicable zoning district is eligible for greater unit size than is allowed for SB9 residential development that does not comply with the zoning district minimum yard requirement.”

Section 6. Chapter 17.57, Accessory Dwelling Units, of Title 17, Zoning, of the Scotts Valley Municipal Code is hereby amended to read as follows:

“Chapter 17.57 ACCESSORY DWELLING UNITS

17.57.010 Purpose.

This chapter establishes standards for accessory dwelling units (ADUs) consistent with Government Code Sections 66310—66342. These standards are intended to increase the supply of affordable housing options in Scotts Valley while maintaining the character and quality of life of residential neighborhoods.

- A. This chapter applies only to a proposed ADU as defined in Chapter 17.04 (Definitions). Standards for junior accessory dwelling units (JADUs) are found in Chapter 17.58 (Junior Accessory Dwelling Units).
- B. It is the city's intent for this chapter to be consistent with state law as it is amended from time to time. In cases of conflict between this chapter and state law, state law governs.

17.57.020 Permitting process.

A. Building Permit.

1. Creating an ADU requires city approval and issuance of a building permit.
2. The city shall ministerially approve a building permit for an ADU if the application complies with this chapter and all other applicable standards. No public hearing or discretionary review is required.

B. Time Period for City Action.

1. The city shall determine whether an application to create an ADU is complete and provide written notice of this determination to the applicant not later than 15 business days after receiving the application.
2. If the city determines an application is incomplete, the city shall provide the applicant with a list of incomplete items and a description of how the application can be made complete. The list and description shall be provided with the written notice required by Paragraph (1) above.
3. After receiving a notice that the application was incomplete, an applicant may submit to the city additional application materials to cure and address the items that are deemed to be incomplete by the city.
4. In the review of additional application materials submitted pursuant to Paragraph (3) above, the city shall not require the application to include an item that was not included in the list required by paragraph (2) above.
5. If an applicant submits additional application materials pursuant to Paragraph (4) above, the city shall determine whether the additional materials remedied all incomplete items listed in the determination issued pursuant to Subsection (2) above. The city shall provide written notice of this determination to the applicant not later than 15 business days after receiving the additional materials.
6. If the city does not make a timely determination as required by this subsection, the application shall be deemed to be complete.
7. If an ADU is proposed on a lot with an existing single-family or multifamily dwelling, the city shall approve or deny the application within sixty days from the date the city receives a completed application. If the applicant requests a delay in writing, the sixty-day time period shall be tolled for the period of the delay.
8. If an ADU is proposed as part of an application to create a new single-family or multifamily dwelling, the city may delay approving or denying the ADU application until the city approves or denies the permit application for the new dwelling. The city shall approve or deny the ADU application without a public hearing or discretionary review within sixty days of action on the new dwelling.
9. If the city does not approve or deny the completed application within the required sixty-day time period, the application shall be deemed approved.

C. Comments for Denied Application.

1. If the city denies an application for an ADU, the city shall provide written comments to the applicant that list the items that are defective or deficient and describe how the application can be remedied by the applicant.
2. Written comments required by Paragraph (1) above shall be provided to the applicant not later than 15 business days after the city denies the application..
3. If the city determines an application is incomplete or denies the application, the applicant may appeal the decision to the Planning Commission and may

appeal the Planning Commission decision to the City Council. The city shall make a final decision on the appeal not later than 60 business days after receiving the applicant's written appeal.

17.57.030 General requirements.

The requirements in this section apply to all ADUs subject to this chapter.

- A. Where Allowed. An ADU is permitted:
 - 1. In any zoning district where single-family or multifamily dwellings are a permitted use; and
 - 2. On a lot with an existing or proposed single-family or multifamily dwelling.
- B. Maximum Number per Lot.
 - 1. Lots with Single-Family Dwellings. No more than one ADU is permitted on a lot with a single-family dwelling, except as allowed by Section 17.57.040 (Statewide Exemption ADUs).
 - 2. Lots with Multifamily Dwellings. The number of ADUs on a lot with multifamily dwellings shall not exceed:
 - a. Up to twenty-five percent of existing multifamily dwellings within portions of existing multifamily dwelling structures that are not used as livable space as provided in Section 17.57.040.C (Non-Livable Multifamily Space); and
 - b. Up to eight detached ADUs on a lot with a existing multifamily dwelling and up to two detached ADUs on a lot with a proposed multifamily dwelling as provided in Section 17.57.040.D (Detached ADUs on Multifamily Lots).
- C. Separate Sale from Primary Dwelling. An ADU shall not be sold or conveyed separately from the primary dwelling except as provided in Government Code Section 66340—66342.
- D. Rental. A rented ADU shall not be leased for any period less than thirty days.
- E. Guaranteed Allowance. Limits on floor area, lot coverage, open space, and front setbacks ("Specified Standards"), as outlined in Section 17.57.050 below, must permit an attached or detached ADU with at least an eight hundred square feet of interior livable space with four-foot side and rear yards ("Baseline ADU") if the proposed ADU complies with all other development standards. The community development director shall grant an exception to a Specified Standard if:
 - 1. The Specified Standard would physically preclude the creation of a Baseline ADU otherwise allowed by this section;
 - 2. The exception is the minimum necessary to allow for a Baseline ADU; and
 - 3. There is no alternative to achieve a Baseline ADU without the exception.
- F. Converting and Replacing Existing Structures.

1. A converted ADU may be established regardless of whether the structure in which it is located conforms to the current zoning requirement for setbacks.
 2. If an existing structure is demolished and replaced with an ADU, the ADU may be constructed in the same location and to the same dimensions (i.e., footprint and height) as the demolished structure.
- G. Nonconformities. The city shall not require, as a condition for approval of an ADU, the correction of nonconforming zoning conditions on the property.
- H. Placement within Easement. An ADU shall not be located in an easement that prohibits habitable structures therein.
- I. Foundation. An ADU shall be constructed on a permanent foundation. A manufactured home, as defined in California Health and Safety Code Section 18007, is allowed as an ADU if it is placed on a permanent foundation.
- J. Vehicles/Trailers Prohibited. An ADU shall not be within a vehicle or trailer of any kind, with or without wheels.
- K. Exterior Entrance. An ADU must have an exterior entrance separate from that of the primary dwelling.
- L. Fire District Requirements. An ADU must comply with:
1. The California Fire Code with modifications and amendments as adopted by the Scotts Valley Fire Protection District ("Fire District"); and
 2. The Santa Cruz County Fire Prevention Officers Association Fire Prevention Standards as adopted by the Fire District.
- M. Fire Sprinklers.
1. Fire sprinklers are not required in an ADU where fire sprinklers were not required for the primary dwelling at the time of construction, except as provided by Paragraph 2 below.
 2. If fire sprinklers were not required for the primary dwelling at the time of construction, but the primary dwelling is altered in a manner that later required fire sprinklers, an ADU created after the alteration must be provided with fire sprinklers.
 3. The construction of an ADU does not trigger a requirement for fire sprinklers to be installed in an existing single-family or multifamily dwelling on the lot.
- N. Parking.
1. A minimum of one off-street parking space is required for an ADU, except as provided in paragraph 3 below. The off-street parking space may be uncovered, compact, and/or tandem.
 2. Driveways and parking spaces in a required setback shall comply with Zoning Code Section 17.44.030.J.2.

3. No off-street parking is required for an ADU where one or more of the following circumstances exist:
 - a. The ADU is approved pursuant to Section 17.57.040 (Statewide Exception Exemption ADUs).
 - b. The ADU is located within one-half mile walking distance of public transit. As defined in Government Code Section 66313(l), public transit means a location, including, but not limited to, a bus stop or train station, where the public may access buses, trains, subways, and other forms of transportation that charge set fares, run on fixed routes, and are available to the public.
 - c. The ADU is located within an architecturally and historically significant historic district.
 - d. The ADU is part of a proposed or existing primary dwelling or an existing accessory structure.
 - e. When on-street parking permits are required but not offered to the occupant of an ADU.
 - f. When there is a car share vehicle located within one block of the ADU.
 - g. When a permit application for an ADU is submitted with a permit application to create a new single-family dwelling or a new multifamily dwelling on the same lot, provided that the ADU or the parcel satisfies any other criteria listed in this subdivision.
 4. To qualify for an exception listed in paragraph 3 above, the applicant must provide supporting evidence, such as a map illustrating the location of the ADU and its proximity to a public transit stop or car share vehicle, or proof of local parking permit requirements.
 5. No replacement parking is required when an ADU is created through the conversion or demolition of a garage, carport, covered parking structure, or uncovered parking space.
- O. Utilities.
1. All ADUs shall be served by municipal water service, except as provided in paragraph 3 below.
 2. Except as provided in paragraph 3 below, an ADU shall be served by municipal sewer services when located within two hundred feet from the point at which a connection can be made to the municipal system. For an ADU more than two hundred feet from a municipal sewer service connection, the ADU may use a septic system only if approved by the designated regulatory authority.
 3. A converted ADU is not required to install a new or separate utility connections directly between the ADU and the utility unless the ADU was constructed with a new single-family dwelling.

4. The designated regulatory authority may require, as part of the application for a permit to create an ADU connected to an onsite septic system, a percolation test completed within the last five years, or, if the percolation test has been recertified, within the last ten years.
 5. An ADU shall not be considered a new residential use for purposes of calculating city connection fees or capacity charges for utilities, including water and sewer service, unless the ADU was constructed with a new single-family dwelling.
- P. Impact Fees. City development impact fees shall not be imposed upon the development of an ADU less than seven hundred fifty square feet of interior livable space. Any impact fees for an ADU of seven hundred fifty square feet or more of interior livable space shall be charged proportionately in relation to the square footage of the primary dwelling unit.
- Q. Highway 17 Access Hazards. An ADU is not permitted where vehicle access to the site is provided solely from Highway 17 at the following locations as identified in the Highway 17 Access Management Plan (California Department of Transportation, 2016):
1. Driveway at PM 6.712 (Map ID #24).
 2. Crescent Drive (Map ID #25).
 3. Driveway at PM 6.485 (Map ID #26).

17.57.040 Statewide exemption ADUs.

Statewide Exemption ADUs described in this section require compliance only with the standards in Section 17.57.030 (General Requirements). Standards in Section 17.57.050 (Development Standards) and Section 17.57.060 (Objective Design Standards) do not apply to a Statewide Exemption ADU. Statewide exemption ADUs may be combined on a single parcel as allowed by the site and lot conditions.

- A. Converted ADUs. One converted ADU per lot with a proposed or existing single-family dwelling subject to the following:
1. The converted ADU shall be within the space of a single-family dwelling or an accessory structure on a lot with a single-family dwelling.
 2. A converted accessory structure may be expanded by up to one hundred fifty square feet to accommodate an entrance into the ADU.
 3. The converted ADU shall have exterior access from the single-family dwelling.
 4. The side and rear setbacks must be sufficient for fire and safety. If a converted ADU complies with applicable building code and Fire District requirements, side and rear setbacks shall be deemed sufficient for fire and safety.

- B. Detached ADUs. One detached new construction ADU on a lot with a proposed or existing single-family dwelling.. The ADU must comply with the following:
 - 1. Maximum floor area: Eight hundred square feet of livable space.
 - 2. Maximum height:
 - a. Sixteen feet for a detached ADU on a lot with an existing or proposed single family dwelling unit.
 - b. Eighteen feet for a detached ADU on a lot with an existing or proposed single family or multifamily dwelling unit that is within one-half of one mile walking distance of a major transit stop or a high-quality transit corridor, as those terms are defined in Section 21155 of the Public Resources Code. An additional two feet in height is allowed to accommodate a roof pitch on the ADU that is aligned with the roof pitch of the primary dwelling unit.
 - 3. Minimum rear and side setbacks: Four feet.
- C. Non-Livable Multifamily Space.
 - 1. Multiple ADUs within the portions of existing multifamily dwelling structures that are not used as livable space, including, but not limited to, storage rooms, boiler rooms, passageways, attics, basements, or garages, subject to the following:
 - a. At least one ADU is allowed within an existing multifamily dwelling up to maximum of twenty-five percent of the existing multifamily dwelling units.
 - b. Each ADU shall comply with building code standards for dwellings.
 - 2. The ADU must be located within a structure containing existing multifamily units. The ADU may not be located in a detached garage, carport, or other accessory structure on the lot that contains no existing multifamily units.
 - 3. As used in this section, livable space means a space in a dwelling intended for human habitation, including living, sleeping, eating, cooking, or sanitation.
- D. Detached ADUs on Multifamily Lots. Detached ADUs located on a lot with an existing multifamily dwelling, subject to the following:
 - 1. Maximum number:
 - a. On a lot with an existing multifamily dwelling, eight detached ADUs or the number of existing units on the lot, whichever is less.
 - b. On a lot with a proposed multifamily dwelling, two detached ADUs.
 - 2. Maximum height: Sixteen feet if the existing multifamily dwelling is one story and eighteen feet if the existing multifamily dwelling is two or more stories.

3. Minimum rear and side setbacks: Four feet.

17.57.050 Development standards.

The standards in this section apply to all ADUs not approved pursuant to Section 17.57.040 (Statewide Exemption ADUs).

A. Floor Area.

1. Minimum. The floor area of an ADU shall be no less than two hundred twenty square feet.
2. Maximum.
 - a. Single-Family Lots. On lots with a single-family dwelling, the interior livable space of an ADU shall not exceed the maximums shown in Table 1.

Table 1: Maximum Interior Livable Space on Single-Family Lots

ADU Type and Placement on Lot	Zoning District	
	R-VH, R-H, R-M	R-1, R-R, R-MT
Detached and Attached [1]		
Complies with district yards	1,100 sq. ft.	1,200 sq. ft.
Does not comply with district yards	850 sq. ft. for studio/1 bdrm 1,000 sq. ft. for 2+ bdrm	
Converted	No maximum	
Notes: [1] The floor area of an attached ADU shall not exceed the maximums shown in this table or fifty percent of the existing primary dwelling floor area, whichever is less.		

- b. Multifamily Lots. On lots with multifamily dwellings the floor area of an ADU shall not exceed:

- (1) Eight hundred fifty sq. ft for a studio or one-bedroom ADU;
and

- (2) One thousand sq. ft. for an ADU with two more bedrooms.

- B. Lot Coverage. An ADU shall conform to the maximum lot coverage standards of the zoning district in which it is located unless the lot coverage standard would preclude an eight hundred-square foot ADU, in which case the Community Development Director shall grant an exception to the standard as provided in Section 17.57.050.E (Guaranteed Allowance).

C. Property Line Setbacks.

1. An ADU shall be setback from property lines as required by Table 2.

Table 2: Minimum Property Line Setbacks

Property Line	ADU Type		
	Attached	Detached	Converted

Front	Same as primary dwelling[1]		None required
Side	4 ft.	4 ft.	
Rear	4 ft.	4 ft.	
Notes: [1] If the front setback standard precludes an eight hundred-square foot ADU, the Community Development Director shall grant an exception to the standard as provided in Section 17.57.050.E (Guaranteed Allowance).			

2. As provided in Subsections A (Floor Area) and E (Height) of this section, an ADU that complies with the minimum yard requirement for a single-family dwelling in the applicable zoning district is eligible for greater building height and unit size than is allowed for an ADU that does not comply with the zoning district minimum yard requirement.
 3. See also Section 17.57.030.F (Converting and Replacing Existing Structures) for setback exceptions that apply to an ADU created by converting or replacing an existing structure.
- D. Building Separation. An ADU exceeding sixteen feet in height shall comply with the minimum building separation standard in Section 17.46.070.K.
- E. Height. The height of an ADU shall not exceed the maximum shown in Table 3.

Table 3: Maximum ADU Height

ADU Type and Placement on Lot	Zoning District		
	R-VH, R-H, R-M	R-1-10	R-1-20, R-1-40, R-R, R-MT
Detached ADU			
Complies with district yards	18 ft. [1]	25 ft.	35 ft.
Does not comply with district yards	16 ft. [1]		
Attached ADU	Same as required for primary dwelling		
Notes: [1] Where a maximum height of 18 feet is allowed, an additional 2 feet in height is also permitted to accommodate a roof pitch on the ADU that is aligned with the roof pitch of the primary dwelling unit. Where height is limited to 16 feet, a maximum of 18 feet is allowed for an ADU either 1) within one-half mile of major transit stop or high-quality transit corridor as defined in Public Resources Code Section 21155; or 2) on lot with a multistory multifamily dwelling.			

- F. Hillside Residential Combining District. An ADU within the HR Hillside Residential Combining District shall comply with all objective standards in Chapter 17.40.

17.57.060 Objective design standards.

- A. Applicability and Deviations.

1. The standards in this section apply to all ADUs not approved pursuant to Section 17.57.040 (Statewide Exception ADUs).
 2. Deviations from standards in this section are allowed with planning commission design review approval at a noticed public hearing. To approve the deviation, the planning commission must make the findings in Section 17.50.030.E (Required Findings).
- B. Driveways.
1. Vehicle access to parking spaces serving an ADU must be provided using a driveway curb cut shared with the primary dwelling.
 2. The community development director may approve an exception to this requirement if the existing site layout or other physical constraints physically precludes shared use of a single driveway curb cut.
- C. Massing. A building wall that faces and is within fifty feet of a street or an adjacent residential use shall not run in a continuous plane of more than twenty-five feet without one or more of the following treatments:
1. A change in wall plane with a minimum of four feet in depth for the facade.
 2. A front porch or other covered entry feature with a minimum depth of three feet and width of six feet providing access to the dwelling's primary entrance.
 3. An upper story stepback of at least six feet in depth for at least eighty percent of the street facing building wall.
 4. A protruding window (such as a bay window) of at least two feet in depth.
- D. Articulation. A building wall that faces and is within fifty feet of a street or an adjacent residential use shall not run in a continuous plane of more than fifteen feet without one of the following treatments included on the facade at every building story:
1. Window.
 2. Entry door.
 3. Two or more visibly contrasting primary materials and/or colors.
 4. Wall mounted trellises for climbing plants
- E. Roof Forms. Rooflines twenty-five feet or longer that face a street or an adjacent residential use shall be articulated with recessed or projecting gabled roof elements, roof dormers, changes in roof heights, changes in direction or pitch of roof slopes, and other similar methods.
- F. Open Space.
1. An ADU shall have a minimum of one hundred square feet of private ADU open space or four hundred square feet of open space shared with the primary dwelling.
 2. Required private open space shall comply with the following standards:

- a. The open space shall be directly accessible from the ADU width and a minimum floor area of fifty square feet.
 - b. Patios shall have a minimum dimension of eight feet in depth and width and a minimum floor area of sixty-four square feet.
 - c. Open space may be covered but not fully enclosed. If covered, the minimum floor to ceiling height is eight and one-half feet.
 - d. Ground level private open space shall be screened or buffered from open space utilized solely by the primary dwelling by landscaping, fencing, walls, trellises, or other screening elements.
- 3. If the open space standard in this subsection precludes an eight hundred-square foot ADU, the community development director shall grant an exception to the standard as provided in Section 17.57.050.E (Guaranteed Allowance).
- G. Exterior Materials. The primary wall finish material shall be wood, wood shingle, stone, brick, stucco, fiber cement or other cementitious material, or stone. T1-11 siding and all grooved or patterned wood panel or composite wood panel siding are prohibited.
- H. Windows. Windows that face a street or an adjacent residential use shall comply with one of the following:
 - 1. All windows shall feature built up profile trim/framing. Trim/framing must project at least two inches from the building wall with material that visually contrasts from the building wall.
 - 2. Window glass shall be inset a minimum of two inches from the exterior wall or frame surface to add relief to the wall surface.
- I. Neighbor Privacy.
 - 1. If a building wall faces an adjacent residential use and does not comply with the minimum interior side or rear yard requirements of the applicable zoning district or combining district, windows on the wall must be:
 - a. 5-foot minimum sill height above the finished floor;
 - b. Clerestory; or
 - c. Opaque/frosted glass.
 - 2. Second-story exterior decks and balconies may not face an interior side or rear yard that abuts an adjacent residential use.
 - 3. No portion of a rooftop deck may be closer than twenty-five feet from an interior side or rear yard that abuts an adjacent residential use.
- J. Entrance Orientation. The primary entrance to a detached or attached ADU shall face either:
 - 1. The front or interior of the parcel; or
 - 2. A side or rear property line that abuts an alley or a public street.

- K. Garage Conversions. When a garage is converted into an ADU, the garage door shall be removed and replaced with materials matching the remainder of the structure.”

Section 7. Chapter 17.58, Junior Accessory Dwelling Units, of Title 17, Zoning, of the Scotts Valley Municipal Code is hereby amended to read as follows:

“Chapter 17.58 JUNIOR ACCESSORY DWELLING UNITS

17.58.010 Purpose.

- A. This chapter establishes standards for junior accessory dwelling units (JADUs) consistent with Government Code Sections 66333—66339. These standards are intended to increase the supply of affordable housing options in Scotts Valley while maintaining the character and quality of life of residential neighborhoods.
- B. This chapter applies only to a proposed JADU as defined in Chapter 17.04 (Definitions). Standards for accessory dwelling units (ADUs) are found in Chapter 17.57 (Accessory Dwelling Units).
- C. It is the city's intent for this chapter to be consistent with state law as it is amended from time to time. In cases of conflict between this chapter and state law, state law governs.

17.58.020 Permitting process.

Creating a JADU requires city approval and issuance of a building permit. The city shall review and act on a permit application for a JADU in the same manner as required for an accessory dwelling unit. See Section 17.57.020 (Permitting Process).

17.58.030 JADU standards.

The standards in this section apply to all JADUs.

- A. Where Allowed.
 - 1. A JADU is permitted on a residential lot zoned for single-family dwellings with a single-family dwelling built, or proposed to be built, on the lot.
 - 2. A JADU is allowed on a lot that also contains a detached accessory dwelling unit as provided in Section 17.57.040 (State Exemption ADUs.) The JADU must be located within the single-family dwelling on the lot.
- B. Maximum Number. A maximum of one JADU is permitted per lot.
- C. Owner Occupancy.
 - 1. If the JADU has shared sanitation facilities with the existing structure, the property owner shall reside in either the single-family dwelling on the lot or the JADU.

2. Owner-occupancy is not required if the JADU has separate sanitation facilities, or if the property is owned by a governmental agency, land trust, or housing organization.
- D. Location Within Single-Family Dwelling. The JADU shall be contained entirely within the walls of an existing or proposed single family dwelling. For purposes of this section, enclosed uses within the dwelling, such as attached garages, are considered a part of the single-family dwelling.
- E. Entrance. The JADU shall include an exterior entrance separate from the main entrance to the single-family dwelling.
- F. Bathroom.
 1. A JADU must either:
 - a. Contain its own full bathroom with a sink, toilet and shower and/or bath facilities; or
 - b. Share use of a full bathroom located within the primary dwelling.
 2. A JADU that shares a bathroom with the primary dwelling must have an interior entry into the main living area of the primary residence.
- G. Kitchen.
 1. A JADU must contain, at a minimum, an efficiency kitchen with:
 - a. A kitchen sink, refrigeration, and cooking appliances; and
 - b. At least three linear feet of food preparation counter space and three linear feet of cabinet space.
 2. Cooking appliances may consist of either a permanent cook top and/or built-in oven, or a plug-in microwave oven, hot plate, and similar appliances intended for use on top of a countertop.
- H. Parking. Off-street parking is not required for a JADU.
- I. Fire Safety. For purposes of any fire or life protection ordinance or regulation, a JADU shall not be considered a separate or new dwelling unit.
- J. Fire Sprinklers.
 1. Fire sprinklers are not required in a JADU where fire sprinklers were not required for the primary dwelling at the time of construction, except as provided by Paragraph (2) below.
 2. If fire sprinklers were not required for the primary dwelling at the time of construction, but the primary dwelling is altered in a manner that later required fire sprinklers, a JADU created after the alteration must be provided with fire sprinklers.
 3. The construction of a JADU does not trigger a requirement for fire sprinklers to be installed in an existing single-family dwelling on the lot.

- K. Utilities. For purposes of providing service for water, sewer, or power, including a connection fee, a JADU shall not be considered a separate or new dwelling unit unless the JADU was constructed with a new single-family dwelling.
- L. A rented JADU shall not be leased for any period less than thirty days.
- M. Impact Fees. City development impact fees shall not be imposed upon the development of a JADU.

17.58.040 Deed restriction.

- A. Prior to occupancy of a JADU, the property owner shall file with the county recorder a declaration of restrictions containing a reference to the deed under which the property was acquired by the current owner. The deed restriction shall state that:
 - 1. The JADU shall not be sold separately from the single-family residence; and
 - 2. The JADU shall not exceed five hundred square feet of total floor area and shall comply with all standards in Section 17.58.030 (JADU Standards).
- B. The above declarations are binding upon any successor in ownership of the property. Lack of compliance shall be cause for code enforcement.
- C. The deed restriction shall lapse upon removal of the JADU established under this chapter."

Section 8. GENERAL PLAN CONSISTENCY. The Municipal Code amendments are consistent with the General Plan. The Municipal Code amendments are adopted for the specific purpose of complying with state housing law and to maintain consistency with the General Plan Housing Element.

Section 9. CEQA COMPLIANCE. The proposed amendments are exempt pursuant to the CEQA Guidelines Section 15061(b)(3), which provides that CEQA applies only to projects which have the potential for causing a significant effect on the environment. The proposed amendments are adopted to comply with state housing laws, bringing the Zoning Code into compliance with state requirements that already apply to proposed development. In addition, the proposed ADU Ordinance amendments are exempt from CEQA pursuant to Public Resources Code section 21080.17 and CEQA Guidelines section 15282(h), which exempts adoption of ordinances implementing state law regarding accessory dwelling units, and the proposed SB 9 Ordinance amendments are exempt from CEQA pursuant to Government Code sections 65852.21(k) and 66411.7(n), which exempts adoption of ordinances implementing SB 9.

Section 10. SEVERABILITY. If any section, subsection, subdivision, sentence, clause, phrase or portion of this Ordinance, is for any reason held to be invalid or unconstitutional by the decision of any court of competent jurisdiction, such decision shall not affect the validity of the remaining portions of this Ordinance. The City Council hereby declares that it would have adopted this Ordinance and each section, subsection, subdivision, sentence, clause, phrase, or portion thereof, irrespective of the fact that any one or more sections, subsections, subdivisions, sentences, clauses, phrases, or portions thereof be

declared invalid or unconstitutional.

Section 11. To the extent the provisions of the Scotts Valley Municipal Code as amended by this Ordinance are substantially the same as the provisions of that Code as they read immediately prior to the adoption of this Ordinance, then those provisions shall be construed as continuations of the earlier provisions and not as new enactments.

Section 12. EFFECTIVE DATE. This ordinance shall be in full force and effect thirty (30) days from and after the date of its adoption.

Section 13. PUBLICATION. The City Clerk shall certify as to the adoption of this Ordinance and shall cause a summary thereof to be published within fifteen (15) days of adoption and shall post a certified copy of this Ordinance, including the vote for and against same, in the Office of the City Clerk, in accordance with Government Code Section 36933.

This Ordinance was introduced on the 3rd day of December, 2025, and passed and adopted on the 17th day of December, 2025, at a duly held meeting of the City Council of the City of Scotts Valley by the following votes:

AYES:

NOES:

ABSENT:

ABSTAIN:

APPROVED: _____
Derek Timm, Mayor

ATTEST:

Cathie Simonovich, City Clerk

APPROVED AS TO FORM:

Kirsten Powell, City Attorney

City of Scotts Valley CITY COUNCIL STAFF REPORT

DATE: 12/17/2025
TO: Honorable Mayor and City Council
FROM: Mali LaGoe, City Manager
APPROVED: Mali LaGoe, City Manager
SUBJECT: **A public hearing to adopt a resolution certifying the 2025 Town Center Specific Plan Final Environmental Impact Report and Adopting a Statement of Overriding Considerations with respect to significant and unavoidable impacts identified in the EIR, and to adopt a resolution approving the 2025 Town Center Specific Plan**

SUMMARY OF ISSUE

For decades, the City of Scotts Valley has pursued a dream to build a Town Center on the vacant land formerly occupied by the Skypark Airport. In 2008, the City adopted the original Town Center Specific Plan based around a vision dominated by new commercial and civic uses. In the nearly two decades that have passed since that original Plan was adopted, no significant new development has taken place but several important changes have occurred that necessitated an update to the Specific Plan. This Final 2025 Town Center Specific Plan ("2025 Plan") is responsive to these factors, including recent market demand favoring housing over commercial development, changes in retail economics favoring small-format experiential restaurants and shops, and a growing need for more diverse and affordable housing opportunities in the area. In addition, the policy context around the Plan has shifted considerably:

- In 2023, the City adopted the Scotts Valley General Plan, which called for the 2008 Town Center Specific Plan to be updated.
- The City then adopted its 2023-2031 Housing Element which required an update of the Specific Plan by December 2025 to allow for higher residential densities in the Town Center Specific Plan Area. The General Plan projected that the 2008 Town Center Specific Plan would develop a maximum of 254 housing units, whereas the 2025 Plan anticipates/analyzes up to 657 units.
- The Surplus Lands Act permits the City to sell surplus property to developers for a mixed use project that requires that mixed-use projects on government-owned 'surplus' land includes a minimum of 300 housing units, 25% of which are affordable to low income households. This requirement will apply to the vacant parcels which are now owned by the City of Scotts Valley.

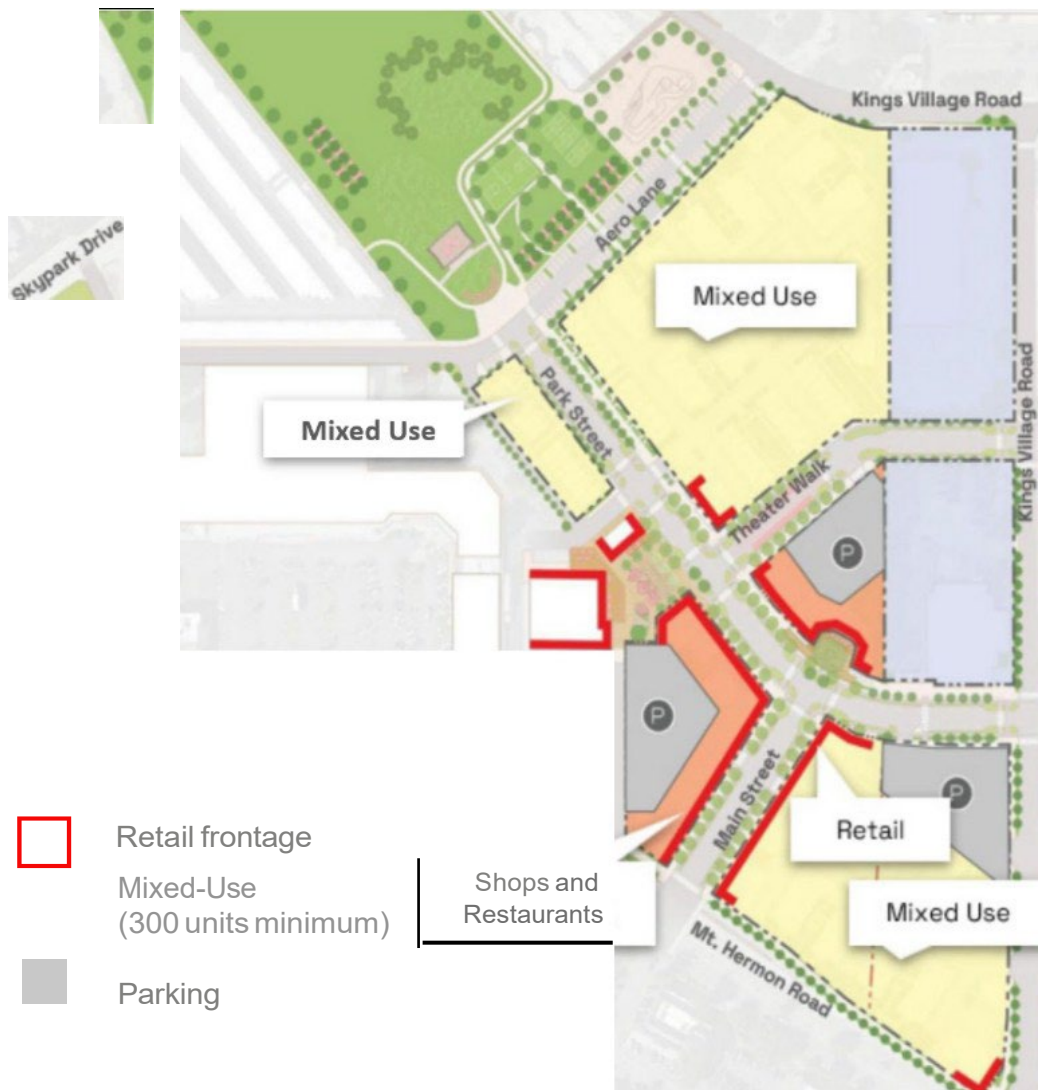
The community's vision is for a mixed-use Town Center that acts as a destination for

residents, a socializing and gathering space, a place for shopping and strolling, a place to live affordably, and an economic engine for the City. The Town Center will include at least 300 units in the Town Center Core area which is located in the center of the plan area (and up to 657 total units) to satisfy Surplus Lands Act requirements. The concept is for a focused area of ground-floor retail uses and other active uses closer to Mt. Hermon Road, supported by public plazas, with parking on streets and behind retail and mixed-use buildings and residential units. The desire is for the Plan to tie together the surrounding amenities of Skypark, the Hangar, library, community theater, METRO transit station, and adjacent shopping centers.

Since 2022, the City has taken a proactive approach to removing barriers that prevented the Town Center from being developed in the past. These efforts include:

- Securing \$1,000,000 in Federal funding to assist with the acquisition of eight acres of vacant land from the City of Santa Cruz to assemble the full, contiguous 12+ acres of the “Town Center Core” area under City of Scotts Valley ownership.
- Completing surface level environmental clean-up on these vacant Core parcels resulting in a closed case with County Environmental Health.
- Contracting with renowned expert Bob Gibbs to conduct an updated retail market analysis as well as a separate consultant to identify potential commercial tenants.
- Conducting extensive community and stakeholder outreach to develop a modern preferred vision that emphasizes human scale connectivity and a walkable retail-supportive environment, including an Art Wine and Beer Festival booth, a Community Open House, a booth at the Multicultural Fair, and an Online Survey with hundreds of responses from residents and stakeholders.
- Adopting the 6th Cycle Housing Element which provides a program for updating the Town Center Specific Plan to include 657 housing units.
- Hiring consultants specialized in architecture, planning, and real estate development with a background working for private developers to ensure the updated vision is buildable in today’s market and economy.

The purpose of the 2025 Plan is to enshrine the community vision as described above, and articulate policies, development standards, and objective design standards that will guide new development within the Plan Area in a way that supports existing and new businesses, residents, and the overall community. The 2025 Plan will manage and direct changes in development patterns within the Plan Area through 2045 and guide present and future land uses, development intensity and scale, urban design, economic development, circulation and mobility, parking, infrastructure and public services, and community benefits/facilities. After 2025 Plan adoption, following the process laid out in the 2025 Plan’s Implementation Chapter, the City will partner with a developer (or developers) to negotiate a Development Agreement for the Town Center Core parcels that will guide the construction of the housing, commercial uses, buildings, plazas, roads, and other infrastructure necessary to support a walkable Town Center.



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PLANNING COMMISSION REVIEW

On November 20, 2025, the Planning Commission held a study session to receive public comments on the Draft 2025 Specific Plan and Draft EIR. Comments were received from members of the Commission and members of the public before the study session, at the study session, and after the study session. In response to these comments, City staff recommended a series of changes to the 2025 Plan and Final EIR. These comments and changes are summarized in the attached Planning Commission staff report (Attachment 1). These changes were presented at a noticed public hearing on December 4, 2025 of the Planning Commission, and the commissioners recommended that the City Council adopt the resolutions certifying the FEIR and approving the 2025 Plan. Public comments and staff's recommended changes focused on the following four topics:

1. Allowed land uses as described in Chapter 3 & Appendix A
2. Development and objective design standards
3. Minimum parking requirements and associated standards
4. Overall site plan and public circulation network

Additional comments were received that the City will address and consider at the time of project-level review as the Town Center Core Development Agreement or other developments in the Plan Area move forward.

The City also received several letters from Santa Cruz YIMBY commenting on the 2025 Specific Plan and EIR. The City Attorney provided a response to the Planning Commission and staff wishes to further clarify the City's response below:

Comment 1: Number of Housing Units in the Specific Plan & EIR

- YIMBY Comment: The EIR should analyze 963 housing units instead of 657 units.

- City Staff Response: Staff does not agree with YIMBY's calculation. The Town Center Specific Plan, as proposed, is compliant with the City's HCD-certified Housing Element and is aligned with Appendix F, Table F-2: 6th Cycle RHNA Sites Inventory Analysis and Programs H-1.1 and H-1.10. The Housing Element requires that the City comply with the capacity and density standards outlined in Appendix F of the Housing Element. For the Town Center Specific Plan parcels, Appendix F includes a realistic capacity of 80%, as required by HCD. At that required capacity, the City is required to rezone the properties to allow the development of 657 units. The Specific Plan is implementing that program as outlined in Appendix F.

Comment 2: Downzoning Housing Element Sites

- YIMBY Comment: The City may not downzone APN 022-721-06 (southern portion of Skypark) without running afoul of No Net Loss law.
- City Staff Response: Staff recommends zoning this parcel as MU-N, which requires a minimum density of 20 units per acre and a maximum of 32 units per acre and requiring that when the property is rezoned, the development standards will include adequate site area designated for residential uses to meet the requirements of the Program H-1.1. The Plan is therefore aligned with Appendix F, Table F-2: RHNA Sites Inventory Analysis of the Housing Element with respect to lower-income units.

Comment 3: Prohibition on Exclusively Non-Residential Projects

- YIMBY Comment: The Specific Plan must ensure that lower-income sites in the Plan allow 100% residential use and may not permit exclusively non-residential development on those parcels.
- City Staff Response: The Plan will ensure that those sites identified in the 6th Cycle Housing Element, Appendix F, in the Town Center Specific Plan Area shall include adequate site area designated for exclusively residential use to meet the requirements of Program H-1.1. In addition, the Plan allows 100% residential projects by right on all sites identified in the Housing Element inventory, and residential uses will be required to occupy at least 50 percent of the total floor area of a mixed-use project in the Specific Plan Area. Furthermore, to comply with Surplus Lands Act requirements, the City will require a minimum of 300 housing units with at least 25% deed-restricted affordable units within the area declared 'surplus.'

Comment 4: Plan Must Implement Housing Element.

- YIMBY Comment: State law requires that all rezoning programs included in a certified Housing Element be fully and faithfully implemented.
- City Staff Response: The Town Center Specific Plan, as proposed, is compliant with the City's HCD-certified Housing Element and is aligned with Appendix F, Table F-2: 6th Cycle RHNA Sites Inventory Analysis, Programs H-1.1 and H-1.10. Staff has determined that the Specific Plan will not result in a Net Loss of RHNA sites for any income category, as outlined in the resolution approving the 2025 Plan. Staff intends to submit a zoning ordinance update for Council approval in 2026, consistent with the

requirements of the Housing Element and reflecting the 2025 Plan.

Council Considerations Regarding Intersection Level of Service at Kings Village Road

The 2025 Plan contains several required transportation improvements to accommodate additional automobiles, pedestrians, and bicyclists in the Plan Area. The 2025 Plan also describes optional future roadway improvements at the Kings Village Road / Mt. Hermon Road intersection to incorporate an additional left turn lane along southbound Kings Village Road turning onto Mt. Hermon Road. This improvement could necessitate acquisition of additional right-of-way to facilitate roadway widening. The decision whether and when to implement this improvement will be made by the City Council as part of the negotiation or approval of the Core Development Agreement and during the review/approval of the Planned Development permit process for the Town Center Core. Consistent with this Plan's Vision to create a vibrant mixed-use town center, the development of the Town Center will by its intended nature induce greater traffic congestion. As such, the City will need to balance the needs of vehicular traffic with those of non-vehicular mobility such as pedestrians and bicyclists. Therefore, any future improvements to Kings Village Road (as well as other existing roadway improvements) will require the City to take into consideration General Plan Goal M-2 (Complete Streets) and its associated policies "...to maintain a balanced multi-modal transportation network that meets the needs of all local roadway users in a manner that is suitable to the scale and character of Scotts Valley."

The traffic analysis contained in Appendix C of the 2025 Plan for the Kings Village Road and Mt Hermon Road intersection indicates that the level of service (LOS) will drop from the existing level C to level D under future cumulative conditions (without improvements). General Plan Policy M-3.9 requires that, with the exception of Mt. Hermon Road and Scotts Valley Drive, all intersections maintain a LOS C. However, in accordance with General Plan Policy M-3.10, the City Council may accept LOS D at any City intersection considering "right-of-way constraints, and the economic feasibility of roadway infrastructure improvements," concerns which exist at this location. As outlined more specifically in Resolution No. 2081.1, LOS D at the Kings Village Road/Mt Hermon Road is acceptable given site constraints, the economic feasibility of the improvements, the proposed multimodal transportation opportunities included in the 2025 Plan and the City's desire to create a walkable, community amenity in the Town Center.

CALIFORNIA ENVIRONMENTAL QUALITY ACT (CEQA)

Since the 2025 Plan had the potential to cause significant environmental impacts and additional growth was considered compared to the amount studied under the 2023 Housing Element EIR, a full programmatic Environmental Impact Report was prepared for the Town Center Specific Plan. The DEIR identified significant or potentially significant effects associated with the Plan's implementation in the following environmental topics: air quality, biological resources, cultural resources, geology and soils, hazards and hazardous materials, greenhouse gas emissions, noise and vibration, and transportation. The DEIR analyzed 20 environmental subjects, responding to the checklist questions from Appendix G of the CEQA Guidelines to assess impacts for each environmental subject. The impact conclusions are summarized below:

- The DEIR finds no impacts or less than significant impacts through required policies, standards and programs to the following environmental subjects: Aesthetics,

Agriculture and Forestry Resources, Energy, Hydrology, Land Use and Planning, Mineral Resources, Population and Housing, Public Services, Recreation, Tribal Cultural Resources, Utilities and Service Systems, and Wildfire.

- The DEIR finds less than significant impacts with mitigation incorporated into the following environmental subjects: Air Quality, Biological Resources, Cultural Resources, Geology and Soils, Hazards and Hazardous Materials, and Noise.
- The DEIR finds that the 2025 Plan would produce significant and unavoidable impacts to Greenhouse Gases, even with mitigation incorporated. The DEIR also finds the 2025 Plan would produce significant and unavoidable cumulative impacts to Transportation. These are impacts that are commonly generated by major developments of scale in the Bay Area and the impacts are not related to the Plan's location within the City, i.e., this amount of development occurring elsewhere in the City would result in similar impacts due to the magnitude of development, and it is not unusual for city councils to find that specific economic, legal, social, technological, or other benefits, of a proposed project outweigh the unavoidable adverse environmental effects.

The FEIR provided responses to all relevant comments made on the DEIR and made no changes to the key impact findings of the DEIR. A Mitigation Monitoring and Reporting Plan has been prepared to implement the mitigation measures required for those impacts that were found to be less than significant with mitigation measures.

PUBLIC NOTICE & COMMENT

Public hearing notices were sent via email and regular mail to interested parties and posted at City Hall (Planning Department), Scotts Valley Branch Library, and the Senior Center. The FEIR was circulated publicly for the CEQA-required ten-day review period beginning on December 4, 2025 and concluding on December 15, 2025.

Public hearing notices were posted at City Hall, the Scotts Valley Public Works Building, and the Scotts Valley Senior Center and published on the Scotts Valley website and newspaper consistent with State law. Public comments received since the publication of the Planning Commission Staff Report on the project are attached for reference.

Due to file size, the 2008 Town Center Specific Plan, 2025 Town Center Specific Plan, Draft EIR and Final EIR are available on the City's website and are not directly attached to this agenda item. The link is: <https://www.scottsvally.gov/525/The-Town-Center>.

FISCAL IMPACT

The fiscal impact associated with the recommended action is expected to be positive for the City, given that significant Development Impact Fees would be delivered to the City as a result of new development permitted within the Plan Area (proportionate to the scale of the approved projects), and the future Town Center Core project and other projects within the Plan Area would spur greater economic development generally, including increased property taxes, sales taxes, construction-related employment, and full-time employment from commercial land uses. Currently, the parcels within the Town Center Core are undeveloped and thus offer effectively zero tax value to the City – once developed, these would represent a valuable, ongoing source of property and sales tax revenues. Staff notes that the City is pursuing an Enhanced Infrastructure Financing District (EIFD) as an approach to raising needed funds for capital

projects; an EIFD would not reduce the existing or "base" property tax revenue which is set by the year that the EIFD is formed, which continues to go to public agencies/service providers. Rather, a portion of the increase in tax revenue (the "tax increment") generated by rising property values or new construction is redirected to the EIFD, to fund needed infrastructure improvements.

STAFF RECOMMENDATION

The Planning Commission recommends the City Council:

- Adopt Resolution No. 2081 certifying the 2025 Town Center Specific Plan Final Environmental Impact Report, rejecting the environmentally superior alternative, adopting a statement of overriding considerations with respect to significant and unavoidable impacts identified in the DEIR, supported by substantial evidence in the record to move forward with the 2025 Plan, and adopting a Mitigation Monitoring and Reporting Program to implement the mitigation measures required for those impacts that were found to be less than significant with mitigation measures; and
- Adopt Resolution No. 2081.1 approving the 2025 Town Center Specific Plan and accepting potential LOS D at the Kings Village Road & Mt. Hermon Road intersection.

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1. City Council Resolution No. 2081FNL
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RESOLUTION NO. 2081

RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SCOTTS VALLEY CERTIFYING A FINAL ENVIROMENTAL IMPACT REPORT, ADOPTING A STATEMENT OF OVERRIDING CONSIDERATIONS FOR SIGNIFICANT AND UNAVOIDABLE IMPACTS AND A MITIGATION MONITORING AND REPORTING PROGAM FOR THE APPROVAL OF THE 2025 TOWN CENTER SPECIFIC PLAN

WHEREAS, Government Code Section 65300 requires that the City of Scotts Valley ("City") adopt and maintain a General Plan that contains certain mandated elements, describes the City's long-term goals for growth and development, and identifies policies and programs to achieve those goals; and

WHEREAS, pursuant to Government Code Section 65450 et seq., a city may also adopt one or more specific plans to facilitate the implementation of its General Plan; and

WHEREAS, on November 19, 2008, the City Council adopted the Town Center Specific Plan in order to implement the goal of the community to have a Scotts Valley Town Center ("2008 Town Center Specific Plan"); and

WHEREAS, the 2008 Town Center Specific Plan envisioned the development of 275,000 square feet of commercial space, 35,000 square feet of civic space, and 300 residential units;

WHEREAS, on November 16, 2023, the City Council adopted the updated General Plan ("General Plan") to guide future growth in the City's Planning Area which included Action ED-1.1 which called for the 2008 Scotts Valley Town Center Specific Plan to be updated with an appropriate mix of land uses that are supported by a new market and financial feasibility analysis that is economically attractive to investors and developers; and

WHEREAS, on December 7, 2023, the City Council adopted the 2023-2031 Housing Element ("Housing Element") as part of the General Plan; and

WHEREAS, Program H-1.1 of the Housing Element identified the need to update the 2008 Scotts Valley Town Center Specific Plan to allow for residential densities sufficient to accommodate 657 new residential units within the Specific Plan Area; and

WHEREAS, the City hired Good City Company, Urban Field Studio, and David J. Powers and Associates to assist with the development an updated Town Center Specific Plan which met the requirements of Action ED-1.1 of the General Plan, Program H-1.1 of the Housing Element and to meet the market demands in Scotts Valley ("2025 Town Center Specific Plan"); and

WHEREAS, the 2025 Town Center Specific Plan is a document that creates a vision, policies, and objective design standards to guide new development within the Plan Area in a way that supports existing and new businesses, residents, and the overall community and provides land use regulations, development standards, and design guidelines for new development in the area; and

WHEREAS, the 2025 Town Center Specific Plan will facilitate implementation of the City's General Plan and the Housing Element by providing for up to 657 residential units as specified in the Housing Element, as well as up to 82,000 square feet of commercial uses and up to 35,000 square feet of public/civic uses; and

WHEREAS, pursuant to the California Environmental Quality Act ("CEQA"), the City prepared a Draft Environmental Impact Report ("Draft EIR") (SCH No. 2025050499) for the 2025 Town Center Specific Plan. The Draft EIR was circulated for public review from October 10, 2025 to November 24, 2025. The City has considered and evaluated the comments received on the Draft EIR during the period of public review; and

WHEREAS, the City has prepared and released on December 4, 2025 the Final Environmental Impact Report ("Final EIR") for the 2025 Town Center Specific Plan which incorporates the Draft EIR, contains the City's responses to written comments received on the Draft EIR, and identifies revisions to the Draft EIR; and

WHEREAS, A Mitigation Monitoring Reporting Program has been prepared for the project to mitigate the impacts of the projects that have been identify as less than significant with mitigation, attached hereto as Exhibit B.

WHEREAS, on November 20, 2025, the Planning Commission held a public meeting to accept comments on the Draft EIR and comments and questions on the 2025 Town Center Specific Plan; and

WHEREAS, on December 4, 2025, the Planning Commission held a duly noticed public hearing on the 2025 Town Center Specific Plan and the Final EIR, considered all written and oral reports of City staff, provided opportunities for the public to speak, and considered all comments on the matter as reflected in the record; and,

WHEREAS, on December 17, 2025, the City Council held a duly noticed public hearing on the 2025 Town Center Specific Plan and the Final EIR, considered all written and oral reports of City staff, provided opportunities for the public to speak, and considered all comments on the matter as reflected in the record.

NOW, THEREFORE, BE IT RESOLVED by the City Council as follows:

SECTION 1: The Final EIR has been completed in compliance with the requirements of CEQA and the City Council has reviewed and considered the information within the Final EIR.

SECTION 2: The Final EIR represents the independent judgement and analysis of the City.

SECTION 3: The City Council certifies the Final EIR incorporated herein by this reference based on the findings pursuant to CEQA and the CEQA Guidelines Section 15091, Findings, as described in the Findings of Fact attached hereto as Exhibit A , which are hereby adopted, and subject to the Mitigation Monitoring and Reporting Program outlined in Exhibit B attached hereto.

The above and foregoing resolution was duly and regularly adopted and passed by the City Council of the City of Scotts Valley on the 17th day of December 2025, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

APPROVED:

Derek Timm, Mayor

ATTEST:

Cathie Simonivich, City Clerk

EXHIBIT A

City of Scotts Valley Resolution 2081 Findings Required Under the California Environmental Quality Act (Public Resources Code Section 21000 et seq.) For the 2025 Scotts Valley Town Center Specific Plan

1. Introduction

A public agency may not approve or carry out a project for which an EIR has been certified that identifies one or more significant environmental effects, unless the public agency makes one or more written findings for each of those significant effects. Each finding must be accompanied by a brief explanation of the rationale for each finding (CEQA Guidelines Section 15091).

The City of Scotts Valley (City) prepared a Final Environmental Impact Report (EIR) for the proposed 2025 Scotts Valley Town Center Specific Plan (Plan) in December 2025.

The Plan envisions the Town Center as the “Heart of the City,” consistent with the broader community goal of establishing a vibrant town center. To fulfill this vision, the Plan is proposed to allow a blend of commercial and residential spaces, which would be complemented by existing amenities, including a library, community theater, movie theater, Senior Center, and Community Center, and future amenities including outdoor dining and public open spaces that encourage community gathering. The Plan includes land use, zoning, and comprehensive utility, transportation, and landscaping/public realm improvements.

The Plan anticipates new development and changes in land use over an approximate 20-year period through 2045, and would allow for up to 657 residential units (consistent with the City’s Housing Element), up to 82,000 square feet of commercial uses, and up to 35,000 square feet of public/civic uses.

The Plan will establish land use designations and zoning for the Plan area as described in the Final EIR Project Description. Therefore, the Plan will require adoption of various amendments to the City’s General Plan and Zoning Ordinance, changing certain existing land use designations in the Plan area, creating new zoning districts, and updating existing or establishing new development standards to replace some of the current zoning provisions applicable to the Plan area. These amendments would be completed to ensure consistency between the Plan, the General Plan, and the Zoning Ordinance.

The Plan may be implemented over time and in a phased approach. Due to the unique characteristics of this project, specific details regarding phasing boundaries, timing, and specific details will be determined by the Project Applicant(s) or their designee(s) in response to market demand, rapidly changing mobility technology, availability of financing, and other factors as part of the development review process for individual development projects.

If phased development occurs, development of the future phases could occur in one phase or could be in multiple future phases. Development of the future phases would include construction of the remaining square footage of development as allowed under this Plan, in addition to any associated infrastructure, parking, and landscaping and open space, subject to subsequent development approval and adherence to Plan development standards and design guidelines.

The Findings and Statement of Overriding Considerations set forth below (Findings) are presented for consideration by the Planning Commission and adoption by the City Council as the City's independent findings under the California Environmental Quality Act (CEQA) (Public Resources Code Section 21000 et seq.) and the CEQA Guidelines (California Code of Regulations, Title 14, Section 15000 et seq.).

The Findings provide the written explanation, evidence, reasoning and conclusions of the City regarding the project's environmental impacts, mitigation measures, alternatives, and the overriding considerations, which in the City's judgement, justify approval of 2025 Scotts Valley Town Center Specific Plan despite residual environmental effects.

2. Record of Proceedings and Custodian of Record

For purposes of CEQA and the findings set forth herein, the record of proceedings for the City of Scotts Valley's findings and determinations consist of the following documents and testimony as compiled for the project:

- The Notice of Preparation (NOP), comments received on the NOP, comments received at the public scoping meeting, and all other public notices issued by the City.
- Draft EIR, associated appendices to the Draft EIR, and technical materials cited in the Draft EIR.
- Final EIR, including comment letters, responses to comments, errata and technical materials cited in the Final EIR.
- Staff reports associated with Planning Commission and City Council hearings on the project.
- Those categories of materials identified in Public Resources Code Section 21167.6, which establishes the contents for the record of proceedings.

The City is the custodian of the administrative record. The documents and materials that constitute the administrative record are available for review at the City of Scotts Valley Planning Department, 1 Civic Center Drive, Scotts Valley, CA 95066.

3. Severability

If any term, provision, or portion of these Findings or the application of these Findings to a particular situation is held by a court to be invalid, void, or unenforceable, the remaining provisions of these Findings, or their application to other actions related to the project, shall continue in full force and effect unless amended or modified by the City.

4. Findings for Significant Impacts that Can Be Avoided or Reduced to a Less Than Significant Level with Implementation of Mitigation Measures

Impact AQ-1: Without application of appropriate control measures to reduce construction dust and exhaust, construction period impacts at the program level would be considered a significant impact.
Finding: Changes or alterations, as identified in Mitigation Measure (MM) AQ-1.1, have been required in, or incorporated into, the project which avoid or substantially lessen the significant environmental effect as identified in the Final EIR.
Rationale/Evidence: Mitigation Measure (MM) AQ-1.1 requires that individual projects built out under the Plan quantify construction criteria pollutants and toxic air contaminants (TACs). Once those details are available, individual projects would undergo modeling to identify impacts and, if necessary, future projects would include measures to reduce emissions below the applicable Monterey Bay Air Resources District construction thresholds. Reduction
measures could include various methods as outlined in the Final EIR and would help to lower construction criteria pollutants and TACs. By reducing construction period emissions, this potentially significant impact would be effectively mitigated. Projects whose construction period emissions exceeded applicable thresholds despite the application of mitigation are not covered by this resolution of findings, would require supplemental environmental review, including the preparation of a mitigation plan, to avoid or substantially lessen the significant

Impact AQ-2: Significant Toxic Air Contaminants (TAC) emission exposure could occur under Plan buildout.

Finding: Changes or alterations have been required in, or incorporated into, the project, i.e. Section 3.5 Performance Standards of the Plan, which avoid or substantially lessen the significant environmental effect as identified in the Final EIR.

Rationale/Evidence: Implementation of Section 3.5 (Performance Standards) of the Plan would reduce on-site diesel exhaust emissions and reduce construction health risk impacts by requiring projects of two acres or greater and lasting more than one year within 1,000 feet of existing sensitive receptors or worker receptors as defined by the Monterey Bay Air Resources District (MBARD) to utilize Tier 4 engines. This performance standard would be applied to development under the Plan as applicable and would effectively mitigate these potential risks below applicable MBARD thresholds.

Impact BIO-1: The Plan buildout could impact habitats within the Plan area that may contain special status species.

Finding: Changes or alterations have been required in, or incorporated into, the project, i.e. future projects implementing the Plan would implement General Plan Policy OSC-1.16, requiring site-specific surveys and appropriate mitigation when special status species are present, which avoid or substantially lessen the significant environmental effect as identified in the Final EIR.

Rationale/Evidence: General Plan Policy OSC-1.16 requires buildout of the Plan in the following habitat types; vernal moist grassland, mixed woodland, annual grassland, and ruderal to prepare site-specific surveys prior to development. Land mapped as containing turf or developed habitat would not require a survey due to the low possibility of native species or rare/endangered wildlife. This policy would be effective because it requires developments under the Plan to mitigate any potential impacts to such species as recommended by the biologist completing the survey, and as required by the applicable wildlife agency with jurisdiction, thus minimizing any potential impacts to special status species.

Impact BIO-2: Build out of the Plan could result in the loss of fertile eggs, nesting raptors or other migratory birds, or nest abandonment.

Finding: Changes or alterations have been required in, or incorporated into, the project, in particular Mitigation Measure MM BIO-2.1, which avoid or substantially lessen the significant environmental effect as identified in the Final EIR.

Rationale/Evidence: Mitigation Measure MM BIO-2.1 requires that all on-site tree removal, demolition and grading occur outside the nesting and breeding season to avoid nest disturbance within existing urban trees. As an alternative, if construction during the nesting season cannot be avoided, the applicant may conduct bird surveys and establish buffer zones around nests, if identified on site. These measures would be effective by directly avoiding potential effects on nesting birds or by protecting nesting birds with the oversight of a professional biologist. MM BIO-2.1 has been made a requirement of future individual projects implementing the Plan to provide a rational and enforceable program of impact avoidance.

Impact BIO 3: Future demolition activities and tree removal under the Plan could result in direct physical disturbance of any roosting bats that may be present, possibly resulting in injury or mortality, as well as the loss of roosting sites.

Finding: Changes or alterations have been required in, or incorporated into, the project, in particular Mitigation Measures MM BIO-3.1 through MM BIO-3.4, which avoid or substantially lessen the significant environmental effect as identified in the Final EIR.

Rationale/Evidence: MM BIO-3.1 requires future development under the plan to conduct a bat habitat survey assessment to identify all trees on-site that could support roosting bats. A preconstruction visual survey of all trees that were determined to provide potential roosting habitat will be conducted as described in the Final EIR.

MM BIO-3.2 requires a two-step removal process for trees identified as currently supporting roosting bats or to remove trees that were determined to provide potential habitat but could not be adequately visually surveyed during the preconstruction survey. MM BIO-3.2 would ensure that these trees are made less attractive for bats via tree trimming, then the following day the tree would be removed. This measure would encourage any roosting bats to vacate the tree. This measure would minimize the risks that tree removal presents to bats.

For trees that cannot be adequately surveyed during the preconstruction survey, MM BIO-3.3 requires that a qualified biologist conduct a nighttime emergence survey during the volant season to determine if bats are present. If bats are present, and it is maternity season, further investigation must determine if a maternity colony is roosting in the tree. If bats are found and it is outside of maternity season, then the process described in MM BIO-3.2 would be followed.

As per MM BIO-3.4, if a maternity colony or overwintering colony is identified on the site, then a construction-free buffer shall be established around the tree(s) until the colony is determined to be no longer active. Tree removal shall occur between March 1 and April 14 or between August 16 and October 15, utilizing the two-step removal method to avoid interfering with an active nursery and/or overwintering bats.

The above measures are enforceable, as determined by the City and a qualified biologist, and would reduce the impacts to roosting bats to a less than significant level.

Impact BIO 4: Future development projects under the Plan could place fill into jurisdictional waters.

Finding: Changes or alterations have been required in, or incorporated into, the project which avoid or substantially lessen the significant environmental effect as identified in the Final EIR.

Rationale/Evidence: General Plan policy OSC-1.18 requires that all future development applications are required to submit a biological study where an initial site inventory indicates the presence of potential for wetland species or indicators. The study shall contain a delineation of all wetland areas. This General Plan policy is enforceable and would effectively ensure that impacts to jurisdictional waters are offset by requiring development applicants to identify wetland areas and obtain permits from regulatory agencies and those regulatory permits would include adequate mitigation to reduce impacts to wetlands to less than significant levels.

Impact CUL-1: Future development projects under the Plan could indirectly or directly impact known and unknown historic buildings and structures by removing historic buildings and structures, or altering the setting for historic properties.

Finding: Changes or alterations have been required in, or incorporated into, the project which avoid or substantially lessen the significant environmental effect as identified in the Final EIR.

Rationale/Evidence: General Plan Policy OSC-4.7 ensures other options are taken into account before resources are destroyed as it prohibits the destruction of designated historical resources without prior public hearing and consideration of alternatives. MM CUL-1.1 and MM CUL-1.2 provide specific directions to prepare a historic resources evaluation for structures over 50 years old and to make sure that a qualified architectural historian documents the building if a significant historic building or structure is proposed for major renovation or alteration. These mitigation measures would effectively ensure that structures are evaluated and a historical structure would be recorded if it were to be renovated or altered. In the event a future individual project implementing the Plan would propose demolition or otherwise represents a substantial adverse change in the significance of a historic resource, supplemental environmental review would be required, including the evaluation of preservation alternatives, and would not be covered by these findings.

Impact CUL-2: Future development projects under the Plan could inadvertently discover unknown archaeological resources during construction.

Finding: Changes or alterations have been required in, or incorporated into, the project which avoid or substantially lessen the significant environmental effect as identified in the Final EIR.

Rationale/Evidence: MM CUL 2.1 directs applicants to have a qualified archaeologist prepare a Worker Environmental Awareness Program (WEAP) prior to demolition and grading. MM CUL 2.2 and MM CUL 2.3 provide specific direction to the archaeological monitor and property owner in the event that archaeological resources are discovered during the construction process. These measures would be effective because they require halting construction, establishing setbacks, avoiding resources and contacting a qualified archaeologist to assess the find, and, if determined significant, preparation of a treatment plan including data recovery. Data recovery will include excavation and exposure of features, field documentation, and recordation. These measures ensure the appropriate treatment of buried cultural resources encountered during construction.

Impact GEO-1: Future construction activities could disturb paleontological resources, if present.

Finding: Changes or alterations have been required in, or incorporated into, the project which avoid or substantially lessen the significant environmental effect as identified in the Final EIR.

Rationale/Evidence: Mitigation Measure MM GEO-1.1 requires that if a fossil is found during construction, then excavation shall halt until the find can be examined by a qualified paleontologist. The measure directs applicants to include a standard inadvertent discovery clause on the construction plans. This measure would ensure that any finds are assessed by a qualified paleontologist and, if necessary, a paleontological treatment plan will be prepared. Treatment may include preparation and recovery of fossil materials so that they can be housed in an appropriate museum or university collection and may also include preparation of a report for publication describing the finds. MM GEO-1.1 would ensure appropriate documentation and treatment of any uncovered paleontological resources.

Impact HAZ-1: Future development within the Plan could encounter and disturb contaminated soil, soil vapor, and groundwater, and result in adverse effects on construction workers, existing residents and employees, and nearby sensitive receptors.

Finding: Changes or alterations have been required in, or incorporated into, the project which avoid or substantially lessen the significant environmental effect as identified in the Final EIR.

Rationale/Evidence: General Plan Policy SN-4.9 ensures that the City will continue to administer through the County Comprehensive Hazardous Materials Program, pursuant to Chapter 6.95 of the California Health and Safety Code. General Plan policy SN-4.11 requires the mitigation of hazard exposure from new development projects through the environmental review process, design criteria, and standards development, and SN-4.12 requires that site assessments for hazardous and toxic soil contamination be conducted prior to approving development applications as necessary.

Mitigation Measure MM HAZ-1.1 ensures that General Plan Policy SN-4.12 is implemented

Impact NOI-1: Future construction associated with development under the Plan could result in temporary construction noise impacts.
Finding: Changes or alterations have been required in, or incorporated into, the project which avoid or substantially lessen the significant environmental effect as identified in the Final EIR.
Rationale/Evidence: General Plan Policies SN-7.15 and SN-7.16 would reduce noise during the construction process by managing construction noise, including requiring preparation of a Noise Reduction Plan when construction activity occurs near sensitive land uses. MM NOI-1.1 requires the applicant to include various noise reduction measures as part of all grading and building construction plans that range from limiting the time each day and days of the week of construction activity to locating staging areas and construction material areas as far away as possible from adjacent land uses, prohibiting all unnecessary idling of internal combustion engines, and designating a “disturbance coordinator” who would be responsible for responding to any local complaints about construction noise. Construction noise can be effectively addressed through construction timing, equipment maintenance, and placement of equipment. The above mitigation measures are enforceable, as determined by the City and the City’s noise consultant, and would be included in future projects’ construction documents. Temporary construction noise impacts of future development under the Plan would be reduced to a less than significant level with the implementation of these General Plan policies and MM NOI-1.1.

Impact NOI-2: Future development under the Plan could result in a significant permanent noise level increase.
Finding: Changes or alterations have been required in, or incorporated into, the project which avoid or substantially lessen the significant environmental effect as identified in the Final EIR.
Rationale/Evidence: General Plan Policies SN-7.5, SN-7.7, SN-7.9, and SN-7.17 would all help to minimize potential operational noise. Policy SN-7.5 requires preparation of noise studies for projects with the potential to generate substantial noise. Per the Policies SN-7.7 and SN-7.9, a qualified acoustical consultant would be retained to review mechanical equipment systems and project-specific operations during final design of all proposed development under the Plan. Policy SN-7.17 limits truck traffic in residential and commercial areas to designated truck routes. These measures are effective because they would help to minimize operational noise under the Plan via noise studies, the use of truck routes, noise attenuation techniques, and acoustical engineering analysis.

Impact NOI-3: Ground-borne vibration levels generated by construction activities for development under the Plan exceeding the conservative 0.3 in/sec PPV limit for conventional offsite buildings would have the potential to result in a significant vibration impact.
Finding: Changes or alterations have been required in, or incorporated into, the project which avoid or substantially lessen the significant environmental effect as identified in the Final EIR.
Rationale/Evidence: Mitigation Measure MM NOI-3.1 requires that a construction vibration control plan be prepared when construction vibration has the potential to damage nearby structures. The plan shall identify necessary construction vibration controls to reduce the potential of cosmetic damage to buildings and to minimize annoyance. This measure would be effective because it gives developments under the Plan various ways to reduce construction vibration levels to a less than significant level.

5. Findings for Significant Impacts that Cannot Be Avoided or Reduced to a Less Than Significant Level (Significant and Unavoidable Effects)

Impact GHG-1: Buildout under the Plan would result in approximately 15,533 MT of CO₂e annually and would not meet the State's goal of carbon neutrality by 2045.

Finding: Specific economic, legal, social, technological or other considerations make additional mitigation measures or alternatives infeasible.

Rationale/Evidence: Mitigation Measure MM GHG-1.1 would require that future development 1) avoid the construction of natural gas connections for residential buildings as feasible, 2) meet CALGreen Building Standards Code requirements and include electric vehicle charging infrastructure that meets current Building Code CALGreen Tier 2 compliance, and 3) Reduce VMT per service population by 15 percent over regional average or screen out based on the *Analyzing Vehicle Miles Traveled for CEQA Compliance SB 743 Implementation Guidelines for the City of Scotts Valley*. Implementation of these measures would help reduce GHG emissions, however not to the point of carbon neutrality.

MM GHG-1.2 requires projects that include natural gas to enter an agreement with the City to offset their project's GHG emissions.

The Plan would allow for growth within the region that would generate net new GHG emissions, such as vehicles on roadways which consume gasoline. Both the implementation of Mitigation Measures MM GHG-1.1 and MM GHG-1.2 would reduce GHG emissions resulting from buildout under the Plan, however, not to the point of carbon neutrality. No feasible policies or measures within the City's control as lead agency would reduce the Plan GHG emissions sufficiently to achieve carbon neutrality by 2045. As described in the Final EIR, there is no current pathway for the Plan, based on the mechanisms currently available to the City, to achieve carbon neutrality by 2045. In order to achieve carbon neutrality by 2045, policies must be implemented at the state and federal level, which is outside of the City's control.

Therefore, even with implementation of the mitigation measures described above, buildout under the Plan would not achieve carbon neutrality by 2045, in conflict with state GHG reductions goals, and result in a significant and unavoidable GHG impact. Please see Statement of Overriding Considerations below.

Impact TRAN-1: Buildout of the Plan would contribute to a significant cumulative VMT impact for commercial land uses.

Finding: Specific economic, legal, social, technological or other considerations make additional mitigation measures or alternatives infeasible.

Rationale/Evidence: While the General Plan includes policies and programs designed to reduce VMT to a reasonable extent, such as Policy M-3.1, M-3.18, and M-3.19, impacts associated with implementation of the General Plan would not be reduced to less than significant due to the increased development, new roadways, and increased use of the City's and regional transportation system and therefore the General Plan EIR concluded a significant and unavoidable cumulative impact. All land use components under Plan buildout would meet the City's screening criteria so future development projects implementing the Plan would result in a less than significant VMT impact on an individual project level.

However, the Plan as a whole when considered within the cumulative environment of General Plan buildout within the City would contribute to the VMT impact disclosed in the General Plan EIR due to its incorporation of commercial land uses. Therefore, the buildout of the Plan would contribute to a significant cumulative VMT impact.

Please see Statement of Overriding Considerations below.

6. Findings for Significant Cumulative Effects

The Final EIR discusses the project's potential cumulative effects consistent with CEQA Guidelines Section 15130. This discussion considers the project's incremental contribution to potentially significant impacts when combined with other past, present and/or probably future projects within relevant geographic limits. Impact TRAN-1 discloses that the plan would contribute to a significant VMT impact. However, on an individual project level development under the Plan would result in a less than significant VMT impact. The Plan would also contribute to cumulative GHG impacts in 2045 by not achieving carbon neutrality.

7. Findings Regarding Significant Irreversible Environmental Changes Which Would be Caused by the Project Should it be Implemented

Section 15126.2(d) of the State CEQA Guidelines requires an EIR for certain projects to discuss the significant irreversible environmental changes that would result from implementation of a proposed project. This discussion focuses on the commitment or use of nonrenewable resources during project construction and operation.

Construction of the proposed project would require the commitment of a variety of non-renewable or slowly renewable natural resources such as lumber and other forest products, sand and gravel, asphalt, petrochemicals, and metals. The City of Scotts Valley finds such commitments insignificant for the following reasons:

1. The project is located in a developed urban area and will not convert prime agricultural land, preclude access to mineral resources, or otherwise commit ongoing or large quantities of nonrenewable resources (through removal or nonuse).
2. None of the resources required for construction are unique, rare or in danger of being depleted by the project.
3. Use of defined water resources would not deplete or threaten existing supplies of surface or groundwater resources.
4. The project does not include components (such as a highway that provides access to a previously inaccessible area) that would lead to associated secondary impacts or commit future generations to such irreversible changes.

5. The project would not lead to irreversible damage from environmental accidents because the proposed residential, commercial, mixed-use, public, and quasi-public land uses do not present such risks.

8. Findings Regarding Potential Growth Inducing Effects

CEQA defines a project as growth inducing if it “could foster economic or population growth, or the construction of additional housing either directly or indirectly, in the surrounding environment”. Similarly, under CEQA, a project would indirectly induce growth if it would remove an obstacle to additional growth and development, such as removing a constraint on a required public service. Increases in population could tax existing community service facilities, requiring construction of new facilities that could cause significant environmental effects.

The City of Scotts Valley finds the following regarding the project’s potential growth inducing effects:

The Plan is an “infill” project, meaning that the Plan area is within the City’s existing boundaries, already served by existing infrastructure, and planned for urban uses. The City adopted the General Plan on November 29, 2023. The development projections in the General Plan included buildout capacity for the Plan area, with the exception of the amount of housing proposed in the Plan. The purpose of the Plan is to create a vision, policies, and objectives standards to guide new development within the Plan area in a way that supports existing and new businesses, residents, and the overall community. The Plan anticipates new development and change over an approximate 20-year period through 2045. Specifically, the Plan would allow for 657 residential units, 82,000 square feet of commercial land uses, 35,000 square feet of public/quasi-public land use, and 88,663 square feet of park improvements. The 657 residential units in the Plan were accounted for in the Housing Element and their environmental impacts, in combination with the implementation of the other Plan land uses, are analyzed in this document.

There are no undeveloped areas adjacent or in the immediate vicinity of the Plan area and the Plan would not remove any obstacles that would help facilitate additional growth that could significantly affect the physical environment. The Plan would add local serving roadways to enhance circulation in the Plan area. The Plan does not include the expansion of existing infrastructure that would facilitate growth in the Plan area beyond what is accounted for in this analysis or other areas of the City. Therefore, the Plan would not result in growth-inducing impacts beyond what was envisioned in the City’s General Plan.

9. Findings Regarding Project Alternatives

Consistent with CEQA Guidelines Section 15091 (c), the City of Scotts Valley makes the following findings regarding the alternatives considered in the Final EIR:

1. No Project, No New Development Alternative. The No Project, No New Development alternative would be environmentally superior but meets none of the stated objectives of the project. The No Project, No New Development Alternative would avoid all the environmental impacts of the Plan, although future GHG emissions resulting from existing development within the Town Center would likely also exceed the threshold of carbon neutrality in 2045. However, under this alternative no new housing would be constructed, and the City would not be in compliance with the 2023-2031 RHNA targets contained in the currently adopted Housing Element for the 2023 – 2031 cycle. This

alternative would not accomplish any of the Plan's community benefits. For this reason, the alternative has been rejected.

2. No Project, Existing Plans Alternative. The No Project, Existing Plans alternative would not lessen any of the environmental impacts of the Plan. All significant and unavoidable impacts of the Plan would remain under this alternative, as the 2008 Plan would also result in GHG emissions in 2045 that would exceed the carbon neutrality threshold, and the commercial component of the 2008 Plan would lead to increased traffic generation compared to the proposed Plan, and significant project-level VMT impacts, as well as contributing to significant cumulative VMT impacts. Under this alternative, 254 units allowed under the 2008 Plan would be constructed, and therefore the City would not achieve the 657 units identified in the currently adopted Housing Element for the 2023 – 2031 cycle to be in compliance with the City's 2023-2031 RHNA targets. This alternative would meet a portion of the City's objectives; however, it is not environmentally superior. Therefore, the alternative has been rejected.
3. Residential Land Use Only Alternative. The Residential Land Use Only Alternative would provide the residential development included in the Plan, but it would be implemented such that it would only allow for residential development, and preclude the mixed-use development, commercial development, and civic land uses. Infrastructure improvements, such as roadways, pedestrian and bicycle facilities, and utility improvements would remain as essential elements of the Plan. This alternative would ensure the Plan meets the City's RHNA goals for the 2023 – 2031 housing cycle. Because this alternative would not include commercial development, it would not contribute to a cumulative commercial VMT impact, however, all other environmental impacts under this alternative would be similar to the proposed Plan. This alternative would not meet any of the critical Plan objectives that relate to commercial development or public/quasi-public land uses in the Plan (Objectives 1, 2, 3, 6, and 8). The commercial (and mixed-use) aspects of the Plan are vital to the original purpose of undertaking this planning and environmental review effort; eliminating commercial uses from the Plan results in a Plan that falls short of creating a Town Center and a gathering place. Failing to accomplish Objectives 1, 2, and 3 would represent an ineffective Plan, and therefore this alternative has been rejected, as it is undesirable from a policy perspective as the intent of the Plan is to achieve a balance of land uses and not solely to allow for sufficient housing to help achieve the City's RHNA target for the 2023-2031 housing cycle.

10. Statement of Overriding Considerations

CEQA requires the decision-making agency to balance, as applicable, the economic, legal, social, technological, or other benefits, including region-wide or statewide environmental benefits, of a proposed project against its unavoidable environmental risks when determining whether to approve the project. If the specific economic, legal, social, technological, or other benefits, including region-wide or statewide environmental benefits, of a proposed project outweigh the unavoidable adverse environmental effects, the adverse environmental effects may be considered "acceptable."

When the lead agency approves a project which will result in the occurrence of significant effects which are identified in the Final EIR but are not avoided or substantially lessened, the agency shall state in writing the specific reasons to support its action based on the Final EIR

and/or other information in the record. The statement of overriding considerations shall be supported by substantial evidence in the record (CEQA Guidelines Section 15093).

The City of Scotts Valley concludes that the project's relative benefits outweigh its residual environmental effects for the following reasons:

1. Compliance with Housing Element. The currently adopted Housing Element for the 2023 – 2031 cycle RHNA for the City is 1,220 units. The Housing Element discloses that 657 of the total 1,220 units will be built within the Plan Area. The Plan update would ensure that the City complies with the City's 2023-2031 Housing Element.
2. Economic Benefits to the City of Scotts Valley. The residential and commercial uses anticipated to be developed within the Plan Area would generate significant annual property taxes, and the commercial uses, to a lesser degree, sales tax. These direct economic benefits to the City's annual budget would provide greater opportunity for enhanced City services, programs, and capital improvements. The project would also generate construction jobs and permanent jobs once the commercial uses are developed, providing employment opportunities. The scale of these economic benefits would outweigh the residual environmental effects related to significant GHG emissions in 2045 and contributing to cumulative VMT and GHG impacts.
3. Affordable Housing and Community Benefits. The project as proposed would result in a significant net increase in affordable housing and provide a range of housing opportunities within the City. Per Policy 3-1.2 of the Plan, residential buildout under the Plan would include "a range of new housing, including market-rate and affordable rental and ownership opportunities consistent with the City's 2023-2031 Housing Element and Surplus Lands Act requirements."

EXHIBIT B

City of Scotts Valley Resolution 2081 Mitigation Monitoring Reporting Program For the 2025 Scotts Valley Town Center Specific Plan

RESOLUTION NO. 2081.1

RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SCOTTS VALLEY APPROVING THE 2025 TOWN CENTER SPECIFIC PLAN

WHEREAS, Government Code Section 65300 requires that the City of Scotts Valley ("City") adopt and maintain a General Plan that contains certain mandated elements, describes the City's long-term goals for growth and development, and identifies policies and programs to achieve those goals; and

WHEREAS, pursuant to Government Code Section 65450 et seq., a city may also adopt one or more specific plans to facilitate the implementation of its General Plan; and

WHEREAS, on November 19, 2008, the City Council adopted the Town Center Specific Plan in order to implement the goal of the community to have a Scotts Valley Town Center ("2008 Town Center Specific Plan"); and

WHEREAS, the 2008 Town Center Specific Plan envisioned the development of 275,000 square feet of commercial space, 35,000 square feet of civic space, and 300 residential units;

WHEREAS, on November 16, 2023, the City Council adopted the updated General Plan ("General Plan") to guide future growth in the City's Planning Area which included Action ED-1.1 which called for the 2008 Scotts Valley Town Center Specific Plan to be updated with an appropriate mix of land uses that are supported by a new market and financial feasibility analysis that is economically attractive to investors and developers; and

WHEREAS, on December 7, 2023, the City Council adopted the 2023-2031 Housing Element ("Housing Element") as part of the General Plan; and

WHEREAS, Program H-1.1 of the Housing Element identified the need to update the 2008 Scotts Valley Town Center Specific Plan to allow for residential densities sufficient to accommodate 657 new residential units within the Specific Plan Area; and

WHEREAS, the City hired Good City Company, Urban Field Studio, and David J. Powers and Associates to assist with the development an updated Town Center Specific Plan which met the requirements of Action ED-1.1 of the General Plan, Program H-1.1 of the Housing Element and to meet the market demands in Scotts Valley ("2025 Town Center Specific Plan"); and

WHEREAS, the 2025 Town Center Specific Plan is intended to replace the 2008 Town Center Specific Plan and is a document that creates a vision, policies, and objective design standards to guide new development within the Plan Area in a way that supports existing and new businesses, residents, and the overall community and provides land use regulations, development standards, and design guidelines for new development in the area; and

WHEREAS, the 2025 Town Center Specific Plan will facilitate implementation of the City's General Plan and the Housing Element by providing for up to 657 residential units as specified in the Housing Element, as well as up to 82,000 square feet of commercial uses and up to 35,000 square feet of public/civic uses; and

WHEREAS, pursuant to the California Environmental Quality Act ("CEQA"), the City prepared a Draft Environmental Impact Report ("Draft EIR") (SCH No. 2025050499) for the 2025 Town Center Specific Plan. The Draft EIR was circulated for public review from October 10, 2025 to November 24, 2025. The City has considered and evaluated the comments received on the Draft EIR during the period of public review; and

WHEREAS, the City has prepared and released on December 4, 2025 the Final Environmental Impact Report ("Final EIR") for the 2025 Town Center Specific Plan which incorporates the Draft EIR, contains the City's responses to written comments received on the Draft EIR, and identifies revisions to the Draft EIR; and

WHEREAS, on November 20, 2025, the Planning Commission held a public meeting to accept comments on the Draft EIR and comments and questions on the 2025 Town Center Specific Plan; and

WHEREAS, on December 4, 2025, the Planning Commission held a duly noticed public hearing on the 2025 Town Center Specific Plan and the Final EIR, considered all written and oral reports of City staff, provided opportunities for the public to speak, and considered all comments on the matter as reflected in the record; and

WHEREAS, at that meeting, the Planning Commission recommended that the City Council certify the Final EIR and approve the 2025 Town Center Specific Plan; and

WHEREAS, on December 17, 2025, the City Council held a duly noticed public hearing on the 2025 Town Center Specific Plan and the Final EIR, considered all written and oral reports of City staff, provided opportunities for the public to speak, and considered all comments on the matter as reflected in the record; and

WHEREAS, on December 17, 2025, the City Council approved Resolution No. 2081, certifying the Final EIR and adopting a statement of overriding considerations for the 2025 Town Center Specific Plan.

NOW, THEREFORE, BE IT RESOLVED by the City Council as follows:

SECTION 1: The Recitals set forth above are true and correct and are incorporated into this Resolution by this reference.

SECTION 2: The City Council hereby finds that the 2025 Town Center Specific Plan is consistent with the objectives, policies, general land uses, programs, and actions of all elements of the General Plan based on the following:

The 2025 Town Center Specific Plan is consistent with General Plan Action ED-1.1 which called for the 2008 Scotts Valley Town Center Specific Plan to be updated with an appropriate mix of land uses that are supported by a new market and financial feasibility analysis that is economically attractive to investors and developers. It is also consistent with Housing Element Program H-1.1 which requires the City to update the 2008 Scotts Valley Town Center Specific Plan to allow for residential densities sufficient to accommodate 657 new residential units within the Specific Plan Area.

SECTION 3: The 2025 Town Center Specific Plan is necessary and desirable in order to implement the General Plan as the Specific Plan implements City goals and policies of the General Plan and specifically the Housing Element. The 2025 Town Center Specific Plan plans for housing consistent with Housing Element Program H-1.1 and updates the 2008 Town Center Specific Plan as identified by General Plan Action ED-1.1.

SECTION 4: The City Council hereby finds the 2025 Town Center Specific Plan will promote the public health, safety, and welfare of the City's residents by establishing goals, policies, and actions to guide the development of the Town Center.

SECTION 5: Pursuant to General Plan Policy M-3.10, the City Council hereby finds that a lower level of service (LOS D) is warranted for the project at the Mt. Hermon Kings Village Road/Mt. Hermon Road intersection based on the findings attached hereto as Exhibit A.

SECTION 6: Pursuant to Government Code section 65863, the City Council hereby determines that the 2025 Town Center Specific Plan will result in no net loss to the jurisdictional regional housing need as detailed in Exhibit B attached hereto and incorporated herein.

SECTION 7: The City Council of the City of Scotts Valley does hereby adopt the 2025 Town Center Specific Plan to replace the 2008 Town Center Specific Plan, which shall no longer be of no further force or effect.

The above and foregoing resolution was duly and regularly adopted and passed by the City Council of the City of Scotts Valley on the 17th day of December 2025, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

APPROVED:

Derek Timm, Mayor

ATTEST:

Cathie Simonivich, City Clerk

EXHIBIT A

City of Scotts Valley Resolution No. 2081.1 Finding Regarding Level of Service For the 2025 Scotts Valley Town Center Specific Plan

The City Council hereby finds as follows:

The traffic analysis contained in Appendix C of the 2025 Town Center Specific Plan for the Kings Village Road and Mt Hermon Road intersection indicates that the level of service (LOS) will drop from the existing level C to level D under future cumulative conditions (without improvements);

General Plan Policy M-3.9 requires that, with the exception of Mt. Hermon Road and Scotts Valley Drive, all intersections maintain a LOS C;

General Plan Policy M-3.10 allows the City Council to accept LOS D at any City intersection considering “right-of-way constraints, and the economic feasibility of roadway infrastructure improvements,” concerns which both exist at this location;

General Plan Goal M-2 Complete Streets and its associated policies requires that the Council take into consideration the need “...to maintain a balanced multi-modal transportation network that meets the needs of all local roadway users in a manner that is suitable to the scale and character of Scotts Valley.”

The 2025 Plan contains several required transportation improvements to accommodate additional automobiles, pedestrians, and bicyclists in the Plan Area, in part to alleviate potential future traffic congestion;

City Council must make a finding regarding minimum required LOS in accordance with General Plan Policy M-3.9.

Therefore, the City Council hereby determines that an LOS D at the Kings Village Road/Mt Hermon Road is acceptable given site constraints, the economic feasibility of the improvements, the proposed multimodal transportation opportunities included in the 2025 Specific Plan and the City’s desire to create a walkable, community amenity in the Town Center.

EXHIBIT B

City of Scotts Valley Resolution No. 2081.1 Finding of No Net Loss For the 2025 Scotts Valley Town Center Specific Plan

IMPLEMENTATION OF NO NET LOSS LAW

Pursuant to Government Code section 65863 (No Net Loss Law), a local jurisdiction must ensure that development opportunities remain available throughout the Housing Element planning period to accommodate the jurisdiction's Regional Housing Need Allocation (RHNA). Since the capacity to accommodate the RHNA could change if developments do not align with the capacity anticipated in the Housing Element, a local jurisdiction must constantly monitor entitlement and permitting activities to ensure that there are adequate sites to accommodate the remaining unmet RHNA by each income category at all times.

If a local jurisdiction approves a development on a parcel identified in the Housing Element Sites Inventory with fewer units than shown in the Housing Element at any income category, the jurisdiction must either make findings that the Housing Element's remaining sites have sufficient capacity to accommodate the remaining unmet RHNA by each income category or identify and make available sufficient sites to accommodate the remaining unmet RHNA for each income category.

This document is meant to provide an example of the state-mandated findings that must be made as part of the project approval process.

Explanation of Findings for No Net Loss

Pursuant to California Government Code Section 65863, the City Council finds the following:

HOUSING ELEMENT SITES

Five sites within the Town Center Specific Plan were identified in the Housing Element to accommodate a portion of the regional housing need. The estimated capacity within the Specific Plan was as follows: 497 low-income units, 39 moderate-income units, and 191 above-moderate units for a total of 657 housing units. The proposed Plan update does not reduce the total capacity of the Plan Area below what was projected in the Housing Element; the Housing Element calculated a site capacity of 427 low-/39 moderate-/191 above-moderate income units in the Specific Plan Area, whereas the capacity remaining after the Plan is updated remains the same as is listed in adopted Housing Element, across all income categories.

The minimum and maximum residential densities in the proposed Specific Plan are consistent with the Housing Element, and the remaining sites identified in the Housing Element are adequate to meet the requirements of Government Code Section 65583.2 and to accommodate the City's share of the regional housing need pursuant to Section 65584.

Nonetheless, the remaining sites in the Housing Element inventory are adequate to meet the requirements of Section 65583.2 and to accommodate the RHNA pursuant to Section 65584, based on the following: The Housing Element, adopted on December 19, 2023, requires that the City accommodate 427 low-/39 moderate-/191 above-moderate income units as its share of the regional housing need. If the Specific Plan is approved, the Housing Element Sites

Inventory would still have a capacity for 657 total housing units.

This finding demonstrates the remaining sites in the inventory are adequate to meet the requirements of Government Code Section 65583.2 and to accommodate the remaining share of the regional housing need pursuant to Section 65584. This finding includes a quantification of the remaining unmet need for the City's share of the regional housing need at each income level and the remaining capacity of sites identified in the housing element to accommodate that need by income level.

TOWN CENTER SPECIFIC PLAN AREA

In accordance with Government Code Section 66300, which prohibits a jurisdiction from changing the general plan land use designation, specific plan land use designation, or zoning of a parcel or parcels of property to a less intensive use or reducing the intensity of land use within an existing general plan land use designation, specific plan land use designation, or zoning district in effect at the time of the proposed change below what was allowed under the land use designation or zoning ordinances of the affected county or affected city, as applicable, as in effect on January 1, 2018 unless the city or county concurrently changes the development standards, policies, and conditions applicable to other parcels within the jurisdiction to ensure that there is no net loss in residential capacity. The City conducted a Specific Plan-wide No Net Loss analysis and has determined that the Plan's existing residential zoning capacity is 1,026 total units and with the proposed changes to Specific Plan land use designations and allowed maximum densities, the Plan's updated residential zoning capacity would be substantially higher at 1,905 units. The 2025 Town Center Specific Plan is therefore compliant with Housing Crisis Act of 2019 (§66300).

**City of Scotts Valley
PLANNING COMMISSION
STAFF REPORT**

Date: December 4, 2025

Location: Town Center Specific Plan

Request: Hold public hearing to approve a resolution recommending that Council certify the Final Environmental Impact Report (FEIR) and adopt the 2025 Scotts Valley Town Center Specific Plan (2025 Plan)

Staff Planner: Troy Reinhalter and Akoni Danielsens, Consultants

STAFF RECOMMENDATION

Staff recommends that the Planning Commission:

1. Approve a resolution recommending that the Council certify the Final EIR and adopt the 2025 Town Center Specific Plan.

BACKGROUND

On November 20, 2025, the Planning Commission held a study session to receive public comments on the Draft 2025 Specific Plan and Draft EIR. Tonight's public hearing follows upon this earlier study session, where comments were received from members of the Commission and members of the public. In response to comments received before the study session, at the study session, and after the study session (before this evening's hearing), the City staff recommends a series of changes to the Final Plan and FEIR. These comments and changes are summarized in Table 1 and 3 below.

Summary of 2025 Specific Plan

The purpose of the 2025 Plan is to create a vision, policies, and objective design standards to guide new development within the Plan Area in a way that supports existing and new businesses, residents, and the overall community. The 2025 Plan would manage and direct changes in development patterns within the Plan Area through 2045 and guide present and future land uses, development intensity and scale, urban design, economic development, circulation management and mobility, infrastructure and public services, and community benefits/amenities. To this end, the 2025 Plan includes land use and zoning standards, and comprehensive utility, transportation, and landscaping/plaza/public realm improvements for

the Town Center Plan Area. Following the process laid out in the 2025 Plan (in the Implementation chapter), the City will partner with a developer (or developers) to negotiate a Development Agreement for the Town Center Core parcels that will guide the construction of the buildings, plazas, roads, and other infrastructure necessary to support a walkable Town Center.

Project Description

The 2025 Plan covers a 58-acre area bounded by Mt. Hermon Road, Skypark Drive, Blue Bonnet Lane, and includes commercial areas east of Kings Village Road. The Town Center Core comprises approximately 12 acres of mostly vacant land from the former Skypark Airport.

The 2025 Plan anticipates new development and changes over an approximate 20-year period through 2045. The goal is to create a community-oriented Downtown, with new streets, retail areas, mixed-use and residential developments, and community gathering places. To do so, it would allow for up to 657 residential units as specified in the Housing Element, as well as up to 82,000 square feet of commercial uses and up to 35,000 square feet of public/civic uses. The 2025 Plan distinguishes between the City-owned and controlled lands that make up the “Town Center Core” (where a minimum of 300 housing units will be developed in order to satisfy Surplus Lands Act requirements), and the other surrounding parcels within the 2025 Plan boundary. Differing land use and development standards apply to lands within the Core versus outside of the Core, as well as different review and permitting procedures. Adoption of the 2025 Plan will be followed by adoption of amendments to the City’s General Plan and Zoning Ordinance, which will include changing certain existing land use designations in the Plan Area, creating new zoning district(s), and updating existing or establishing new development standards to replace some of the current zoning provisions applicable to the Plan Area.

DISCUSSION

Comments Received and Changes Made to the Final 2025 Specific Plan

Before, during, and after the November 20, 2025 study session, public comments were received by the City. These comments focused on four topics: allowed land uses as described in Chapter 3 and Appendix A of the Draft Plan, development and objective design standards, minimum parking requirements and associated standards, and the overall land use concept and public circulation network. Comments which resulted in changes to the Final Plan are summarized below, accompanied by the City’s detailed response or change:

Table 1: Draft Plan Comments and Changes

ALLOWED LAND USES, Chapter 3	
Comment	Response/Change
Bars, Tasting Rooms, Taphouses, and Taverns should be allowed by right in MU-N.	Bars, Tasting Rooms, Taphouses, and Taverns will be P (permitted by right) in MU-N, unless operational hours after 10pm are

	proposed, in which case these uses will require a CUP.
Boutique Alcohol Sales Store should be allowed by right in MU-N.	This use will be permitted by right in MU-N.
Medical and Dental Office uses should be more tightly regulated in MU-TC since they may not create the desired ground floor activation.	Change to CUP for medical/dental offices proposed to be located on the ground floor, keep as P (permitted by right) in upper floors in MU-TC.
Ensure that fitness studio use is allowed.	Clarified that yoga/fitness studio is allowed under Commercial Recreation, Small Scale (under 2,500 sq ft). Health and Wellness will be deleted from the use table as it is covered under Commercial Rec, Small.
For laboratories (Restricted R&D), distinguish between small and large labs and allow small labs with a CUP in MU-N.	Clarified that R&D office use is regulated under Office – Research and Development, and the land use table will distinguish between small (less than 5,000 sq ft) and large laboratories. Small labs will be allowed with a CUP in MU-N.
Automobile dealerships should be permitted or CUP in MU-N.	Increase size of permitted vehicle showroom use from 3,000 sq ft to 5,000 sq ft. Dealerships (defined in the use table as “auto and light truck vehicle sales”) will continue to be prohibited.
Concern that existing, legal non-conforming drive-throughs would become illegal non-conforming if operation ceased for longer than six months.	New drive-through uses remain prohibited. New standard to be added to the Plan to clarify that the current zoning limitations on cessation of use will not apply to existing, legal non-conforming drive-throughs; a legal non-conforming drive-through use may be extended for an additional year of non-operation with P.C. approval.
Concern raised about how to proceed with permitting for uses not specifically listed in Chapter 3 table or Appendix A.	Language contained in Appendix A (“The definition or classification of a land use not defined by this Appendix or the Municipal Code is subject to a determination at the discretion of the Director”) shall be copied over to Chapter 3 of the Plan.

Additionally, public comments were submitted requesting changes to the following land uses: restaurants, SROs, hostels, car rental, movie theater, live theater, massage, banks, night clubs, warehousing/logistics, commercial cannabis, outdoor donation box, catering/food prep, and bulk retail sales. No changes are recommended pertaining to these land uses in the 2025 Plan.

DEVELOPMENT AND DESIGN STANDARDS, Chapter 3	
Comment	Response/Change
Proposed maximum building height of 50' seems too high along Mt Hermon Road in MU-TC district.	Added a new setback standard for MU-TC which sets a maximum building height of 40' for 120' deep along Mt Hermon Rd, measured from back of curb.
Proposed maximum Commercial FAR is too low in MU-N.	Maximum Commercial FAR adjusted upwards from 0.85 to 1.25 in MU-N.
Concerns raised that maximum density of 50 du/acre may inhibit desired residential “wrap”	Clarified that density can be moved (aggregated) amongst multiple parcels within

typology in MU-TC.	the same development project in the Plan Area. This aggregation of density does not permit additional building height beyond the maximum limit.
The maximum setback from Kings Village Road in MU-N is too low at 20 feet.	Raised the maximum setback from 20 to 40 feet on Kings Village Road in MU-N.
All minimum setbacks should be 15'-20'. Allowing Future Internal Connections with only an 8' setback is not appropriate.	Clarified that this standard applies to future internal connections within the interior of a parcel, <i>not</i> along an exterior edge.
Garbage Enclosures should be integrated into the individual building design as opposed to freestanding in a parking lot.	Standard to be added to address this comment. Also, a proximity standard will be added for both minimum and maximum distances for exterior garbage bins/enclosures from buildings.
Under Section 3.5.1 Standard #3, reduce the required percentage of storefronts with frontage depth greater than 40' to 40%.	Required percentage of storefronts deeper than 40' will be reduced to 40%, for frontages identified in Figure 3.2.

PARKING REQUIREMENTS AND RELATED STANDARDS, Chapter 3	
Comment	Response/Change
Proposed minimum parking ratios are too low.	• Minimum parking ratio for General Retail increased from 3.5 per 1,000 sq ft to 4.0 per 1,000 sq ft. • New minimum parking ratio for Commercial Recreation, Small Scale added at 4.5 per 1,000 sq ft. Lowered the threshold for Commercial Recreation, Small Scale to 2,500 sq ft (from 3,500 sq ft), compared to Commercial Recreation, Large Scale which requires a CUP. • Minimum parking ratio for Restaurants increased to 10 per 1,000 sq ft for all gross indoor area (not just dining area). • Minimum parking ratio for second-story office use increased to 2.5 from 2 per 1,000 sq ft.
Modifications / tenant improvements to existing buildings without increase in square footage should not be exempt from new Plan standards, if this involves a change of use (to a more intensive parking use).	Clarified that a change in use to a use that has a higher parking requirement will trigger a review process by Planning Department & Planning Commission. In order to provide less parking than required by the minimum ratio for the new use, the applicant would be required to demonstrate that the shared parking district in the Core (or other future shared parking district) contains enough parking for all other existing uses plus the proposed amount of parking for the new use (this exception would be approved by the Planning Commission, based on the above analysis).
Minimum parking requirements should not be counted ("shared") across both off-street lots/garages and on-street spaces.	Clarified that, for the purposes of meeting minimum parking requirements, the shared parking district boundary only applies within/throughout the Core (not outside).

	Shared parking districts may be established elsewhere in the Plan Area, in the future.
Concerns about the parking not functioning adequately for needs of the retailers/tenants in the future Town Center.	Add policy that in the Development Agreement for the Town Center Core, a Master Parking Management Plan will be required to be submitted & approved that includes a semi-regular monitoring program (presented to Council every 2 years). Clarified that the City will ensure that the Core Development Agreement requires Reciprocal Easement Agreements (REA) for Town Center Core parking lots.
There is not enough on-street parking for major Skypark events.	The intent of the Plan is to provide parking for normal uses/activities. Clarified that an angled on-street parking configuration would be permitted on Park Street, if accompanied by regular street trees, distinct paving treatment, and removal of the cycletrack.
Minor exceptions to standards should not include a reduction to minimum parking ratios.	Clarified that a minor exception does not include reduced parking ratios. Reduction of minimum parking ratios will require P.C. approval as per current Zoning Code process.
For Perimeter Parking Lot Landscaping, reduce the required height of mature street trees from 20' down to 15' to improve retail visibility.	The minimum required height of mature street trees in perimeter surface parking lots will be reduced to 15'.
Section 3.6.3 C Item #4 under commercial guidelines should be required instead of voluntary; "where there are multiple adjacent parking lots, they should be designed to have vehicular connectivity, both entries and exits, to adjacent parking lots. At the time of development, the developing property shall offer an easement."	Converted this guideline into a standard, to ensure appropriate connections between adjacent parking lots (new and existing).

LAND USE PROGRAM / CIRCULATION NETWORK, Chapters 2 and 4	
Comment	Response/Change
Questions received about whether and how the Senior Center will be included in the future Town Center development.	Clarified that the City may declare the Senior Center parcel as 'surplus land,' and may be included in the Town Center Core Development Agreement, and/or the City may retain ownership of this parcel (and will likely require that any future housing built here include senior housing and a Senior Center-like facility).
Concerns raised that the slender block between Dollar Tree and Park Street (labeled as "townhomes" on the land use concept diagram Figure 2.3) would be better used for non-residential or parking uses.	Removed this label from the diagram to convey that the land use of this block is flexible (could be retail, mixed-use, shophouse, townhouse, and/or surface parking).
Concerns raised that the future connection shown connecting Park Street to the rear of Dollar Tree should be flexible in its location.	Clarified that the public circulation and land use concept maps are conceptual and the precise alignment of the future

	roadways/pathways may vary to some degree from those shown in the Plan, subject to approval by City Planning Department.
Concern that minimum density standard in new mixed-use districts would require construction of residential units.	Clarified that <i>if</i> a property owner builds residential, a minimum density applies, but residential development is not required for development projects in the mixed-use zones (aside from the Surplus Lands Act requirement that applies in the Core).
Comments were made regarding the adequacy of parking for residential uses.	The expectation is that parking for residential uses will be contained within residential lots/garages and will not be shared with commercial uses. The exact design, quantity, and disposition of residential parking will be reviewed during project-level reviews.

Additional comments were received on the Specific Plan that the City will address and consider at the time of project-level review, as the Town Center Development Agreement or other developments in the Plan Area move forward.

CALIFORNIA ENVIRONMENTAL QUALITY ACT REVIEW (CEQA)

Key Findings

The DEIR identified significant or potentially significant effects associated with the Plan's implementation in the following environmental topics: air quality, biological resources, cultural resources, geology and soils, hazards and hazardous materials, greenhouse gas emissions, noise and vibration, and transportation. The DEIR analyzed 20 environmental subjects, responding to the checklist questions from Appendix G of the CEQA Guidelines to assess impacts for each environmental subject. The impact conclusions are summarized below:

- The DEIR finds no impacts or less than significant impacts through required policies, standards and programs to the following environmental subjects: Aesthetics, Agriculture and Forestry Resources, Energy, Hydrology, Land Use and Planning, Mineral Resources, Population and Housing, Public Services, Recreation, Tribal Cultural Resources, Utilities and Service Systems, and Wildfire.
- The DEIR finds less than significant impacts with mitigation incorporated into the following environmental subjects: Air Quality, Biological Resources, Cultural Resources, Geology and Soils, Hazards and Hazardous Materials, and Noise.
- The DEIR finds that the 2025 Plan would produce significant and unavoidable impacts to Greenhouse Gases, even with mitigation incorporated. The DEIR also finds the 2025 Plan would produce significant and unavoidable cumulative impacts to Transportation.
- The City Council would need to reject the environmentally superior alternative and adopt a statement of overriding considerations, supported by substantial evidence in the record to move forward with the 2025 Plan. These are impacts that are commonly generated by major developments of scale in the Bay Area and the impacts are not related to the Plan's location within the City, i.e., this amount of development occurring elsewhere in the City would result in similar impacts due to the magnitude of development, and it is not unusual for city councils to find that specific economic, legal, social, technological, or other benefits, of a proposed project outweigh the unavoidable

adverse environmental effects.

The FEIR makes no changes to the key impact findings of the DEIR.

Comments Received and Changes Made to Final EIR (FEIR)

The City received 11 written public comments on the Draft Environmental Impact Report, listed in Table 2 below:

Table 2: Written Comments Received on DEIR

Town Center Draft EIR Comments	Agency/Source
Renee Inlow	Public
Byron de Arakal (amended)	Public, TRC (Adjacent Property Owner)
Jessica Sierra, CDFW	Agency – CA Dept. of Fish & Wildlife
Kate Halper	Public
Benjamin Ow and family	Public (Adjacent Property Owner)
Juliana Maggio	Public
Nesh Dhillon, SCCFM	Public, Santa Cruz County Farmer's Market
Ingrid McRoberts	Agency - Caltrans
Santa Cruz YIMBY	Public, SC YIMBY
Corbett Wright	Public (Adjacent Property Owner)
Sue Draper	Public

Comments were also received in person at the Planning Commission study session held on November 20, 2025. Table 3 below summarizes the topics raised through public comments, and the response and/or change (if any) that has been made in Final EIR:

Table 3: Summary of Response to Comments Received on DEIR

Comment Topic	Response in FEIR
Concerns were raised by members of the public around traffic congestion impacts in terms of increased intersection delays (decreased Level of Service).	Noted – CEQA no longer requires LOS impacts to be mitigated per SB 743. Nonetheless, the Plan includes a number of required and optional intersection improvements including lengthened left turn pockets and a new signal on Mt Hermon Road to address potential congestion impacts.
Caltrans asked for mitigations to be identified at SR-17 highway interchange where La Madrona and Mt Hermon Road intersect with the state highway.	Noted - Caltrans may recommend improvements to state highways related to LOS, but they do not have approval authority over local land use projects. Traffic analysis described in Appendix C demonstrates that LOS remains acceptable (C or above) at this intersection and queuing at the southbound SR-17 ramp will not impact highway safety or traffic operations under future cumulative growth conditions. This analysis is attached to the 2025 Plan and not to the DEIR/FEIR.

CDFW requested that additional, updated biological surveys be conducted for the project area and that additional mitigation measures be required of future development projects (with a focus on four local species of concern).	The City confirms that typical biological mitigation measures will be included in the FEIR. The DEIR anticipated that more detailed project-level biological surveys would be completed by future development projects who tier off the programmatic Specific Plan EIR.
Members of the public questioned the adequacy of the potable water system, stormwater system, and public services (such as police and fire) to serve the residential and commercial growth analyzed under the DEIR.	The DEIR determined there are adequate facilities, programs, and/or mitigations in place for Public Services. The DEIR was reviewed closely by the Scotts Valley Water District (SVWD), as well as the state-required Water Supply Assessment (WSA), which was formally adopted by the District's Board.
Santa Cruz YIMBY disputed the number of residential units that should be studied for the 2025 Plan and associated EIR, and suggested that the project should be exempt from CEQA per AB 130/SB 131.	Noted – The Specific Plan and FEIR are legally compliant and consistent with the adopted Housing Element which provides for the development of 657 housing units in the Town Center Specific Plan Area, 300 of which shall be in the Town Center Core. The City affirms that the 2025 Plan and FEIR were completed according to CEQA law pertaining to programmatic efforts. When specific projects are proposed, they will be subject to the applicable CEQA requirements. Furthermore, the DEIR concluded that an alternative with more housing than the 657 units that were studied would not be an environmentally superior option.
Members of the public raised concerns about parking requirements and functionality in the future Town Center.	Noted - Parking is not a CEQA topic. Comments on parking have been addressed above in proposed revisions to the Specific Plan.

PUBLIC NOTICE AND COMMENT

Public hearing notices were sent via email and regular mail to interested parties and posted at City Hall (Planning Department), Scotts Valley Branch Library, and the Senior Center. The FEIR will be circulated publicly for the CEQA-required ten-day review period beginning on December 4, 2025.

NEXT STEPS

The following list describes the intended timeline and upcoming meetings to adopt the 2025 Plan and certify the accompanying EIR:

- A City Council meeting to certify the EIR and adopt the 2025 Plan is scheduled for December 17; and
- Follow-up meetings with the Planning Commission and City Council will be held in early 2026 to consider associated ordinances amending the City's General Plan and updating the Zoning Code to align with the 2025 Plan.

The 2025 Plan and EIR can be accessed on the City's website here: (<https://www.scottsvally.gov/TownCenter>)

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1. Attachment 1: Resolution for Planning Commission Recommending Certification of FEIR and Adoption of 2025 Town Center Specific Plan
2. Attachment 2: Staff Report for November 20, 2025 P.C. Study Session
3. Attachment 3: Public Comments received on the Draft Specific Plan and Draft EIR

RESOLUTION NO. 1809

RESOLUTION OF THE PLANNING COMMISSION RECOMMENDING TO THE CITY COUNCIL CERTIFICATION OF A FINAL ENVIRONMENTAL IMPACT REPORT, ADOPTION OF A STATEMENT OF OVERRIDING CONSIDERATIONS FOR SIGNIFICANT AND UNAVOIDABLE IMPACTS, AND ADOPTION OF THE 2025 TOWN CENTER SPECIFIC PLAN

WHEREAS, Government Code Section 65300 requires that the City of Scotts Valley ("City") adopt and maintain a General Plan that contains certain mandated elements, describes the City's long-term goals for growth and development, and identifies policies and programs to achieve those goals; and

WHEREAS, pursuant to Government Code Section 65450 et seq., a city may also adopt one or more specific plans to facilitate the implementation of its General Plan; and

WHEREAS, on November 19, 2008, the City Council adopted the Town Center Specific Plan in order to implement the goal of the community to have a Scotts Valley Town Center ("2008 Town Center Specific Plan"); and

WHEREAS, the 2008 Town Center Specific Plan envisioned the development of 275,000 square feet of commercial space, 35,000 square feet of civic space, and 300 residential units;

WHEREAS, on November 16, 2023, the City Council adopted the updated General Plan ("General Plan") to guide future growth in the City's Planning Area which included Action ED-1.1 which called for the 2008 Scotts Valley Town Center Specific Plan to be updated with an appropriate mix of land uses that are supported by a new market and financial feasibility analysis that is economically attractive to investors and developers; and

WHEREAS, on December 7, 2023, the City Council adopted the 2023-2031 Housing Element ("Housing Element") as part of the General Plan; and

WHEREAS, Program H-1.1 of the Housing Element identified the need to update the 2008 Scotts Valley Town Center Specific Plan to allow for residential densities sufficient to accommodate 657 new residential units within the Specific Plan Area; and

WHEREAS, the City hired Good City Company, Urban Field Studio, and David J. Powers and Associates to assist with the development an updated Town Center Specific Plan which met the requirements of Action ED-1.1 of the General Plan, Program H-1.1 of the Housing Element and to meet the market demands in Scotts Valley ("2025 Town Center Specific Plan"); and

WHEREAS, the 2025 Town Center Specific Plan is a document that creates a vision, policies, and objective design standards to guide new development within the Plan Area in a way that supports existing and new businesses, residents, and the overall community and provides land use regulations, development standards, and design guidelines for new development in the area; and

WHEREAS, the 2025 Town Center Specific Plan will facilitate implementation of the City's General Plan and the Housing Element by providing for up to 657 residential units as specified in the Housing Element, as well as up to 82,000 square feet of commercial uses and up to 35,000 square feet of public/civic uses; and

WHEREAS, under State law and the Municipal Code, the Planning Commission is charged with reviewing specific plans, and making recommendations to the City Council; and

WHEREAS, pursuant to the California Environmental Quality Act ("CEQA"), the City prepared a Draft Environmental Impact Report ("Draft EIR") (SCH No. 2025050499) for the 2025 Town Center Specific Plan. The Draft EIR was circulated for public review from October 10, 2025 to November 24, 2025. The City has considered and evaluated the comments received on the Draft EIR during the period of public review; and

WHEREAS, the City has prepared and released on December 4, 2025 the Final Environmental Impact Report ("Final EIR") for the 2025 Town Center Specific Plan which incorporates the Draft EIR, contains the City's responses to written comments received on the Draft EIR, and identifies revisions to the Draft EIR; and

WHEREAS, on November 20, 2025, the Planning Commission held a public meeting to accept comments on the Draft EIR and comments and questions on the 2025 Town Center Specific Plan; and

WHEREAS, on December 4, 2025, the Planning Commission held a duly noticed public hearing on the 2025 Town Center Specific Plan and the Final EIR, considered all written and oral reports of City staff, provided opportunities for the public to speak, and considered all comments on the matter as reflected in the record.

NOW, THEREFORE, BE IT RESOLVED by the Planning Commission as follows:

SECTION 1: The Final EIR has been completed in compliance with the requirements of CEQA and the Planning Commission has reviewed and considered the information within the Final EIR.

SECTION 2: The Final EIR represents the independent judgement and analysis of the City.

SECTION 3: The Planning Commission recommends that the City Council certify the Final EIR attached hereto and incorporated herein by this reference based on the findings pursuant to CEQA and the CEQA Guidelines Section 15091, Findings, as described in the Findings of Fact attached hereto as Exhibit A.

SECTION 4: The Planning Commission hereby finds that the 2025 Town Center Specific Plan is consistent with the objectives, policies, general land uses, programs, and actions of all elements of the General Plan based on the following:

The 2025 Town Center Specific Plan is consistent with General Plan Action ED-1.1 which called for the 2008 Scotts Valley Town Center Specific Plan to be updated with an appropriate mix of land uses that are supported by a new market and financial feasibility analysis that is economically attractive to investors and developers. It is also consistent with Housing Element Program H-1.1 which requires the City to update the 2008 Scotts Valley Town Center Specific Plan to allow for residential densities sufficient to accommodate 657 new residential units within the Specific Plan Area.

SECTION 5: The 2025 Town Center Specific Plan is necessary and desirable in order to implement the General Plan as the Specific Plan implements City goals and policies of the General Plan and specifically the Housing Element. The 2025 Town Center Specific Plan plans for housing consistent with Housing Element Program H-1.1 and updates the 2008 Town Center Specific Plan as identified by General Plan Action ED-1.1.

SECTION 6: The Planning Commission hereby finds the 2025 Town Center Specific Plan will promote the public health, safety, and welfare of the City's residents by establishing goals, policies, and actions to guide the development of the Town Center.

BE IT FURTHER RESOLVED that the Planning Commission recommends that the City Council: (1) Certify the Final EIR, (2) Adopt a Statement of Overriding Considerations, and (3) Adopt the 2025 Town Center Specific Plan.

The above and foregoing resolution was duly and regularly adopted and passed by the Planning Commission of the City of Scotts Valley at a special meeting held on the 4th day of December 2025, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

Chuck Maffia, Vice Chair

Taylor Bateman, Community Development Director

EXHIBIT A

City of Scotts Valley Draft Findings Required Under the California Environmental Quality Act (Public Resources Code Section 21000 et seq.) For the 2025 Scotts Valley Town Center Specific Plan

1. Introduction

A public agency may not approve or carry out a project for which an EIR has been certified that identifies one or more significant environmental effects, unless the public agency makes one or more written findings for each of those significant effects. Each finding must be accompanied by a brief explanation of the rationale for each finding (CEQA Guidelines Section 15091).

The City of Scotts Valley (City) prepared a Final Environmental Impact Report (EIR) for the proposed 2025 Scotts Valley Town Center Specific Plan (Plan) in December 2025.

The Plan envisions the Town Center as the “Heart of the City,” consistent with the broader community goal of establishing a vibrant town center. To fulfill this vision, the Plan is proposed to allow a blend of commercial and residential spaces, which would be complemented by existing amenities, including a library, community theater, movie theater, Senior Center, and Community Center, and future amenities including outdoor dining and public open spaces that encourage community gathering. The Plan includes land use, zoning, and comprehensive utility, transportation, and landscaping/public realm improvements.

The Plan anticipates new development and changes in land use over an approximate 20-year period through 2045, and would allow for up to 657 residential units (consistent with the City’s Housing Element), up to 82,000 square feet of commercial uses, and up to 35,000 square feet of public/civic uses.

The Plan will establish land use designations and zoning for the Plan area as described in the Final EIR Project Description. Therefore, the Plan will require adoption of various amendments to the City’s General Plan and Zoning Ordinance, changing certain existing land use designations in the Plan area, creating new zoning districts, and updating existing or establishing new development standards to replace some of the current zoning provisions applicable to the Plan area. These amendments would be completed to ensure consistency between the Plan, the General Plan, and the Zoning Ordinance.

The Plan may be implemented over time and in a phased approach. Due to the unique characteristics of this project, specific details regarding phasing boundaries, timing, and specific details will be determined by the Project Applicant(s) or their designee(s) in response to market demand, rapidly changing mobility technology, availability of financing, and other factors as part of the development review process for individual development projects.

If phased development occurs, development of the future phases could occur in one phase or could be in multiple future phases. Development of the future phases would include construction of the remaining square footage of development as allowed under this Plan, in addition to any associated infrastructure, parking, and landscaping and open space, subject to subsequent development approval and adherence to Plan development standards and design guidelines.

The Findings and Statement of Overriding Considerations set forth below (Findings) are presented for consideration by the Planning Commission and adoption by the City Council as the City's independent findings under the California Environmental Quality Act (CEQA) (Public Resources Code Section 21000 et seq.) and the CEQA Guidelines (California Code of Regulations, Title 14, Section 15000 et seq.).

The Findings provide the written explanation, evidence, reasoning and conclusions of the City regarding the project's environmental impacts, mitigation measures, alternatives, and the overriding considerations, which in the City's judgement, justify approval of 2025 Scotts Valley Town Center Specific Plan despite residual environmental effects.

2. Record of Proceedings and Custodian of Record

For purposes of CEQA and the findings set forth herein, the record of proceedings for the City of Scotts Valley's findings and determinations consist of the following documents and testimony as compiled for the project:

- The Notice of Preparation (NOP), comments received on the NOP, comments received at the public scoping meeting, and all other public notices issued by the City.
- Draft EIR, associated appendices to the Draft EIR, and technical materials cited in the Draft EIR.
- Final EIR, including comment letters, responses to comments, errata and technical materials cited in the Final EIR.
- Staff reports associated with Planning Commission and City Council hearings on the project.
- Those categories of materials identified in Public Resources Code Section 21167.6, which establishes the contents for the record of proceedings.

The City is the custodian of the administrative record. The documents and materials that constitute the administrative record are available for review at the City of Scotts Valley Planning Department, 1 Civic Center Drive, Scotts Valley, CA 95066.

3. Severability

If any term, provision, or portion of these Findings or the application of these Findings to a particular situation is held by a court to be invalid, void, or unenforceable, the remaining provisions of these Findings, or their application to other actions related to the project, shall continue in full force and effect unless amended or modified by the City.

4. Findings for Significant Impacts that Can Be Avoided or Reduced to a Less Than Significant Level with Implementation of Mitigation Measures

Impact AQ-1: Without application of appropriate control measures to reduce construction dust and exhaust, construction period impacts at the program level would be considered a significant impact.

Finding: Changes or alterations, as identified in Mitigation Measure (MM) AQ-1.1, have been required in, or incorporated into, the project which avoid or substantially lessen the significant environmental effect as identified in the Final EIR.

Rationale/Evidence: Mitigation Measure (MM) AQ-1.1 requires that individual projects built out under the Plan quantify construction criteria pollutants and toxic air contaminants (TACs). Once those details are available, individual projects would undergo modeling to identify impacts and, if necessary, future projects would include measures to reduce emissions below the applicable Monterey Bay Air Resources District construction thresholds. Reduction

measures could include various methods as outlined in the Final EIR and would help to lower construction criteria pollutants and TACs. By reducing construction period emissions, this potentially significant impact would be effectively mitigated. Projects whose construction period emissions exceeded applicable thresholds despite the application of mitigation are not covered by this resolution of findings, would require supplemental environmental review, including the evaluation of alternative(s) that avoided or reduced the project's significant construction emissions, and the adoption of findings specific to that individual project.

Impact AQ-2: Significant Toxic Air Contaminants (TAC) emission exposure could occur under Plan buildout.

Finding: Changes or alterations have been required in, or incorporated into, the project, i.e. Section 3.5 Performance Standards of the Plan, which avoid or substantially lessen the significant environmental effect as identified in the Final EIR.

Rationale/Evidence: Implementation of Section 3.5 (Performance Standards) of the Plan would reduce on-site diesel exhaust emissions and reduce construction health risk impacts by requiring projects of two acres or greater and lasting more than one year within 1,000 feet of existing sensitive receptors or worker receptors as defined by the Monterey Bay Air Resources District (MBARD) to utilize Tier 4 engines. This performance standard would be applied to development under the Plan as applicable and would effectively mitigate these potential risks below applicable MBARD thresholds.

Impact BIO-1: The Plan buildout could impact habitats within the Plan area that may contain special status species.

Finding: Changes or alterations have been required in, or incorporated into, the project, i.e. future projects implementing the Plan would implement General Plan Policy OSC-1.16, requiring site-specific surveys and appropriate mitigation when special status species are present, which avoid or substantially lessen the significant environmental effect as identified in the Final EIR.

Rationale/Evidence: General Plan Policy OSC-1.16 requires buildout of the Plan in the following habitat types; vernal moist grassland, mixed woodland, annual grassland, and ruderal to prepare site-specific surveys prior to development. Land mapped as containing turf or developed habitat would not require a survey due to the low possibility of native species or rare/endangered wildlife. This policy would be effective because it requires developments under the Plan to mitigate any potential impacts to such species as recommended by the biologist completing the survey, and as required by the applicable wildlife agency with jurisdiction, thus minimizing any potential impacts to special status species.

Impact BIO-2: Build out of the Plan could result in the loss of fertile eggs, nesting raptors or other migratory birds, or nest abandonment.

Finding: Changes or alterations have been required in, or incorporated into, the project, in particular Mitigation Measure MM BIO-2.1, which avoid or substantially lessen the significant environmental effect as identified in the Final EIR.

Rationale/Evidence: Mitigation Measure MM BIO-2.1 requires that all on-site tree removal, demolition and grading occur outside the nesting and breeding season to avoid nest disturbance within existing urban trees. As an alternative, if construction during the nesting season cannot be avoided, the applicant may conduct bird surveys and establish buffer zones around nests, if identified on site. These measures would be effective by directly avoiding potential effects on nesting birds or by protecting nesting birds with the oversight of a professional biologist. MM BIO-2.1 has been made a requirement of future individual projects implementing the Plan to provide a rational and enforceable program of impact avoidance.

Impact BIO 3: Future demolition activities and tree removal under the Plan could result in direct physical disturbance of any roosting bats that may be present, possibly resulting in injury or mortality, as well as the loss of roosting sites.

Finding: Changes or alterations have been required in, or incorporated into, the project, in particular Mitigation Measures MM BIO-3.1 through MM BIO-3.4, which avoid or substantially lessen the significant environmental effect as identified in the Final EIR.

Rationale/Evidence: MM BIO-3.1 requires future development under the plan to conduct a bat habitat survey assessment to identify all trees on-site that could support roosting bats. A preconstruction visual survey of all trees that were determined to provide potential roosting habitat will be conducted as described in the Final EIR.

MM BIO-3.2 requires a two-step removal process for trees identified as currently supporting roosting bats or to remove trees that were determined to provide potential habitat but could not be adequately visually surveyed during the preconstruction survey. MM BIO-3.2 would ensure that these trees are made less attractive for bats via tree trimming, then the following day the tree would be removed. This measure would encourage any roosting bats to vacate the tree. This measure would minimize the risks that tree removal presents to bats.

For trees that cannot be adequately surveyed during the preconstruction survey, MM BIO-3.3 requires that a qualified biologist conduct a nighttime emergence survey during the volant season to determine if bats are present. If bats are present, and it is maternity season, further investigation must determine if a maternity colony is roosting in the tree. If bats are found and it is outside of maternity season, then the process described in MM BIO-3.2 would be followed.

As per MM BIO-3.4, if a maternity colony or overwintering colony is identified on the site, then a construction-free buffer shall be established around the tree(s) until the colony is determined to be no longer active. Tree removal shall occur between March 1 and April 14 or between August 16 and October 15, utilizing the two-step removal method to avoid interfering with an active nursery and/or overwintering bats.

The above measures are enforceable, as determined by the City and a qualified biologist, and would reduce the impacts to roosting bats to a less than significant level.

Impact BIO 4: Future development projects under the Plan could place fill into jurisdictional waters.

Finding: Changes or alterations have been required in, or incorporated into, the project which avoid or substantially lessen the significant environmental effect as identified in the Final EIR.

Rationale/Evidence: General Plan policy OSC-1.18 requires that all future development applications are required to submit a biological study where an initial site inventory indicates the presence of potential for wetland species or indicators. The study shall contain a delineation of all wetland areas. This General Plan policy is enforceable and would effectively ensure that impacts to jurisdictional waters are offset by requiring development applicants to identify wetland areas and obtain permits from regulatory agencies and those regulatory permits would include adequate mitigation to reduce impacts to wetlands to less than significant levels.

Impact CUL-1: Future development projects under the Plan could indirectly or directly impact known and unknown historic buildings and structures by removing historic buildings and structures, or altering the setting for historic properties.

Finding: Changes or alterations have been required in, or incorporated into, the project which avoid or substantially lessen the significant environmental effect as identified in the Final EIR.

Rationale/Evidence: General Plan Policy OSC-4.7 ensures other options are taken into account before resources are destroyed as it prohibits the destruction of designated historical resources without prior public hearing and consideration of alternatives. MM CUL-1.1 and MM CUL-1.2 provide specific directions to prepare a historic resources evaluation for structures over 50 years old and to make sure that a qualified architectural historian documents the building if a significant historic building or structure is proposed for major renovation or alteration. These mitigation measures would effectively ensure that structures are evaluated and a historical structure would be recorded if it were to be renovated or altered. In the event a future individual project implementing the Plan would propose demolition or otherwise represents a substantial adverse change in the significance of a historic resource, supplemental environmental review would be required, including the evaluation of preservation alternatives, and would not be covered by these findings.

Impact CUL-2: Future development projects under the Plan could inadvertently discover unknown archaeological resources during construction.

Finding: Changes or alterations have been required in, or incorporated into, the project which avoid or substantially lessen the significant environmental effect as identified in the Final EIR.

Rationale/Evidence: MM CUL 2.1 directs applicants to have a qualified archaeologist prepare a Worker Environmental Awareness Program (WEAP) prior to demolition and grading. MM CUL 2.2 and MM CUL 2.3 provide specific direction to the archaeological monitor and property owner in the event that archaeological resources are discovered during the construction process. These measures would be effective because they require halting construction, establishing setbacks, avoiding resources and contacting a qualified archaeologist to assess the find, and, if determined significant, preparation of a treatment plan including data recovery. Data recovery will include excavation and exposure of features, field documentation, and recordation. These measures ensure the appropriate treatment of buried cultural resources encountered during construction.

Impact GEO-1: Future construction activities could disturb paleontological resources, if present.

Finding: Changes or alterations have been required in, or incorporated into, the project which avoid or substantially lessen the significant environmental effect as identified in the Final EIR.

Rationale/Evidence: Mitigation Measure MM GEO-1.1 requires that if a fossil is found during construction, then excavation shall halt until the find can be examined by a qualified paleontologist. The measure directs applicants to include a standard inadvertent discovery clause on the construction plans. This measure would ensure that any finds are assessed by a qualified paleontologist and, if necessary, a paleontological treatment plan will be prepared. Treatment may include preparation and recovery of fossil materials so that they can be housed in an appropriate museum or university collection and may also include preparation of a report for publication describing the finds. MM GEO-1.1 would ensure appropriate documentation and treatment of any uncovered paleontological resources.

Impact HAZ-1: Future development within the Plan could encounter and disturb contaminated soil, soil vapor, and groundwater, and result in adverse effects on construction workers, existing residents and employees, and nearby sensitive receptors.

Finding: Changes or alterations have been required in, or incorporated into, the project which avoid or substantially lessen the significant environmental effect as identified in the Final EIR.

Rationale/Evidence: General Plan Policy SN-4.9 ensures that the City will continue to administer through the County Comprehensive Hazardous Materials Program, pursuant to Chapter 6.95 of the California Health and Safety Code. General Plan policy SN-4.11 requires the mitigation of hazard exposure from new development projects through the environmental review process, design criteria, and standards development, and SN-4.12 requires that site assessments for hazardous and toxic soil contamination be conducted prior to approving development applications as necessary.

Mitigation Measure MM HAZ-1.1 ensures that General Plan Policy SN-4.12 is implemented for all developments under the Plan. Under MM HAZ 1.1, all developments under the Plan would be required to have a qualified environmental consultant prepare a Phase 1 ESA unless the Community Development Director determined the site had been adequately evaluated in a prior Phase I ESA. If determined necessary based on the findings of the Phase 1 ESA, future development would be required to complete additional testing and/or reports. Mitigation for future projects will be implemented as deemed necessary by the required ESAs to mitigate the risk of hazardous materials being released into the environment. MM HAZ-1.1 would ensure that future development under the Plan does not create a significant hazard to the public or the environment through the disturbance of contaminated soil, soil vapor, and groundwater.

Impact NOI-1: Future construction associated with development under the Plan could result in temporary construction noise impacts.

Finding: Changes or alterations have been required in, or incorporated into, the project which avoid or substantially lessen the significant environmental effect as identified in the Final EIR.

Rationale/Evidence: General Plan Policies SN-7.15 and SN-7.16 would reduce noise during the construction process by managing construction noise, including requiring preparation of a Noise Reduction Plan when construction activity occurs near sensitive land uses. MM NOI-1.1 requires the applicant to include various noise reduction measures as part of all grading and building construction plans that range from limiting the time each day and days of the week of construction activity to locating staging areas and construction material areas as far away as possible from adjacent land uses, prohibiting all unnecessary idling of internal combustion engines, and designating a “disturbance coordinator” who would be responsible for responding to any local complaints about construction noise. Construction noise can be effectively addressed through construction timing, equipment maintenance, and placement of equipment. The above mitigation measures are enforceable, as determined by the City and the City’s noise consultant, and would be included in future projects’ construction documents. Temporary construction noise impacts of future development under the Plan would be reduced to a less than significant level with the implementation of these General Plan policies and MM NOI-1.1.

Impact NOI-2: Future development under the Plan could result in a significant permanent noise level increase.

Finding: Changes or alterations have been required in, or incorporated into, the project which avoid or substantially lessen the significant environmental effect as identified in the Final EIR.

Rationale/Evidence: General Plan Policies SN-7.5, SN-7.7, SN-7.9, and SN-7.17 would all help to minimize potential operational noise. Policy SN-7.5 requires preparation of noise studies for projects with the potential to generate substantial noise. Per the Policies SN-7.7 and SN-7.9, a qualified acoustical consultant would be retained to review mechanical equipment systems and project-specific operations during final design of all proposed development under the Plan. Policy SN-7.17 limits truck traffic in residential and commercial areas to designated truck routes. These measures are effective because they would help to

minimize operational noise under the Plan via noise studies, the use of truck routes, noise attenuation techniques, and acoustical engineering analysis.

Impact NOI-3: Ground-borne vibration levels generated by construction activities for development under the Plan exceeding the conservative 0.3 in/sec PPV limit for conventional offsite buildings would have the potential to result in a significant vibration impact.

Finding: Changes or alterations have been required in, or incorporated into, the project which avoid or substantially lessen the significant environmental effect as identified in the Final EIR.

Rationale/Evidence: Mitigation Measure MM NOI-3.1 requires that a construction vibration control plan be prepared when construction vibration has the potential to damage nearby structures. The plan shall identify necessary construction vibration controls to reduce the potential of cosmetic damage to buildings and to minimize annoyance. This measure would be effective because it gives developments under the Plan various ways to reduce construction vibration levels to a less than significant level.

5. Findings for Significant Impacts that Cannot Be Avoided or Reduced to a Less Than Significant Level (Significant and Unavoidable Effects)

Impact GHG-1: Buildout under the Plan would result in approximately 15,533 MT of CO₂e annually and would not meet the State's goal of carbon neutrality by 2045.

Finding: Specific economic, legal, social, technological or other considerations make additional mitigation measures or alternatives infeasible.

Rationale/Evidence: Mitigation Measure MM GHG-1.1 would require that future development 1) avoid the construction of natural gas connections for residential buildings as feasible, 2) meet CALGreen Building Standards Code requirements and include electric vehicle charging infrastructure that meets current Building Code CALGreen Tier 2 compliance, and 3) Reduce VMT per service population by 15 percent over regional average or screen out based on the *Analyzing Vehicle Miles Traveled for CEQA Compliance SB 743 Implementation Guidelines for the City of Scotts Valley*. Implementation of these measures would help reduce GHG emissions, however not to the point of carbon neutrality.

MM GHG-1.2 requires projects that include natural gas to enter an agreement with the City to offset their project's GHG emissions.

The Plan would allow for growth within the region that would generate net new GHG emissions, such as vehicles on roadways which consume gasoline. Both the implementation of Mitigation Measures MM GHG-1.1 and MM GHG-1.2 would reduce GHG emissions resulting from buildout under the Plan, however, not to the point of carbon neutrality. No feasible policies or measures within the City's control as lead agency would reduce the Plan GHG emissions sufficiently to achieve carbon neutrality by 2045. As described in the Final EIR, there is no current pathway for the Plan, based on the mechanisms currently available to the City, to achieve carbon neutrality by 2045. In order to achieve carbon neutrality by 2045, policies must be implemented at the state and federal level, which is outside of the City's control.

Therefore, even with implementation of the mitigation measures described above, buildout under the Plan would not achieve carbon neutrality by 2045, in conflict with state GHG reductions goals, and result in a significant and unavoidable GHG impact. Please see Statement of Overriding Considerations below.

Impact TRAN-1: Buildout of the Plan would contribute to a significant cumulative VMT impact for commercial land uses.

Finding: Specific economic, legal, social, technological or other considerations make additional mitigation measures or alternatives infeasible.

Rationale/Evidence: While the General Plan includes policies and programs designed to reduce VMT to a reasonable extent, such as Policy M-3.1, M-3.18, and M-3.19, impacts associated with implementation of the General Plan would not be reduced to less than significant due to the increased development, new roadways, and increased use of the City's and regional transportation system and therefore the General Plan EIR concluded a significant and unavoidable cumulative impact. All land use components under Plan buildout would meet the City's screening criteria so future development projects implementing the Plan would result in a less than significant VMT impact on an individual project level.

However, the Plan as a whole when considered within the cumulative environment of General Plan buildout within the City would contribute to the VMT impact disclosed in the General Plan EIR due to its incorporation of commercial land uses. Therefore, the buildout of the Plan would contribute to a significant cumulative VMT impact.

Please see Statement of Overriding Considerations below.

6. Findings for Significant Cumulative Effects

The Final EIR discusses the project's potential cumulative effects consistent with CEQA Guidelines Section 15130. This discussion considers the project's incremental contribution to potentially significant impacts when combined with other past, present and/or probably future projects within relevant geographic limits. Impact TRAN-1 discloses that the plan would contribute to a significant VMT impact. However, on an individual project level development under the Plan would result in a less than significant VMT impact. The Plan would also contribute to cumulative GHG impacts in 2045 by not achieving carbon neutrality.

7. Findings Regarding Significant Irreversible Environmental Changes Which Would be Caused by the Project Should it be Implemented

Section 15126.2(d) of the State CEQA Guidelines requires an EIR for certain projects to discuss the significant irreversible environmental changes that would result from implementation of a proposed project. This discussion focuses on the commitment or use of nonrenewable resources during project construction and operation.

Construction of the proposed project would require the commitment of a variety of non-renewable or slowly renewable natural resources such as lumber and other forest products, sand and gravel, asphalt, petrochemicals, and metals. The City of Scotts Valley finds such commitments insignificant for the following reasons:

1. The project is located in a developed urban area and will not convert prime agricultural land, preclude access to mineral resources, or otherwise commit ongoing or large quantities of nonrenewable resources (through removal or nonuse).
2. None of the resources required for construction are unique, rare or in danger of being depleted by the project.
3. Use of defined water resources would not deplete or threaten existing supplies of surface or groundwater resources.
4. The project does not include components (such as a highway that provides access to a previously inaccessible area) that would lead to associated secondary impacts or commit future generations to such irreversible changes.

5. The project would not lead to irreversible damage from environmental accidents because the proposed residential, commercial, mixed-use, public, and quasi-public land uses do not present such risks.

8. Findings Regarding Potential Growth Inducing Effects

CEQA defines a project as growth inducing if it “could foster economic or population growth, or the construction of additional housing either directly or indirectly, in the surrounding environment”. Similarly, under CEQA, a project would indirectly induce growth if it would remove an obstacle to additional growth and development, such as removing a constraint on a required public service. Increases in population could tax existing community service facilities, requiring construction of new facilities that could cause significant environmental effects.

The City of Scotts Valley finds the following regarding the project’s potential growth inducing effects:

The Plan is an “infill” project, meaning that the Plan area is within the City’s existing boundaries, already served by existing infrastructure, and planned for urban uses. The City adopted the General Plan on November 29, 2023. The development projections in the General Plan included buildout capacity for the Plan area, with the exception of the amount of housing proposed in the Plan. The purpose of the Plan is to create a vision, policies, and objectives standards to guide new development within the Plan area in a way that supports existing and new businesses, residents, and the overall community. The Plan anticipates new development and change over an approximate 20-year period through 2045. Specifically, the Plan would allow for 657 residential units, 82,000 square feet of commercial land uses, 35,000 square feet of public/quasi-public land use, and 88,663 square feet of park improvements. The 657 residential units in the Plan were accounted for in the Housing Element and their environmental impacts, in combination with the implementation of the other Plan land uses, are analyzed in this document.

There are no undeveloped areas adjacent or in the immediate vicinity of the Plan area and the Plan would not remove any obstacles that would help facilitate additional growth that could significantly affect the physical environment. The Plan would add local serving roadways to enhance circulation in the Plan area. The Plan does not include the expansion of existing infrastructure that would facilitate growth in the Plan area beyond what is accounted for in this analysis or other areas of the City. Therefore, the Plan would not result in growth-inducing impacts beyond what was envisioned in the City’s General Plan.

9. Findings Regarding Project Alternatives

Consistent with CEQA Guidelines Section 15091 (c), the City of Scotts Valley makes the following findings regarding the alternatives considered in the Final EIR:

1. No Project, No New Development Alternative. The No Project, No New Development alternative would be environmentally superior but meets none of the stated objectives of the project. The No Project, No New Development Alternative would avoid all the environmental impacts of the Plan, although future GHG emissions resulting from existing development within the Town Center would likely also exceed the threshold of carbon neutrality in 2045. However, under this alternative no new housing would be constructed, and the City would not be in compliance with the 2023-2031 RHNA targets contained in the currently adopted Housing Element for the 2023 – 2031 cycle. This

alternative would not accomplish any of the Plan's community benefits. For this reason, the alternative has been rejected.

2. No Project, Existing Plans Alternative. The No Project, Existing Plans alternative would not lessen any of the environmental impacts of the Plan. All significant and unavoidable impacts of the Plan would remain under this alternative, as the 2008 Plan would also result in GHG emissions in 2045 that would exceed the carbon neutrality threshold, and the commercial component of the 2008 Plan would lead to increased traffic generation compared to the proposed Plan, and significant project-level VMT impacts, as well as contributing to significant cumulative VMT impacts. Under this alternative, 254 units allowed under the 2008 Plan would be constructed, and therefore the City would not achieve the 657 units identified in the currently adopted Housing Element for the 2023 – 2031 cycle to be in compliance with the City's 2023-2031 RHNA targets. This alternative would meet a portion of the City's objectives; however, it is not environmentally superior. Therefore, the alternative has been rejected.
3. Residential Land Use Only Alternative. The Residential Land Use Only Alternative would provide the residential development included in the Plan, but it would be implemented such that it would only allow for residential development, and preclude the mixed-use development, commercial development, and civic land uses. Infrastructure improvements, such as roadways, pedestrian and bicycle facilities, and utility improvements would remain as essential elements of the Plan. This alternative would ensure the Plan meets the City's RHNA goals for the 2023 – 2031 housing cycle. Because this alternative would not include commercial development, it would not contribute to a cumulative commercial VMT impact, however, all other environmental impacts under this alternative would be similar to the proposed Plan. This alternative would not meet any of the critical Plan objectives that relate to commercial development or public/quasi-public land uses in the Plan (Objectives 1, 2, 3, 6, and 8). The commercial (and mixed-use) aspects of the Plan are vital to the original purpose of undertaking this planning and environmental review effort; eliminating commercial uses from the Plan results in a Plan that falls short of creating a Town Center and a gathering place. Failing to accomplish Objectives 1, 2, and 3 would represent an ineffective Plan, and therefore this alternative has been rejected, as it is undesirable from a policy perspective as the intent of the Plan is to achieve a balance of land uses and not solely to allow for sufficient housing to help achieve the City's RHNA target for the 2023-2031 housing cycle.

10. Statement of Overriding Considerations

CEQA requires the decision-making agency to balance, as applicable, the economic, legal, social, technological, or other benefits, including region-wide or statewide environmental benefits, of a proposed project against its unavoidable environmental risks when determining whether to approve the project. If the specific economic, legal, social, technological, or other benefits, including region-wide or statewide environmental benefits, of a proposed project outweigh the unavoidable adverse environmental effects, the adverse environmental effects may be considered "acceptable."

When the lead agency approves a project which will result in the occurrence of significant effects which are identified in the Final EIR but are not avoided or substantially lessened, the agency shall state in writing the specific reasons to support its action based on the Final EIR

and/or other information in the record. The statement of overriding considerations shall be supported by substantial evidence in the record (CEQA Guidelines Section 15093).

The City of Scotts Valley concludes that the project's relative benefits outweigh its residual environmental effects for the following reasons:

1. Compliance with Housing Element. The currently adopted Housing Element for the 2023 – 2031 cycle RHNA for the City is 1,220 units. The Housing Element discloses that 657 of the total 1,220 units will be built within the Plan Area. The Plan update would ensure that the City complies with the City's 2023-2031 Housing Element.
2. Economic Benefits to the City of Scotts Valley. The residential and commercial uses anticipated to be developed within the Plan Area would generate significant annual property taxes, and the commercial uses, to a lesser degree, sales tax. These direct economic benefits to the City's annual budget would provide greater opportunity for enhanced City services, programs, and capital improvements. The project would also generate construction jobs and permanent jobs once the commercial uses are developed, providing employment opportunities. The scale of these economic benefits would outweigh the residual environmental effects related to significant GHG emissions in 2045 and contributing to cumulative VMT and GHG impacts.
3. Affordable Housing and Community Benefits. The project as proposed would result in a significant net increase in affordable housing and provide a range of housing opportunities within the City. Per Policy 3-1.2 of the Plan, residential buildout under the Plan would include "a range of new housing, including market-rate and affordable rental and ownership opportunities consistent with the City's 2023-2031 Housing Element and Surplus Lands Act requirements."

**City of Scotts Valley
PLANNING COMMISSION
STAFF REPORT**

Date: November 20, 2025

Location: Town Center Specific Plan

Request: Hold study session to provide input and comments on the Public Draft 2025 Scotts Valley Town Center Specific Plan (2025 Plan) and Draft Environmental Impact Report (DEIR)

Staff Planner: Troy Reinhalter and Akoni Danielsen, Consultants

STAFF RECOMMENDATION

Staff recommends that the Planning Commission:

1. Receive public comments on the 2025 Plan and the DEIR; and,
2. Provide comments and questions on the 2025 Plan and DEIR.

BACKGROUND

For decades, the City of Scotts Valley has pursued a dream to build a Town Center on the vacant land formerly occupied by the Skypark Airport. During this time, several developers have looked at the site, conducted charrette exercises, and ultimately walked away from the project. In 2008, the City adopted the original Town Center Specific Plan based around a vision dominated by new commercial and civic uses. In the almost two decades that have passed since that original Plan was adopted, several changes have necessitated that a new Plan be developed. This Draft 2025 Town Center Specific Plan ("2025 Plan") is responsive to these factors, including:

- Market forces favoring housing over commercial development.
- Changes in retail markets to favor small format, experiential restaurants and shops.
- The Surplus Lands Act requiring mixed-use projects on government owned 'surplus' land to include a minimum of 300 housing units.
- The City's adoption of its 2023-2031 Housing Element which requires the City to update its zoning to accommodate 657 housing units in the Town Center Specific Plan Area.
- The growing need for more diverse and affordable housing opportunities in the area.
- Surrounding development of Skypark, the Hangar, library and community theater, and the desire for a Plan that ties these elements together.

In addition, since 2022, the City has taken a proactive approach to removing barriers that prevented the Town Center from being developed in the past. These efforts include:

- Acquiring eight acres of vacant land from the City of Santa Cruz to assemble the full, contiguous 12+ acres of the “Town Center Core” area under City of Scotts Valley ownership.
- Surface level environmental clean-up on these vacant Core parcels resulting in a closed case with County Environmental Health.
- Conducting an updated retail analysis and engagement with a consultant to identify potential commercial tenants.
- Securing \$1,000,000 in Federal funding to assist with the acquisition of the Santa Cruz-owned land (the former airport).
- Conducting extensive community and stakeholder outreach to develop a modern preferred vision that emphasizes human scale connectivity and a walkable retail-supportive environment.
- Hiring consultants specialized in architecture, planning, and real estate development with a background working for private developers to ensure the updated vision is buildable in today’s market and economy.

The purpose of the 2025 Plan is to create a vision, policies, and objective design standards to guide new development within the Plan Area in a way that supports existing and new businesses, residents, and the overall community. The 2025 Plan would manage and direct changes in development patterns within the Plan Area through 2045 and guide present and future land uses, development intensity and scale, urban design, economic development, circulation management and mobility, infrastructure and public services, and community benefits/amenities. Following the process laid out in the 2025 Plan (in the Implementation chapter), the City will partner with a developer (or developers) to negotiate a Development Agreement for the Town Center Core parcels that will guide the construction of the buildings, plazas, roads, and other infrastructure necessary to support a walkable Town Center.

General Plan and Housing Element Context

In November 2023, the City adopted the updated Scotts Valley General Plan, which will guide development within the City through 2045. The General Plan included Action ED-1.1 which called for the 2008 Scotts Valley Town Center Specific Plan to be updated with an appropriate mix of land uses that are supported by a new market and financial feasibility analysis that is economically attractive to investors and developers.

In December 2023, the City adopted the Scotts Valley 6th Cycle Housing Element, covering years 2023 – 2031. Program H-1.1 of the Housing Element identified the need to update the 2008 Scotts Valley Town Center Specific Plan to allow for residential densities sufficient to accommodate 657 new residential units within the Plan Area. These units would satisfy a significant portion of the 1,220 total housing units allocated to the City through the Regional Housing Needs Allocation (RHNA) process. The Housing Element requires that the 2008 Scotts Valley Town Center Specific Plan be updated by December 2025 to allow densities that enable development of the number of residential units specified through RHNA.

Project Description

The 2025 Plan covers a 58-acre area bounded by Mt. Hermon Road, Skypark Drive, Blue Bonnet Lane, and includes commercial areas east of Kings Village Road. The Town Center Core comprises mostly vacant land from the former Skypark Airport.

The project (the 2025 Plan) anticipates new development and changes over an approximate 20-year period through 2045. The goal is to create a community-oriented Downtown, with new streets, retail areas, residential developments, and community gathering places. To do so, it would allow for up to 657 residential units as specified in the Housing Element, as well as up to 82,000 square feet of commercial uses and up to 35,000 square feet of public/civic uses. The 2025 Plan distinguishes between the City-owned and controlled lands that make up the “Town Center Core” (where a minimum of 300 housing units will be developed in order to satisfy Surplus Lands Act requirements), and the other surrounding parcels within the 2025 Plan boundary. Differing land use and development standards apply to lands within the Core versus outside of the Core, as well as different review and permitting procedures. The 2025 Plan will be followed by adoption of amendments to the City’s General Plan and Zoning Ordinance, which will include changing certain existing land use designations in the Plan Area, creating new zoning district(s), and updating existing or establishing new development standards to replace some of the current zoning provisions applicable to the Plan Area.

The 2025 Plan includes land use and zoning standards, and comprehensive utility, transportation, and landscaping/plaza/public realm improvements for the Town Center. The 2025 Plan includes:

- Land use definitions which have been updated and expanded to reflect current market conditions and contemporary zoning approaches;
- Updated design and development standards to reflect the new Preferred Vision, including Objective Development Standards (ODS) applicable to new residential development as prescribed by State Law;
- Streetscape design standards for Complete Streets that accommodate pedestrians, bicyclists, vehicles, and parking;
- Traffic and utilities improvements necessary to implement the Plan supported by technical analyses including a Water Supply Assessment (WSA) as required by State Law; and
- Implementation actions to provide direction towards the development of the Town Center.

Implementation Process

As described above, the City owns several parcels which collectively comprise the “Town Center Core.” The boundary for the Town Center Core area is shown below and contains five whole parcels (with APNs 022-721-07, 022-721-08, 022-721-09, 022-601-01, 022-212-19), and portions of others (APN 022-721-02 and a public right-of-way). In accordance with the Surplus Lands Act, after adoption of the 2025 Plan, the City will declare these parcels

exempt surplus land, prepare an RFP for these City-owned parcels and select a developer to partner with on the construction of the Town Center Core horizontal development (roads, utilities, streetscape amenities, and parks/open spaces) and vertical development (commercial, mixed-use, and residential buildings). The RFP will lay out the City's requirements for land use (including ground-floor retail, public open space, and at least 300 residential units including a minimum percentage of affordable units), public streets, streetscape and public plaza improvements, provisions related to parking, and civil utility improvements. The City shall specify an allowed amount of time for responses, and upon close of RFP, shall select a preferred developer. After initial selection, according to Surplus Lands Act policies, the City will negotiate with the selected developer for at least 90 days to negotiate the lease or sale of the Town Center Core parcels with the selected developer. This process will ensure a timely implementation of new development in the Core area.

Figure 6-1 in Chapter 6 of the 2025 Plan identifies the parcels that constitute the Town Center Core (outlined in red), as well as several others that could be added depending on the interest of the property owners and/or the developer that will be selected (shown with a red hatch):



DISCUSSION

2025 Specific Plan Overview

The 2025 Plan is organized into the following chapters:

- Chapter 1 (Introduction) contains background on the project setting and details the purpose and authority of the Specific Plan.
- Chapter 2 (Community Vision and Principles) describes and illustrates the community's vision for the Plan Area and the community engagement process that occurred through the planning effort.
- Chapter 3 (Land Use, Development, and Objective Design Standards) outlines the allowable uses in the Plan Area and the development standards and guidelines for future construction.
- Chapter 4 (Circulation and the Public Realm) deals with the circulation pattern throughout the Plan Area for all transportation modes, including walking and biking. The Plan emphasizes pedestrian circulation, consolidated parking, and a connection to surrounding uses. This chapter also includes street sections depicting the required street improvements in the Area, and describes public realm, landscaping, and streetscape policies and standards for the Town Center.
- Chapter 5 – Reserved chapter for Plan updates or additional material if needed in the future.
- Chapter 6 (Implementation) explains the requisite physical and programmatic improvements needed to assist with implementing the Town Center Specific Plan and ensure that its objectives are completed effectively. Provides a blueprint for the necessary transportation, public open space, water, sanitary sewer, storm drain, and dry utility/power infrastructure improvements for the Town Center. Also describes potential funding opportunities and financing strategies for improvements recommended by this Plan.

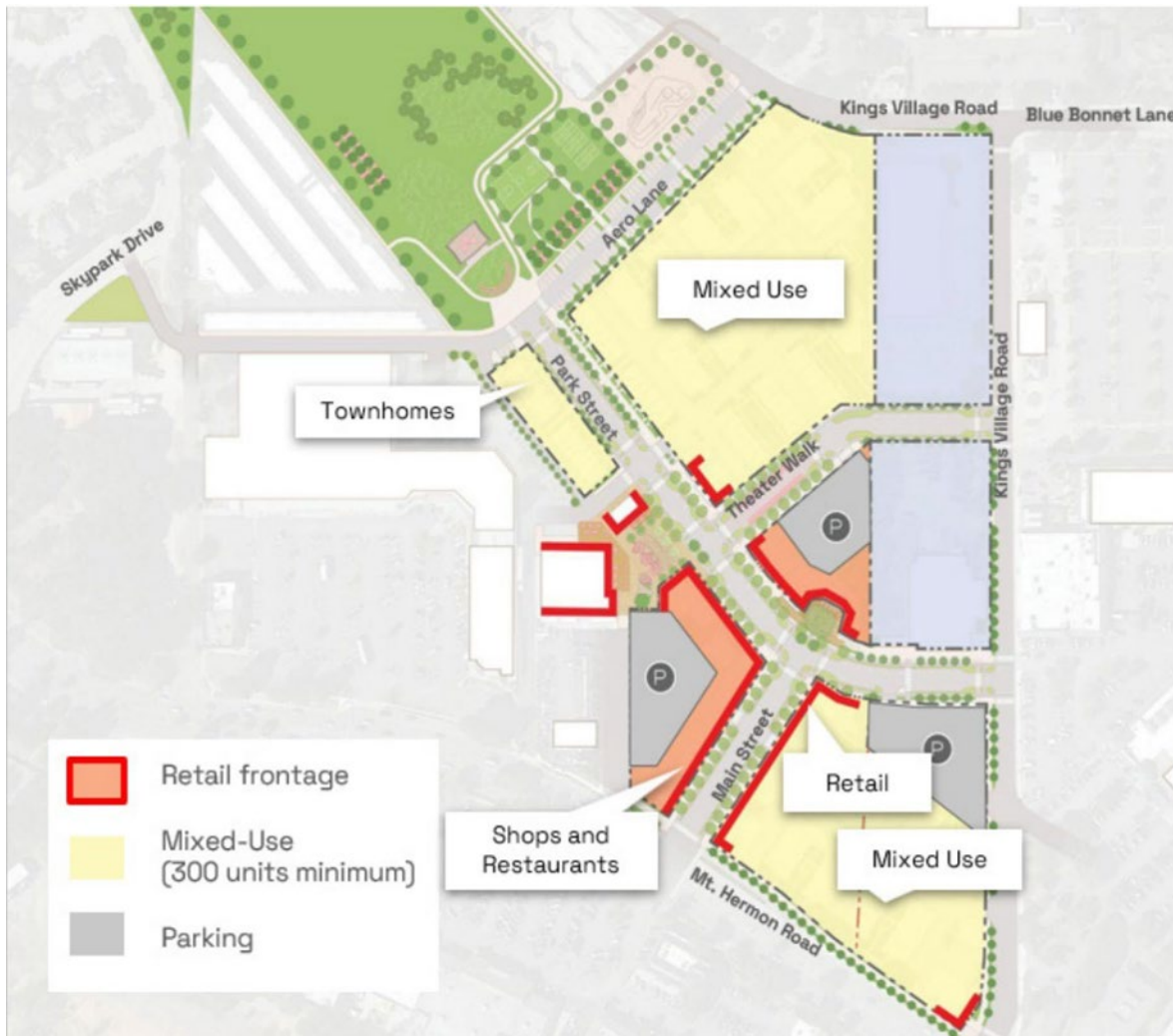
The 2025 Plan includes three appendices containing further background and underlying analyses:

- Appendix A defines each of the allowed land uses in the Specific Plan (per Chapter 3 Table 3-1).
- Appendix B provides a summary of the study of market conditions for future retail development.
- Appendix C analyzes the existing and future traffic operations from a Level of Service (LOS) perspective.

Chapter 2: Community Vision & Principles

Chapter 2 establishes the community's overarching vision and guiding principles for creating a vibrant, pedestrian-oriented downtown that functions as the "Heart of the City." The chapter describes the desired outcome of a mixed-use Town Center that integrates retail, dining, housing, civic uses, and public gathering spaces within a connected and walkable environment. It identifies design objectives and strategies focused on promoting economic vitality, high-quality architecture, diverse housing options, multimodal circulation, and phased, market-feasible implementation. Figure 2.3 in Chapter 2 (shown below) illustrates

the Preferred Conceptual Vision for the Town Center Core:



This chapter also summarizes the public engagement process that informed development of the updated Plan, including community pop-ups, an open house, online surveys, stakeholder interviews, and Council Subcommittee meetings.

Chapter 3: Land Use and Development Standards

Chapter 3 establishes the regulatory framework to guide development within the Plan Area, providing land use designations, development standards, and objective design standards. The chapter defines land use goals and policies that promote mixed-use development, community connectivity, economic vitality, design quality, and sustainable building practices.

Land Use and Zoning Designations

Two new land use designations/zones would be created to allow mixed-use development:

- Mixed Use – Town Center (MU-TC), shown in dark purple. This land use designation applies to all five of the vacant, City-owned parcels that comprised the former Skypark Airport, as well as two parcels south of the Post Office. This land use designation is intended to support a pedestrian-friendly mixture of shopping, dining, health and wellness, and residential uses that become a destination at the heart of

Scotts Valley. It accommodates standalone retail, standalone residential, or mixed-use configurations. The ground floors of buildings fronting certain key street segments in the Town Center Core (Main Street, portions of Park Street and Mt Hermon Road) would be required to contain and provide visibility, access and active frontages to support retail and commercial uses.

- Mixed Use – Neighborhood (MU-N), shown in light purple. This land use designation applies to the existing shopping centers in the Plan Area (Target and Nob Hill) as well as the properties containing the mini-storage business, the Cavallero Transit Center, and the vacant land at the corner of Skypark Drive and Mt Hermon Road. It is intended to accommodate the ongoing operations of existing shopping centers while also guiding the potential future redevelopment of these uses into a more mixed and walkable built environment. This land use designation allows standalone retail or office, standalone residential, or mixed-use configurations. Compared to the Town Center, MU-N allows larger commercial uses, and development standards in MU-N permit a somewhat more suburban character compared to the Town Center.

Figure 3.1 in Chapter 3 (shown below) shows the proposed land use designations for the parcels within the Plan Area. Land Use tables are attached to this staff report (in Attachment 1) comparing the land uses permitted under current zoning regulations to the proposed land use regulations in the updated Specific Plan. See Table 3.2 in the draft Plan for details on the allowed densities within each zone (50 du/acre in the MU-TC and 32 du/acre in MU-N).



Existing developments (such as the movie theater, the Scotts Village Shopping Center, and the Cavallaro Transit Center) could expand their existing uses and increase development intensity under the 2025 Plan, or be redeveloped with newly allowed uses. The allocation of future development would be determined by project-specific applications and approvals but would not exceed the total land use buildout evaluated in the EIR.

Development and Design Standards

There are detailed standards governing height, setbacks, floor area ratios, parking, active frontages, and open space. Objective design standards address building form, massing, circulation, landscaping, lighting, and frontage design to ensure high-quality, human-scaled development consistent with State housing laws and local design expectations. Collectively, these provisions provide a predictable and implementable framework for achieving the Town Center's intended character and functionality. Proposed heights are similar to those allowed under the 2008 Specific Plan – see Table 3.3 in the draft Plan for more detail on allowed heights.

Chapter 4: Circulation

Chapter 4 establishes the circulation and public realm framework that will guide the design and function of streets, sidewalks, and public spaces throughout the Plan Area. The chapter defines the Town Center's multimodal circulation system, emphasizing safe, walkable, and interconnected streets that accommodate all modes of travel while reinforcing the area's pedestrian-oriented character. It identifies key street types and provides detailed standards for cross-sections, block lengths, connectivity, and access. Figure 4-2 in Chapter 4 (shown below) illustrates the Public Circulation Network:



Core Circulation Streets

At the heart of the Town Center is a compact, interconnected street network designed to attract and prioritize pedestrians, support multimodal access, and promote vibrant public spaces. The three primary “core circulation streets” — Main Street, Park Street, and Theater Walk — work together to structure the district, define its urban character, and connect its key destinations:

- **Main Street.** Main Street is the front door to the Town Center. It should be designed for slower traffic and include wide sidewalks, street trees, and active storefronts. Outdoor dining and public gathering should be supported through generous pedestrian zones and curb extensions. The preferred design for Main Street is 36 feet from curb-to-curb with two travel lanes and two parking lanes, with a total public ROW width of 63 feet including public sidewalks.
- **Park Street.** Intersecting most of the Town Center Streets, Park Street is the primary spine for the Town Center. Park Street links Skypark to Kings Village Road with Hangar Square and Tower Point plazas. These connections, combined with destination public spaces make this street the social center of the City. Park Street

should be designed for occasional street closures and events, with a strong pedestrian orientation. Park Street may be suitable for traffic calming elements. Park Street will be framed by mixed-use buildings and key public plazas. The preferred design for Park Street is 36 feet from curb-to-curb with two travel lanes and two parking lanes, plus a protected bicycle lane or “cycle track” on either side of the landscape zone for a total public ROW width of 76 feet including public sidewalks. An alternative design for Park Street is the section described above for Main Street. Sidewalks on Park Street shall be at least 13 feet wide to offer a pleasant strolling and shopping experience.

- **Theater Walk.** This narrower corridor should be lined with a mix of retail and residential frontage and provide space for outdoor seating. The preferred design for Theater Walk is a shared-surface or curbless design, where the roadway is at the same grade (elevation) as the landscaping and sidewalks/pedestrian zones, which would be highly adaptable for closures, public events, and civic life. The public right-of-way width for Theater Walk is 57 feet.

Figures 4.3 - 4.5 in Chapter 4 of the Specific Plan provide typical street section diagrams for the three core circulation streets.

Beyond the Core Streets, an additional street, Aero Lane, is a planned new local connector that frames the southern edge of Skypark, offering low-speed, park-adjacent access for residents and trail users. Aero Lane is designed with perpendicular parking spaces to support use of Skypark as well as provide additional overflow parking for the nearby Town Center shops and restaurants.

Required Roadway Improvements

The 2025 Plan specifies a new signalized intersection at Main Street and Mt. Hermon Road, which serves as the primary gateway into the Town Center from the regional road network. The intersection would align with an existing driveway access to the Safeway/CVS shopping center across Mt. Hermon Road. This intersection will clearly signal arrival into the Town Center, with design strategies such as high-visibility crosswalks, special paving or signage, and landscape treatments that frame the approach. It will be the most visible point of entry for visitors arriving by vehicle, on foot, or bike, and should reflect the Town Center’s identity and quality of place.

Optional Roadway Improvements

The 2025 Plan also describes optional future roadway improvements at the Kings Village Road / Mt. Hermon Road intersection to incorporate an additional left turn lane along southbound Kings Village Road turning onto Mt. Hermon Road. The decision whether and when to implement this improvement will be made by the City Council as part of the negotiation or approval of the Development Agreement and during the review/approval of the Planned Development permit process for the Town Center Core.

Pedestrian and Bicycle Improvements

Chapter 3 includes comprehensive pedestrian and bicycle improvement strategies designed to establish an all-ages-and-abilities active transportation network throughout the Town Center. The Plan requires continuous sidewalks on both sides of all streets, pedestrian

paseos on long blocks, and wide sidewalks with shade trees, furnishings, and outdoor seating to encourage walking and social interaction.

Bicycle infrastructure is integrated into every street type, including protected cycle tracks along Park Street, shared Class III routes on Theater Walk, and buffered lanes connecting to Skypark, Kings Village Road, and Mt. Hermon Road. These facilities are coordinated with the City's Active Transportation Plan to ensure connectivity to regional bikeways and transit.

Public Open Space Concept

Chapter 3 establishes a comprehensive framework for publicly accessible open spaces designed to create a vibrant and cohesive public realm that supports community gathering, recreation, and civic identity.

The Plan identifies two key public plazas – Tower Point Plaza and Hangar Square – as signature destinations within the Town Center. Tower Point Plaza serves as a welcoming gateway and visual landmark, featuring a viewing tower inspired by Scotts Valley's aviation history, event space, and shaded seating. Hangar Square, adjacent to "The Hangar" retail development, is envisioned as the City's main public plaza, accommodating outdoor dining, and family-friendly amenities such as interactive art or water features. Both spaces are required to incorporate shade, furnishings, lighting, and active building frontages to ensure year-round usability and safety.

Beyond the two key plazas, the 2025 Plan outlines standards for publicly accessible open space within the Town Center Core (MU-TC zone) and the surrounding parcels within the Plan Area (MU-N zone), requiring minimum plaza sizes (measured by square footage), tree canopy coverage, accessibility, and visibility from public rights-of-way. All public open spaces must include seating, landscaping, and a mix of sun and shade.

The chapter also calls for strong connections to Skypark, encouraging shared programming such as concerts, farmers markets, and outdoor events to reinforce the Town Center's role as the civic heart of Scotts Valley. The Plan also suggests improvements to Skypark, particularly where it interfaces with the town center, though such planning would be done as a separate effort from the Specific Plan.

Chapter 6: Implementation

Chapter 6 outlines the framework for implementing the City's vision for the Town Center through coordinated public and private actions. It establishes the administrative, permitting, and development review procedures for projects within the Plan Area, including specific processes for both the City-owned Town Center Core parcels and for privately owned sites.

The chapter details the steps for preparing and negotiating a Development Agreement with a master developer, identifies phasing and infrastructure requirements, and provides an Implementation Action Plan with short- and long-term priorities. The chapter further specifies capital improvements related to circulation, utilities, and public spaces, along with associated timing and responsible parties.

Finally, the chapter presents potential funding mechanisms to support infrastructure and public realm investments. These include an Enhanced Infrastructure Financing District (EIFD), development agreements, and state and federal grants. Collectively, these measures ensure the orderly, feasible, and timely realization of the Town Center consistent with the community's adopted goals and policies.

CALIFORNIA ENVIRONMENTAL QUALITY ACT REVIEW (CEQA)

CEQA Process

CEQA is the State's primary environmental protection and disclosure law and requires that public agencies disclose when a project that would have a physical change on the environment will result in significant environmental impacts. CEQA requires the lead public agency to identify ways to avoid or reduce potential impacts through mitigation measures or alternatives. It does not mandate that projects with significant impacts cannot be approved, but rather that environmental impacts be disclosed, avoided or mitigated where possible, and when impacts are unavoidably significant, that they are considered in the decision-making process, and that the decision-makers go on record with their reason(s) for approving the project despite the significant environmental impacts that would result.

EIR Process Undertaken

CEQA's primary mechanism for analyzing the environmental impacts of a project is the preparation of an Environmental Impact Report (EIR), which is the type of document that was prepared for the 2025 Plan. The EIR is the most extensive, thorough level of environmental review available, and the process which provides for the most public review and participation.

The EIR:

- Discloses information about the effects a project could have on the environment, but NOT that the environment could have on the project.
- Identifies mitigation measures to reduce significant impacts.
- Describes feasible alternatives to the proposed project that are designed to reduce any environmental impacts while achieving identified project objectives.
- The EIR must be certified prior to approval of the Town Center Update.

It is important to note that the information contained in the EIR does not approve or deny a project or a plan, its purpose is to provide information regarding the project's impacts.

Key Findings

The DEIR identified significant or potentially significant effects associated with the Plan's implementation in the following environmental topics: air quality, biological resources, cultural resources, geology and soils, hazards and hazardous materials, greenhouse gas emissions, noise and vibration, and transportation. The DEIR analyzed 20 environmental subjects, responding to the checklist questions from Appendix G of the CEQA Guidelines to assess impacts for each environmental subject. The impact conclusions are summarized below:

- The DEIR finds no impacts or less than significant impacts through required policies, standards and programs to the following environmental subjects: Aesthetics, Agriculture and Forestry Resources, Energy, Hydrology, Land Use and Planning, Mineral Resources, Population and Housing, Public Services, Recreation, Tribal Cultural Resources, Utilities and Service Systems, and Wildfire.
- The DEIR finds less than significant impacts with mitigation incorporated into the following environmental subjects: Air Quality, Biological Resources, Cultural Resources, Geology and Soils, Hazards and Hazardous Materials, and Noise.
- The DEIR finds that the 2025 Plan would produce significant and unavoidable impacts to Greenhouse Gases, even with mitigation incorporated. The DEIR also finds the 2025 Plan would produce significant and unavoidable cumulative impacts to Transportation.
- The City Council would need to reject the environmentally superior alternative and adopt a statement of overriding considerations, supported by substantial evidence in the record to move forward with the 2025 Plan. These are impacts that are commonly generated by major developments of scale in the Bay Area and the impacts are not related to the Plan's location within the City, i.e., this amount of development occurring elsewhere in the City would result in similar impacts due to the magnitude of development, and it is not unusual for city councils to find that specific economic, legal, social, technological, or other benefits, of a proposed project outweigh the unavoidable adverse environmental effects.

PUBLIC NOTICE AND COMMENT

Copies of the DEIR and public hearing notices were posted at City Hall (Planning Department), Scotts Valley Branch Library, and the Senior Center. Written comments for this DEIR will be accepted during the public review period from October 10, 2025, to November 24, 2025. Written comments should be submitted to City of Scotts Valley Planning Department, for the attention of Taylor Bateman (planningdepartment@scottsvally.gov).

NEXT STEPS

The following list describes the intended timeline and upcoming meetings to adopt the 2025 Plan and certify the accompanying DEIR:

- The public comment period for the DEIR closes on November 24;
- A Planning Commission meeting to provide a recommendation on the 2025 Plan and the EIR is tentatively scheduled for December 4;
- A City Council meeting to consider adoption of the 2025 Plan and certification of the EIR is tentatively scheduled for December 17;
- Follow-up meetings with the Planning Commission and City Council will be held in January 2026 to consider associated ordinances amending the City's General Plan and updating the Zoning Code to align with the 2025 Plan.

TABLE OF CONTENTS

1. Attachment 1: Allowed Land Use Comparison Table
2. Attachment 2: Draft 2025 Specific Plan (<https://www.scottsvally.gov/525/The-Town-Center>)

3. Attachment 3: Public Draft EIR (<https://www.scottsvally.gov/525/The-Town-Center>)

California Department of Transportation

CALTRANS DISTRICT 5
50 HIGUERA STREET | SAN LUIS OBISPO, CA 93401-5415
(805) 549-3101 | FAX (805) 549-3329 TTY 711
www.dot.ca.gov



November 24, 2025

SCH #2025050499
SCR-17-4.096

Taylor Bateman, Community Development Director
City of Scotts Valley
1 Civic Center Drive
Scotts Valley, CA 95066

Dear Taylor Bateman:

The California Department of Transportation (Caltrans) appreciates the opportunity to review the Draft Environmental Impact Report (DEIR) dated October 2025, for the 2025 Scotts Valley Town Center Specific Plan (Plan). The Plan area consists of approximately 58-acres within the City and allows for up to 657 residential units (consistent with the City's 2023-2031 Housing Element); up to 82,000 square feet of commercial uses; and up to 35,000 square feet of public/civic uses. Caltrans offers the following comments in response to the DEIR:

General Comments:

- Caltrans supports local development that is consistent with State planning priorities intended to promote equity, strengthen the economy, protect the environment, and promote public health and safety. We accomplish this by working with local jurisdictions to achieve a shared vision of how the transportation system should and can accommodate interregional and local travel and development. Projects supporting smart growth principles, including improvements to pedestrian, bicycle, and transit infrastructure (or other key Transportation Demand Strategies) are supported by Caltrans and are consistent with our mission, vision, and goals.

Traffic Operations and Safety:

- The State Route (SR) 17 and Mt. Hermon Road interchange does not appear to have been included in the DEIR. The additional 657 residential units and additional commercial and public uses will most likely impact this interchange.
- Please indicate how the impacts on the regional transportation network will be mitigated to address safety and operational concerns.

- Any mitigation measures and conditions of approval related to the State Highway System (SHS) should be coordinated with Caltrans. Please contact Caltrans for early coordination.

System Planning:

- The Scotts Valley Transit Center is located within the Specific Plan area and the proposed improvements should encourage further usage of that facility.
- Mt. Hermon Road interchange at SR 17 would be the primary egress for this facility. Please coordinate with Caltrans on any impacts to the SHS.

Permits:

- Please be aware that if any future work is completed in the State's right-of-way it will require an encroachment permit from Caltrans and must be done to our engineering and environmental standards, and at no cost to the State. The conditions of approval and the requirements for the encroachment permit are issued at the sole discretion of the Permits Office, and nothing in this letter shall be implied as limiting those future conditions and requirements. For more information regarding the encroachment permit process, please visit our Encroachment Permit Website at: <https://dot.ca.gov/programs/traffic-operations/ep>.

Thank you for the opportunity to review and comment on the proposed project. We look forward to continued coordination with the City on this effort. If you have any questions, or need further clarification on items discussed above, please contact me at (805) 835-6555 or Ingrid.Mcroberts@dot.ca.gov

Sincerely,

Ingrid McRoberts

Ingrid McRoberts
Development Review Coordinator
District 5, LDR North Branch



State of California – Natural Resources Agency
 DEPARTMENT OF FISH AND WILDLIFE
 Bay Delta Region
 2825 Cordelia Road, Suite 100
 Fairfield, CA 94534
 (707) 428-2002
www.wildlife.ca.gov

GAVIN NEWSOM, Governor
CHARLTON H. BONHAM, Director



November 18, 2025

Taylor Bateman, Community Development Director
 City of Scotts Valley
 1 Civic Center Drive
 Scotts Valley, CA, 95066
Planningdepartment@scottsvalley.gov

Subject: 2025 Scotts Valley Town Center Specific Plan, Draft Environmental Impact Report, SCH No. 2025050499, City of Scotts Valley, Santa Cruz County

Dear Taylor Bateman:

The California Department of Fish and Wildlife (CDFW) received a Notice of Availability of a Draft Environmental Impact Report (EIR) from the City of Scotts Valley (City) for the 2025 Scotts Valley Town Center Specific Plan (Project) pursuant the California Environmental Quality Act (CEQA) and CEQA Guidelines.¹ CDFW previously submitted comments in response to the Notice of Preparation of the draft EIR.

Thank you for the opportunity to provide comments and recommendations regarding those activities involved in the Project that may affect California fish and wildlife. Likewise, we appreciate the opportunity to provide comments regarding those aspects of the Project that CDFW, by law, may be required to carry out or approve through the exercise of its own regulatory authority under the Fish and Game Code.

CDFW ROLE

CDFW is California's **Trustee Agency** for fish and wildlife resources and holds those resources in trust by statute for all the people of the State. (Fish & G. Code, §§ 711.7, subd. (a) & 1802; Pub. Resources Code, § 21070; CEQA Guidelines § 15386, subd. (a).) CDFW, in its trustee capacity, has jurisdiction over the conservation, protection, and management of fish, wildlife, native plants, and habitat necessary for biologically sustainable populations of those species. (*Id.*, § 1802.) Similarly, for purposes of CEQA, CDFW is charged by law to provide, as available, biological expertise during public agency environmental review efforts, focusing specifically on projects and related activities that have the potential to adversely affect fish and wildlife resources.

CDFW is also submitting comments as a **Responsible Agency** under CEQA. (Pub. Resources Code, § 21069; CEQA Guidelines, § 15381.) CDFW expects that it may need to exercise regulatory authority as provided by the Fish and Game Code. As

¹ CEQA is codified in the California Public Resources Code in section 21000 et seq. The "CEQA Guidelines" are found in Title 14 of the California Code of Regulations, commencing with section 15000.

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proposed, for example, the Project may be subject to CDFW's Lake and Streambed Alteration (LSA) regulatory authority. (Fish & G. Code, § 1600 et seq.) Likewise, to the extent implementation of the Project as proposed may result in "take" as defined by State law of any species protected under the California Endangered Species Act (CESA) (Fish & G. Code, § 2050 et seq.), the project proponent may seek related take authorization as provided by the Fish and Game Code.

REGULATORY REQUIREMENTS

California Endangered Species Act

A CESA Incidental Take Permit (ITP) must be obtained from CDFW if the Project has the potential to result in "take" of plants or animals listed under CESA, either during construction or over the life of the Project. Under CESA, "take" means "hunt, pursue, catch, capture, or kill, or attempt to hunt, pursue, catch, capture, or kill." (Fish & G. Code, § 86). CDFW's issuance of an ITP is subject to CEQA and to facilitate permit issuance, any project modifications and mitigation measures must be incorporated into the CEQA document analysis, discussion, and mitigation monitoring and reporting program. If the Project will impact CESA listed species, early consultation is encouraged, as significant modification to the Project and mitigation measures may be required in order to obtain a CESA Permit.

CEQA requires a mandatory finding of significance if a project is likely to substantially impact threatened or endangered species. (Pub. Resources Code, §§ 21001, subd. (c) & 21083; CEQA Guidelines, §§ 15380, 15064 & 15065.) In addition, pursuant to CEQA, the Lead Agency cannot approve a project unless all impacts to the environment are avoided or mitigated to less-than-significant levels, or the Lead Agency makes and supports Findings of Overriding Consideration (FOC) for impacts that remain significant despite the implementation of all feasible mitigation. FOC under CEQA, however, do not eliminate the Project proponent's obligation to comply with the Fish and Game Code.

Lake and Streambed Alteration

CDFW requires an LSA Notification, pursuant to Fish and Game Code section 1600 et seq., for Project activities affecting rivers, lakes or streams and associated riparian habitat. Notification is required for any activity that may substantially divert or obstruct the natural flow; change or use material from the bed, channel, or bank (including associated riparian or wetland resources); or deposit or dispose of material where it may pass into a river, lake, or stream. Work within ephemeral streams, drainage ditches, washes, watercourses with a subsurface flow, and floodplains is generally subject to notification requirements. In addition, infrastructure installed beneath such aquatic features, such as through hydraulic directional drilling, is also generally subject to notification requirements. Therefore, any impact to the mainstems, tributaries, or

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floodplains or associated riparian habitat caused by the proposed Project will likely require an LSA Notification. CDFW may not execute a final LSA Agreement until it has considered the final EIR and complied with its responsibilities as a responsible agency under CEQA.

Migratory Birds and Raptors

CDFW has authority over actions that may result in the disturbance or destruction of active bird nest sites or the unauthorized take of birds. Fish and Game Code sections protecting birds, their eggs, and nests include section 3503 (regarding unlawful take, possession, or needless destruction of the nests or eggs of any bird), section 3503.5 (regarding the take, possession, or destruction of any birds-of-prey or their nests or eggs), and section 3513 (regarding unlawful take of any migratory nongame bird). Migratory birds are also protected under the federal Migratory Bird Treaty Act.

PROJECT DESCRIPTION SUMMARY

Proponent: City of Scotts Valley

Objective: The objective of the Project is to create a vision, policies, and objective standards to guide new development within the Scotts Valley Town Center Specific Plan area (Plan area) in a way that supports existing and new businesses, residents, and the overall community. The Project will allow for up to 657 residential units, up to 82,000 square feet of commercial uses, and up to 35,000 square feet of public/civic uses. The Project will include adoption of amendments to the City's General Plan and Zoning Ordinance, changing certain existing land use designations in the Plan Area, creating new zoning districts, and updating existing or establishing new development standards to replace some of the current zoning provisions applicable to the Plan Area. Primary Project activities include demolition of existing commercial buildings and construction of residential and commercial buildings within the Plan area.

Location: The Project is located in the City of Scotts Valley in southeast portion of Skypark, which is now a public park and open space. The Plan area is roughly bound by Blue Bonnet Lane and Kings Village Road to the north, an existing residential neighborhood (Hidden Oaks Condominiums) to the east, Mt. Hermon Road to the south, Skypark Drive to the west, and Skypark to the northwest.

Timeframe: 2045

COMMENTS AND RECOMMENDATIONS

CDFW offers the comments and recommendations below to assist the City in adequately identifying and/or mitigating the Project's significant, or potentially significant, direct and indirect impacts on fish and wildlife (biological) resources.

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Editorial comments or other suggestions may also be included to improve the document.

I. Environmental Setting and Related Impact Shortcoming

Would the Project have a substantial adverse effect, either directly or through habitat modifications, on any species identified as a candidate, sensitive, or special-status species in local or regional plans, policies, or regulations, or by CDFW or U.S. Fish and Wildlife Service (USFWS)?

COMMENT 1: Special-Status Plant Species

Section 3.4.2.1, Page 94

Issue: The draft EIR proposes to implement General Plan Policy OSC-1.16, which requires new development within areas of native plants to prepare a site-specific survey which identifies the location and type of species present. However, the draft EIR does not specify how surveys will be performed or the level of survey effort to ensure special-status plant species will be detected. Additionally, if any rare plants are found, General Policy OSC-1.16 relies on a biologist to recommend mitigation at a later time and relies on agency requirements, if any. Therefore, the Project has potential to result in significant impacts to rare plants because: 1) Rare plant occurrences may be un-detected and 2) If rare plants are detected, biologist recommended mitigation may not be implemented or sufficient if there are no agency requirements.

Specific impact, why the impact would occur, and evidence the impact would be significant: CEQA Guidelines §15125(a) requires an EIR to be based on current, accurate, and site-specific data. Without current surveys, it is foreseeable that project buildout could remove, alter, or fragment remaining microhabitat patches that may still support special-status plant species in the Zayante/Santa Cruz Sandhills and/or Ponderosa Pine habitat.

A reconnaissance-level biological field survey was last conducted in July 2014 outside of the bloom season. Additional botanical surveys are necessary because there is insufficient data to determine whether rare or special-status plants are present within the Project area, surveys did not occur at the appropriate times of year, and surveys were not conducted for a sufficient number of years to detect plants that may not be evident and identifiable every year. Surveys over consecutive seasons may be necessary for annual or short-lived special-status plants to increase the likelihood of detection. Variances in weather and other disturbances from year to year may affect presence or accurate identification of special-status plants on-site.

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Recommendation: CDFW recommends revising the draft EIR to require focused botanical surveys consistent with *Protocols for Surveying and Evaluating Impacts to Special-Status Native Plant Populations and Natural Communities* (CDFW 2018) including at least two consecutive years of appropriately timed blooming-season surveys prior to any site disturbance or grading.

Recommended Special-Status Plant Survey BIO-Measure: An experienced botanist, familiar with the native plant communities of Santa Cruz County, including Zayante/Santa Cruz Sandhills and Ponderosa Pine habitat shall conduct a minimum of two focused rare plant surveys over two consecutive seasons. The surveys shall occur throughout the entire Project area and at each construction site, prior to the initiation of construction. Surveys shall be conducted according to: *Protocols for Surveying and Evaluating Impacts to Special-Status Native Plant Populations and Natural Communities* (CDFW 2018), available at: <https://nrm.dfg.ca.gov/FileHandler.ashx?DocumentID=18959&inline>. In the event rare, threatened or endangered plants are discovered, If rare or special-status plant(s) cannot be avoided, the Project proponent shall submit to CDFW a rare or special-status plant mitigation plan for CDFW review, comment, and written approval prior to construction. Depending on the site-specific details, additional measures may be needed, which may include work stoppage, flagging and avoidance of occurrences, collection of propagation material, site restoration and/or obtaining an ITP (Fish and Game Code section 2081, subd., (b).).

Would the Project have a substantial adverse effect, either directly or through habitat modifications, on any special identified as a candidate, sensitive, or special-status species in local or regional plans, policies, or regulations, or by CDFW or USFWS?

COMMENT 2: Nesting Birds

Section 3.4.2.1, Page 95

Issue: The draft EIR proposes to implement mitigation measure MM-BIO 2.1: Avoid Nesting Birds to mitigate for impacts to nesting birds. The measure does not completely consider all life history timing needs of some bird species potentially impacted by the Project.

Specific impact, why the impact would occur, and evidence the impact would be significant: The nesting seasons for passerines (*Passeriformes*), owls (*Strigiformes*), and raptors range from February 15 - August 30, January 15 - September 15, and February 15 - September 15, respectively.

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Recommendation 2: To evaluate and avoid potential impacts to nesting bird species, CDFW recommends incorporating the following mitigation measure into the Project's draft EIR existing measure.

Recommended Nesting Bird Mitigation Measure: If Project grading or construction is scheduled to take place between January 15 – September 15, a preconstruction survey of the Project vicinity for nesting birds shall be conducted by a qualified biologist experienced with the nesting behavior of bird species of the region. The survey shall determine if active nests are present within the planned area of disturbance or within 250 feet for passerines, 500 feet for accipiters and 1,000 feet for buteos. The survey shall be performed no more than 7 days prior to the commencement of construction activities, and a second focused survey shall be conducted within 48 hours prior to construction activities that would occur during the nesting/breeding season. If ground disturbance activities are delayed following a survey, then an additional preconstruction survey shall be conducted such that no more than two weeks will have elapsed between the last survey and the commencement of ground disturbance activities. If a lapse of Project-related activities of seven days or longer occurs, another focused survey will be conducted before Project activities can be reinitiated.

If an active bird nest is found within the survey radii, species-specific measures shall be prepared by a qualified biologist and implemented to prevent abandonment of the active nest. A protective buffer distance shall be established by a qualified biologist based on the site conditions such as whether the nest is in a line of sight of the construction and the sensitivity of the birds nesting. Typical protective buffers are as follows: 1) 250 feet for passerines, 2) 500 feet for accipiters, and 3) 1,000 feet for buteos. No Project personnel or equipment shall be allowed to enter the protective buffer until the qualified biologist determines that the young have fully fledged and will no longer be adversely affected by the Project.

The qualified biologist shall observe any identified active nests prior to the start of any construction-related activities to establish a behavioral baseline of the adults and any nestlings, and the nest site(s) shall be monitored by the biologist periodically to see if the birds are stressed by the construction activities and if the protective buffer needs to be increased. The perimeter of the nest setback zone shall be fenced or adequately demarcated with stakes and flagging at 20-foot intervals, and construction personnel and activities restricted from the area. A survey report by the qualified biologist verifying that no active nests are present, or that the young have fledged, shall be submitted prior to initiation of grading in the nest-setback zone. The qualified biologist shall serve as a biological monitor during those periods when construction activities occur near active nest areas to

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ensure that no inadvertent impacts on these nests occur. All buffers shall be shown on all sets of construction drawings.

Would the Project have a substantial adverse effect, either directly or through habitat modifications, on any species identified as a candidate, sensitive, or special-status species in local or regional plans, policies, or regulations, or by CDFW or USFWS?

COMMENT 3: San Francisco Dusky-Footed Woodrat

Section 3.4.2.1, Page 93

Issue: The draft EIR identifies San Francisco dusky-footed woodrat (*Neotoma fuscipes annectens*) to have “reasonable potential to occur within the Project area” but does not identify species specific surveys, time to dismantle San Francisco dusky-footed woodrat midden or include midden relocations as a minimization measure. The Project has potential to result in significant impacts to San Francisco dusky-footed woodrat without revised mitigation measure(s).

Specific impact, why the impact would occur, and evidence the impact would be significant: The San Francisco dusky-footed woodrat is listed as a species of special concern found throughout the San Francisco Bay area in grasslands, scrub, and woodland areas (Hall 1981). The Project site includes oak woodland, riparian, and shrub habitats which provide suitable habitat for this species. The draft EIR does not include species-specific mitigation measures for San Francisco dusky-footed woodrat requiring focused preconstruction surveys, avoidance buffers, or relocation (specific timing, methods, or performance standards).

Recommendation: CDFW recommends that if San Francisco dusky-footed woodrat middens cannot be avoided, the middens shall be relocated out of the Project area to minimize impacts to San Francisco dusky-footed woodrat. CDFW also recommends that middens are relocated and/or dismantled during the month of July and August to avoid impacts to young and to allow San Francisco dusky-footed woodrat to store food prior to winter, when food sources are limited.

Recommended San Francisco Dusky-Footed Woodrat Mitigation Measure: A pre-construction survey for San Francisco dusky-footed woodrat shall be conducted by a qualified biologist within seven days prior to Project activities. If an active San Francisco dusky-footed woodrat midden is found during surveys, the active midden site shall be designated as “Ecologically Sensitive Areas” (ESA) and protected during Project construction with establishment of flagging or a fence barrier surrounding the nest site. CDFW recommends that the minimum distance of 25 feet is used for the protective buffer protecting the nest. If a San Francisco dusky-footed woodrat midden(s) cannot be avoided, the Project proponent shall submit to CDFW

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a San Francisco dusky-footed woodrat Midden Relocation Plan for CDFW review, comment, and written approval prior to construction.

Would the Project have a substantial adverse effect, either directly or through habitat modifications, on any species identified as a candidate, sensitive, or special-status species in local or regional plans, policies, or regulations, or by CDFW or USFWS?

COMMENT 4: Mount Hermon June Beetle and Zayante Band-Winged Grasshopper

Section 3.4.2.1, Page 76

Issue: The Project site includes areas mapped as Zayante/Santa Cruz Sandhills habitat and mixed woodland that may support Mount Hermon June beetle (*Polyphylla barbata*) and Zayante band-winged grasshopper (*Trimerotropis infantilis*), both of which are federally listed as endangered under the Endangered Species Act. These two insect species are known only from the Zayante/Santa Cruz Sandhills, including adjacent transitional soils in Santa Cruz County. The Project has potential to cause significant impacts to Mount Hermon June beetle and Zayante band-winged grasshopper because it would disturb the sandy soils, mixed woodland, and undeveloped areas that support habitat functions for both species. Although some areas are developed and degraded, the soil remains intact and are important for both of these species as they are restricted to sandy soils (USFWS 1998).

Specific impact, why the impact would occur, and evidence the impact would be significant: The draft EIR does not include focused surveys for Mount Hermon June beetle and Zayante band-winged grasshopper. It is unclear if the reconnaissance-level biological field survey conducted in July 2014 followed the USFWS protocol survey methods. The EIR acknowledges that portions of the Project area are mapped as Zayante/Santa Cruz Sandhills habitat and currently developed with soil underlying the developed area that could meet the requirements for Zayante/Santa Cruz Sandhills habitat. Mount Hermon June beetles are fossorial, and individuals may be present year-round (USFWS 2009). Both species are vulnerable to habitat disturbance, including grading, vegetation removal, and soil compaction.

Recommendation: A focused protocol-level survey should be conducted during the appropriate activity periods to determine presence or absence. If suitable habitat is confirmed, avoidance and mitigation measures should be developed in coordination with the USFWS.

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ENVIRONMENTAL DATA

CEQA requires that information developed in environmental impact reports and negative declarations be incorporated into a database which may be used to make subsequent or supplemental environmental determinations. (Pub. Resources Code, § 21003, subd. (e).) Accordingly, please report any special-status species and natural communities detected during Project surveys to the California Natural Diversity Database (CNDDDB). The CNDDDB field survey form can be filled out and submitted online at the following link: <https://wildlife.ca.gov/Data/CNDDDB/Submitting-Data>. The types of information reported to CNDDDB can be found at the following link: <https://www.wildlife.ca.gov/Data/CNDDDB/Plants-and-Animals>.

ENVIRONMENTAL DOCUMENT FILING FEES

The Project, as proposed, would have an impact on fish and/or wildlife, and assessment of environmental document filing fees is necessary. Fees are payable upon filing of the Notice of Determination by the Lead Agency and serve to help defray the cost of environmental review by CDFW. Payment of the environmental document filing fee is required in order for the underlying project approval to be operative, vested, and final. (Cal. Code Regs, tit. 14, § 753.5; Fish & G. Code, § 711.4; Pub. Resources Code, § 21089.)

CONCLUSION

CDFW appreciates the opportunity to comment on the draft EIR to assist the City in identifying and mitigating Project impacts on biological resources.

Questions regarding this letter or further coordination should be directed to Alexis Harrison, Environmental Scientist, at (707) 815-2779 or Alexis.Harrison@wildlife.ca.gov; or Wesley (Wes) Stokes, Senior Environmental Scientist (Supervisory), at (707) 339-6066 or Wesley.Stokes@wildlife.ca.gov.

Sincerely,

DocuSigned by:

Erin Chappell

B77E9A6211EF486

Erin Chappell
Regional Manager
Bay Delta Region

ec: Office of Land Use and Climate Innovation (SCH No. 2025050499)
Craig Weightman, CDFW Bay Delta Region – Craig.Weightman@wildlife.ca.gov

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REFERENCES

- California Department of Fish and Wildlife (CDFW). 2024. *Special Animals List*. California Natural Diversity Database (CNDDDB).
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- Hall, E.R. 1981. Mammals of North America. John Wiley and Sons, 1181 pp.
- [USFWS] U.S. Fish and Wildlife Service. 1997. Determination of Endangered Status for Two Insects from the Santa Cruz Mountains of California. Federal Register 62:3616–3628.
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- U.S. Fish and Wildlife Service. 2020. Endangered and Threatened Wildlife and Plants; Initiation of 5-Year Status Reviews of 66 Species in California and Nevada. Federal Register 85:4692–4694.
- [USFWS] U.S. Fish and Wildlife Service. 2021. Zayante band-winged grasshopper (*Trimerotropis infantilis*) and Mount Hermon June beetle (*Polyphylla barbata*) 5-Year Review: Summary and Evaluation.

To: Taylor Bateman, Community Development Director
planningdepartment@scottsvally.gov

Date: November 24, 2025

Re: Scotts Valley Town Center Specific Plan Update – Draft Environmental Impact Report

Dear Director Bateman,

On behalf of Santa Cruz YIMBY, thank you for the opportunity to comment on the City of Scotts Valley's ongoing Housing Element implementation efforts, including the rezonings tied to the Housing Element and the Town Center Specific Plan Update.

1. The City continues to undercount the amount of housing it must plan for under its certified Housing Element.

As we described in our prior comments on the Town Center EIR NOP, the City's current Rezone Program and Specific Plan work continue to rely on **unit counts that are substantially below** what the Housing Element itself requires. In the Housing Element, the City clearly committed to both:

1. **Implementing Program H-1.1**, which requires adopting a Specific Plan amendment that supports the full buildout scale in Appendix F; and
2. **Implementing Program H-1.10**, which requires the three City-owned Town Center parcels—APNs 022-721-06, 022-212-19, and 022-601-01—to be declared surplus and developed as a mixed-use project **with a minimum of 300 residential units**, at least 25% affordable, with the City expressing its intent that these parcels be 100% affordable.

Our previous comments explained that the City's use of a "realistic capacity" figure of 188 units on these three parcels is inconsistent with its own Housing Element. Program H-1.10 makes clear that **300 units is the minimum**, not 188. And the 100% density-based capacity in Appendix F yields **235 units**, not 188. When all Town Center parcels are evaluated at 100% capacity—as required for consistency—the total is **898 units**, increasing to **963 units** when the additional Program H-1.10 requirement is applied (the additional 65 units reflects the gap between 300 committed units and the 235 in Appendix F).

Given this statutory and internal inconsistency, we reiterate: **The City must plan, analyze, and zone for the actual level of housing capacity its Housing Element already obligates it to accommodate.** Continuing to plan for sub-capacity figures

would render subsequent rezonings and the Specific Plan non-compliant with state law and expose the City to substantial legal risk.

2. The City should treat all Housing Element–related rezonings as CEQA-exempt under the new statewide rezoning exemption enacted in SB 131 (2025).

The Legislature adopted SB 131 earlier this year to eliminate unnecessary procedural barriers that historically delayed implementation of certified Housing Elements. SB 131 creates a **statutory CEQA exemption for rezonings that jurisdictions are required to adopt to implement their Housing Elements**, provided they meet the statute’s procedural conditions.

Under SB 131:

- Rezoning actions required by a certified Housing Element—including density increases, height increases, mixed-use allowances, and objective standards necessary to make Housing Element sites viable—
- **are categorically exempt from CEQA;**
- No EIR, MND, or addendum is required;
- The exemption applies to rezonings adopted to meet statutory rezoning deadlines or Housing Element implementation programs.

Scotts Valley’s Housing Element explicitly relies on Town Center rezonings, increased densities, and new mixed-use allowances to meet its RHNA allocation. These rezonings are not discretionary “optional” legislative actions—they are **mandated** by Government Code §§ 65583, 65583.2, and the certified Housing Element itself.

Accordingly:**All Housing Element–required rezonings—whether inside the Town Center Specific Plan area or citywide—qualify for the CEQA exemption under SB 131.**

The City should acknowledge this exemption publicly and apply it consistently to expedite timely Housing Element implementation. Conducting unnecessary CEQA review for mandated rezonings is not only unnecessary, but risks delaying compliance with the City’s committed program deadlines. It opens the door for delays if the EIR for the housing component of the rezoning is challenged.

3. Scotts Valley should evaluate higher housing capacity broadly across the Town Center.

Our earlier letter also documented that the Town Center Planning Area is significantly underutilized relative to its development potential. The approximately 15 acres of centrally located vacant land could, on their own, support **600+ units**, and the full 58-acre area could support **well over 1,000 units** at modest urban infill densities.

This is especially critical given that Scotts Valley lies within one of the highest-cost rental markets in the nation. Under-planning in the Town Center would directly undermine Housing Element compliance, future RHNA cycles, and the City's progress toward fulfilling its state-mandated duty to accommodate its share of regional housing needs.

In conclusion, we respectfully request that Scotts Valley:

1. **Correct the unit-count methodology** used for Town Center and other Housing Element sites, ensuring that rezoning reflects the actual capacity required by Programs H-1.1 and H-1.10;
2. **Acknowledge and apply the CEQA exemption** for Housing Element-required rezonings under SB 131 to avoid unnecessary environmental review and delays; and
3. **Plan for significantly higher capacity** in the Town Center area, consistent with both state law and the City's own Housing Element commitments.

Thank you for your attention and for the opportunity to provide comments.

Sincerely,

Rafa Sonnenfeld
Janine Roeth
Ryan Meckel
Jocelyn Wolf

Leads, Santa Cruz YIMBY

October 23, 2025,
Updated November 24th, 2025

To: Planning Commission and City Council
From: Corbett Wright

SVTC Specific Plan Comments

Chapter 3. Approved Uses

The stated goal of the specific plan is to allow the phased construction within the plan build out. This could include multiple developers vs a single developer. Therefore, the City must retain approvals as to the Tenant and use Mix or else the standards as proposed will not provide adequate parking. The concept of making it easier for the development of the specific plan to move forward without additional approvals is fine, with appropriate guardrails.

For example, a max density of 30% percent restaurants would not require a CUP, anything beyond that would require a CUP. This only works with a minimum 4.5/1000 ratio though.

Case Study of Issue. 1420, 1430, and 1440, 41st Ave. Different owners. Common parking at 3.5/1000. Second generation space; a health and wellness use, (yoga) and an intense Verizon wireless were placed into 1430. The uses take up nearly all of the common parking. The building located at 1420 has had chronic vacancy. The building located at 1440, has been vacant for years. There is no parking.

Case Study of Issue. Hangar. Use within the parking lot works, (sort of – there are issues), with 4.5/1000 parking on gross, effective 7.82/1000 on food use on gross, with corresponds to 10/1000 on service area, with restrictions on employee parking, with a dynamic mixture of uses precisely because the lease regulates the hours of operation. For example, Madabolic, a health and wellness use, (which as prosed in the specific plan as an unregulated approved general use) can only be included in the tenant mix because of the restrictions. There was a CUP required for Madabolic.

Without restrictions, the use could easily take a disproportionate amount of the parking, which would damage the interests of the surrounding uses.

Without restrictions of approved uses at the city level, there would be no control over the mix of tenancy within the specific plan. This could be even more acute on second generation space. Therefore, there must be changes, guardrails, put in place or existing

parking will be cannibalized, tenants will be damaged economically, buildings will sit vacant, or simply never be constructed because the design is not financially feasible.

Chapter 3.

1. Pg. 7 Approved Uses

Use	MU-TC	PU-N
Restaurants*	Over 30% max density -CUP	Over 30% max density -CUP
Banks and Financial	P	P
Commercial Daycare	P or CUP	P or CUP
Food Prep/Catering	P with Related Restaurant	P with related Restaurant
Medical/Dental	CUP	CUP
Massage	P – with Hotel	P – with Hotel
Theater Live	CUP	CUP
Theater Movie	CUP	CUP
Health and Wellness*	CUP	CUP

Note:

*What about entertainment permits? The inclusion of 100% restaurant approval would be a disaster for parking and competition. It is not a sustainable model

**Use not defined on Appendix A

2. Page 13. SFD, Attached, TH Density should be excluded from SVTC. The town center is where density should be approved. The lesser density residential uses should be excluded or severely limited to a max 10% or similar density. This inclusion of higher density would allow for more open space and more parking, both public and servicing the commercial. This is the main design issue for the specific plan model proposed by Good Cities. The plan tries to cut back on parking and open space, so that lesser density housing can use more of the site. This does not serve the interest of the public.
3. Page. 17. All Minimum setbacks should be 15'-20'. Future Internal Connections of 8' is ridiculous. Can you imagine a 8' setback for a town house off of the Laughing Monk Parking area? This is where amplified music is being played at night under the CUP/entertainment permit. The current plan shows a row of townhouses that are 50' +/- from the current live music location.
4. Page 18. No Zero Lot lines permitted at side interior. This could potentially place a TH on the lot line next to the Laughing Monk Parking Lot. This should be prohibited. It prevents adequate landscape.
5. Page 19. Parking

General Comment. A maximum parking within the commercial district should have posted regulation of 2 hour maximum guideline.

- a. 3.5/1000 ratio **should be increased to a minimum of 4.5/1000**
 - b. 10/1000 sf good for seating area
 - c. Office 4/1000 minimum, including 2nd story. Office that is not properly parked should not be built. This is designing in a parking problem. The current office vacancy rate is **32.8%** in the scotts valley submarket. Adding office parked at 2/1000 will lead to more vacancy.
 - d. Standard 2. Sharing of Public/Private should be prohibited. On-Street Parking should absolutely not be counted in the commercial parking requirements. If any consideration is given, a max 50% should be allotted as credit, and that is only if the public parking is expanded. There is not enough parking at sky park now. If this standard is allowed, then the public frequenting sky park will take the commercial parking, and the commercial uses will not be successful.
 - e. Standard 3. Ratio. 4.5/1000 minimum. Proximity of Parking to Commercial facility entrance **should be 150' maximum**. **The definition should include all parking spaces attributed to the approved use, not just the entry of the parking lot.**
 - f. Each and every project, every building, ever building permit must be approved by a stand alone parking analysis or a documented shared parking program Agreement.
6. Page 46. Add new Standard. Garbage Enclosures should be integrated into the individual building design vs freestanding in parking lot. Service roads will need to be wide enough to accommodate trash vehicles. Current design does not illustrate wide enough ingress/egress/circulation and can not be constructed as illustrated.
 7. Page 20. 3.5.1. Item #3. Reduce to 40.' Provide flexibility.
 8. Page 22. 3.6.1. MU-N zone Modifications and improvement to and existing building should not be an approval of a change in use.
 9. Page 22. Under no circumstances should minor exceptions to standards include a reduction to parking ratios and proximity.
 10. Page 33. Item 7. B. Please consider reducing the height of tree requirement from 20" down to 15'. This improves retail visibility. Retail that can not be seen is not successful.
 11. Page 34. Item 4. Should be required. Where there are multiple adjacent parking lots, they should be designed to have vehicular connectivity, both entries and exits, to adjacent parking lots. Suggested to redraft language to include all new major roadways, excluding new curb cuts to Mt. Hermon.

Note. Chapter 2. Figure 2.1 illustrates connectivity from hangar parking lot to main street.

Chapter 4.

1. 4.7.1. Item 2. Strike item, and require a minimum of 15,500 sf. with a minimum of 12,000 sf at Hangar Plaza as currently shown on figure 4.9. and a minimum of 3,500 sf at Tower plaza. These are absolute minimums. There should be more open space on plazas. Why trade townhomes for public open space? Not in the public's interest.
2. Sidewalk - pedestrian friendly design should be encouraged. A minimum of 20' walkway standard should be preserved around the buildings on the Plaza(s).
3. The 3,500 sf tower plaza should not be decreased in size by the public walkway. It should be a **net** minimum. Really it is too small...

4. Page 105. "*Hangar Square is intended to be the main plaza for Scotts Valley.*" It is simply too small as designed. Minimum plaza area 12,000 sf. net of all dining space. Standard 4. Strike. Plaza Space. The restaurants on the plaza should be designed to include seating area for adjacent restaurants, but the Plaza should not be reduced in size by the encroachment of the individual restaurants. Cohesion yes. But inclusion of the patio dining should not reduce the public space minimum requirements.

The actual effective size of the plaza is far less than the proposed is 9,000 sf. With the removal of 15' for dining on both sides of the plaza, 2,900 – 3,000 sf total, the plaza is only 6,000 sf. This is not large enough to accommodate any of the envisioned public gatherings.

NOTE: The hangar building provides it's own private patio space. Why should the new project skimp on open space? To provide for townhomes? SVTC needs more work force housing, apartments, not more single family.

5. Page 105 Guidelines: Use of tree canopy should not impede vision of storefront retail signage.
6. Page 106. Top image. Building to the north boundary. +/- 3,500 sf free standing. Bottom line is that that building can not be parked without the removal of the Town House residential to the north with a parking field installed in it's place. The building as represented has no parking lot. This use as shown is a restaurant with 10/1000 sf for dining and 2.5/1000 sf back of house. Minimum parking would require 28 parking spaces for that building alone. This is excluding the patio dining in front of the building. It is disingenuous to represent to the public a building that can not be

built. **Remove the town Homes and replace with a parking lot. It does no good to design inadequate parking that puts the Hangar tenants out of business.**

Note:

1. The circulation as proposed can not be constructed. There is a private open space patio in front of penny ice cream that is existing. It will not be removed. The illustrated plan should include circulation that is buildable.
2. The design of the square should not negatively impact the east elevation of the Hangar Building. Nearly the entire Hangar building mass is blocked from Park Street. The south building should be moved south, such that the entrance of the massing frames the Hangar Building, with an alignment matching the Hangar Building south façade. Meaning move it back 30' and increase the size of the Hangar Plaza to 12,000 sf minimum.

Appendix C: Traffic: Hexagon Report dated October 1, 2025

Improvements to proposed intersections 3 & 4 are critical to avoiding undesired internal (service road and parking lot cross traffic) as well as sending increased traffic up Blue Bonnet/Bean Creek.

1. Figure 14. Intersection: Main St. @ Mt. Hermon. Please consider additional Direction. Exit from Main Street to Mt. Hermon.
Options:
 - a. Add a lane. Rt, ST/LT, LT
 - b. RT/ST/LT, LT – as discussed. This is probably the best balanced solution.**
2. Figure 15. Great design. Please consider extending stacking lanes north to the entrance of the Post Office/Kings Village intersection.

Figure 8 & 9.

Intersection 2. The additional of 2 SB Trips onto Mt. Hermon might not be accurate, and should be reconsidered. Related Table 5. This indicates that the traffic will actually be improved by the addition of the town center. Please reconsider.

Internal Circulation Reliance.

The report and design seems to include the reliance on the service ally located between the Hangar and Target Center. Please note that this ally is frequently impacted by

truck/delivery, and trash pick up, which frequently blocks the traffic flow entirely. Any reliance on this internal parking lot connection without planning for peak flow to Main street and King's village is not accurate. Please reconsider impact assumptions.

Robert Gibbs Analysis in Appendix B is so outdated it is no longer accurate. Not that it was accurate in the first place. The report provides little to no benefit and should be excluded from the TCSP references.

There is currently over 20,000 sf of retail that is vacant in the scotts valley submarket.

There is vacant retail that there are no tenants for because it is underparked.

There is vacant restaurant space that there are no tenants for because it is underparked.

Yes, the town center can support more highly curated, experiential related shopping and dining, but it is not accurate to indicate that the market is deep, and providing an out dated, unrealistic market analysis to the public should not be included because it provides a false sense of lease ability.

The only way that the town center commercial will be built is if it is adequately designed. Parking, Circulation, open space, mix, cross traffic with detailed highly curated intent; design that will not fail because it will generate the sales per foot in order to be successful.

Without exceeding the minimum standards demonstrated in successful project examples, the town center will fail or simply never be built.

EIR.

Hexagon.Figure 2. Existing Public Street Network. Coding in yellow showing internal streets is not accurate. Not all yellow is public.

Page 7. Identified Banks. But it is an excluded use?

Implementation:

Construction Management plan that does not put existing Tenants out of business should be part of all future approvals.

Current Conceptual Design Analysis:

1. New Parking lot near hangar, supports only 42 spaces max vs 60 as shown. No landscape on western boundary, easement not plotted correctly, no handicap, no EV charging, not enough trash enclosure. Acute Radius does not work for truck delivery or trash pickup. *Supports 9,300 sf @ 4.5/1000*
2. Lot near post office. 33 existing spaces are to be shared with post office vs 45, plus 12 on street, as shown. 57 in count but only 24 new. No landscape on western boundary, easement not plotted correctly, no handicap, no EV charging, not enough trash enclosure. Acute Radius does not work for truck delivery or trash pickup. *Supports 5,300 sf @ 4.5/1000.*
3. New lot behind tower supports only 28 spaces vs 36 as shown. No landscape on east, no handicap, no EV charging, no trash closure. Acute Radius Doesn't work for truck delivery or trash pickup. *Supports, 6,200 sf @ 4.5/1000*

Current Design Parking Totals: The Current Layout only supports a Total sf. 25,111 sf with 113 spaces vs the actual 28,725 sf as illustrated on the plan which requires 130 minimum. However, that is with the following assumptions:

- zero shared public private, and
- adequate guest parking on residential parcels, and
- at 30% max restaurant density.

Minimum Parking Changes Suggested:

1. **Commercial:** 4.5/1000 minimum commercial parking with maximum restaurant at 30% with all parking in close proximity. (preferably including of the ***Parking Ratio/Mix Schedule***. please see below)

Solution: CUP governance of increase beyond 30% max restaurant space to increase parking ratio.

2. **Guest Parking for Residential:**

Solution: 100% Guest Parking on-site within the residential. Existing City of Scotts Valley Guest Parking standard should be maintained.

3. **Inadequate Public Parking:**

Solution: Add a parking garage at the metro site as a requirement of the specific plan.

4. **Effective Commercial Parking Proximity:** all parking count, per the approved schedule, to be within 150' radius maximum of business entry.

Parking Ratio/Mix Schedule

Please consider regulating the specific plan as the Parking Ratio must match relative intensity of restaurant space as follows:

- At 30% max restaurants 4.5 with Optimal mix
- At 40% max restaurants 5.5 with Optimal mix
- At 50% max restaurants 6.5 with Optimal mix

Optimal Mix: a dynamic mixture of food service boutiques, cafes, and restaurants, which have diverse peak parking requirements (Breakfast, Lunch, Dinner) This concept should be used by the PC/CC in the parking study analysis for all future CUPs.

For example: With 113 parking stalls shown on the current plan with current restaurant/café design as shown at 50% max restaurant use, the maximum buildable commercial sf would be 17,380 sf

Or roughly 40% fewer commercial buildings than currently shown.

In other words, there is 40% less parking than needed for the project to be *minimally* successful. Importantly, this is with zero shared public/private parking.

If shared parking is allowed as currently proposed in the specific plan guidelines, then the project as shown is 50% under parked.

Existing Parking:

None of the existing sky park parking should be used to support the new town center commercial. There isn't enough public parking as it is to support existing skypark events.

Please consider adding a parking garage to the metro lot as a specific requirement of the Specific Plan.

Outdoor Dining Space:

In the restaurant guest dining space, there is no provision for the consideration of the total outdoor dining space in the parking ratio analysis. The specification is 10/1000 for indoor dining only. Meaning, this current plan is further deficient by the outdoor patio space shown at 10/1000.

There is nearly 5,000 sf of patio shown as dining area. That is another 50 parking stalls.

Shared Parking Condition of Approval:

The Hangar development has a condition of approval which was intended “...to assist in the future of an orderly development of the town center specific plan core.”

“The property owner shall work with the City and future town center developers on a shared parking program when development of the town center core area occurs.”

This statement does not provide the City of Scotts Valley the right to design a specific plan that has a structural parking deficiency which cannibalizes the Hangar project parking.

The Hangar is parked at 4.66/1000. The Specific Plan should maintain this as an absolute minimum design standard with a 30% restaurant mix.

The City should seek to exceed the design standards so that the commercial within the core can generate the per sf sales required to support the high cost and maintenance of new construction, or else the project will simply yet again, not be built, or worse yet, have the commercial portion of the project be an economic failure because that which was not economically feasible was subsidized by the townhomes, “just to get it built.” This does not serve the Citizens interests.

King's Village Shopping Center
230 Mt. Hermon Road #200
Scotts Valley, CA 95066

November 19, 2025

City of Scotts Valley Planning Department
Attention: Taylor Bateman
1 Civic Center Drive, Scotts Valley, CA 95066
Email: planningdepartment@scottsvally.gov

Re: 2025 Scotts Valley Town Center Specific Plan

Dear Scotts Valley Planning Commission,

We are writing regarding the draft 2025 Scotts Valley Town Center Specific Plan and EIR. We are the owners and operators of King's Village Shopping Center, which is Scotts Valley's longtime retail anchor and within the Specific Plan's boundaries. We are, and have been for decades, greatly supportive of the City's attempts to modernize the City's zoning and planning codes to help get the Town Center developed. With our many decades of commercial real estate experience in Scotts Valley and the local community, we write to respectfully request some edits to the Specific Plan to help improve it. Most of our requests fall within two major categories: please (1) make the Specific Plan sufficiently flexible to be a valuable document for the Town Center for many decades to come and (2) revise provisions that needlessly make development more expensive, making the desired Town Center less likely to be built.

As longtime commercial real estate professionals, we have seen many changes in commercial real estate uses and trends over the years. Commercial uses have changed drastically due to the decline in brick-and-mortar retail, rise of Amazon and e-commerce, ability to work remotely, and increased popularity in fitness and service related uses. One thing we have learned is that change is constant. Please allow the Specific Plan to be nimble enough to accommodate whatever changes come, even (perhaps, especially) the ones we cannot predict. Please change the General Land Use Standards in the Specific Plan to be inclusive instead of exclusive. Please remove "All uses not permitted by right or CUP are prohibited." Please make more uses permitted by right; uses that are not permitted by right should be permitted by CUP. If a future planning department or city council believes that a use is appropriate for the Town Center area, it should be allowed by CUP rather than banned by a document that may be decades old. Specifically, for the Neighborhood Mixed Use district please make Night Clubs allowable by CUP, Bars, Tasting Rooms Tap Houses and Taverns Permitted (not CUP), Boutique Alcohol Sales Store Permitted (not CUP), Commercial Cannabis Business CUP, Auto and Light Truck CUP (like a small Rivian Dealership, not just a tiny showroom), grandfather existing Drive Through facilities so they do not have to be removed even if the tenant changes; it is safer/more healthy for sick patients to pick up prescriptions at Walgreens via the drive through; Laboratories (Restricted R&D) make CUP, Warehousing and Logistics CUP, minor repair and maintenance CUP, vehicle rental (not including onsite fleet) should be permitted, hostels should be CUP, SRO should be P or at minimum CUP, Wireless Telecommunication Facilities should be Permitted.

Many of the "active retail uses" that are required on the ground floor of the Town Center Core (like hot yoga, Pilates, coffee shops, bars, etc.), have real world parking needs that far exceed the required 3.5 spaces per 1,000sf, especially if street parking is allowed to be counted towards the total. Further, the customers of these active retail businesses should have access to parking within close proximity. The real world parking needs and location of the provided parking must be considered or the customers of the active retail businesses will try and poach parking at neighboring properties with more parking.

We also believe that there should be more flexibility in possible residential redevelopment projects within the Neighborhood Mixed Use area. Please allow for more density in the Neighborhood Mixed Use district; the density range of 20-32 units per acre is too narrow and provides little flexibility to adapt to the needs of the community and market conditions. Make density 15-50 units per acre and adjust the commercial floor area maximum to 2.5 accordingly. We

have seen narrow development standards like these stymie projects that communities want because old specific plans were not flexible and didn't foresee what would be wanted and needed in the future. Also, please allow more broad building heights and don't rely on state law to supersede local height limits. Increase the current height limit to 60 feet (this may be desired 20+ years from now). Similarly, allow more flexibility and eliminate the maximum 20 foot setback from Kings Village Road (it may be desired to have buildings farther from the street; especially with 1,000+ new residents making the street busier). Likewise, please make the parking requirements for residential development more flexible; 20+ years from now car ownership could be very different than it is today.

We also respectfully request that any new public art program only apply to the development of new buildings. Any such public art program should be able to be satisfied via a project's own inclusion of art that meets certain basic requirements or by paying a reasonable fee (under .5% of the development cost). Existing buildings, especially those in shopping centers like King's Village, which have numerous large scale murals, should not be forced to deal with significant expenses when making repairs or upgrades for new or existing local businesses.

We also ask that the Specific Plan specify that property owners of existing buildings shall not be charged any fees, taxes, or be forced into a Property and Business Improvement District (or any similar association or improvement districts) for Town Center related improvements; especially infrastructure improvements. Existing property owners have already paid impact fees and constructed the necessary infrastructure for their properties so the responsibility for new infrastructure and improvements should be the sole responsibility of the Town Center core developers.

Please have the Specific Plan specify that any redevelopment of the METRO site will have to honor its agreement with the Ow Family and provide as much accessible parking as is currently provided. We have partnered with the City and other local governmental agencies for many, many years and we would like our cooperative relationship to be respected and upheld.

Thank you all so much for your hard work on this very important document, which has the ability to make or break Town Center development and city prosperity for future generations. Please ensure that the Specific Plan has the requisite flexibility to ensure it's beneficial to the community for many decades. We really appreciate your service to this great City!

Sincerely,

George Ow, Jr.; David Ow; Terry Ow; Karen Ow; William Ow; Jasmine Ow-Hurst; Matthew Turner; Benjamin Ow; Andrew Ow; and Kyle Winterhalder on behalf of
King's Village Shopping Center

CC: citycouncil@scottsvally.gov; mlagoe@scottsvally.gov

19 November 2025

SCOTTS VALLEY PLANNING DEPARTMENT
Attention: Taylor Bateman
City of Scotts Valley
1 Civic Center Drive
Scotts Valley, CA 95066

RE: 11/20 Planning Commission study session to provide input and comments on the Public Draft 2025 Scotts Valley Town Center Specific Plan and Draft Environmental Impact Report (DEIR).

Dear Mr. Bateman:

Scotts Valley Shopping Center, LLC (dba TRC) is the owner of two parcels located at 232 Mt. Hermon Road (APN 022-601-02) and 201 Kings Village Road (APN 022-601-04) in Scotts Valley (see Exhibit A). TRC owns and manages more than 37 retail centers throughout California, as well as in Colorado and Texas. Our portfolio is primarily comprised of grocery-anchored, daily-needs shopping centers.



232 Mt. Hermon Road (APN 022-601-02)



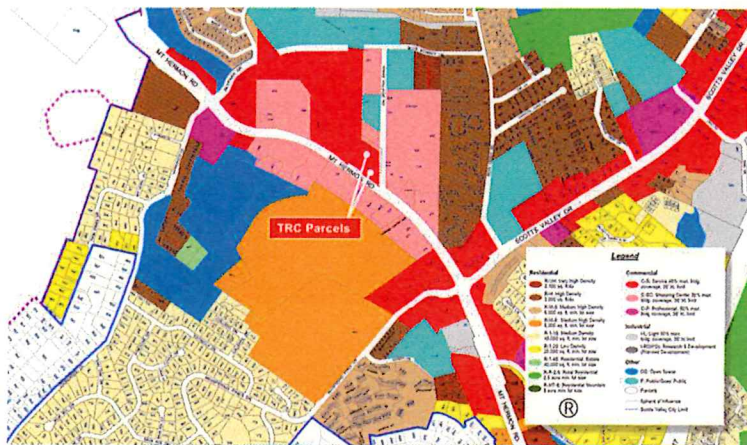
201 Kings Village Road (APN 022-601-04)

Exhibit A

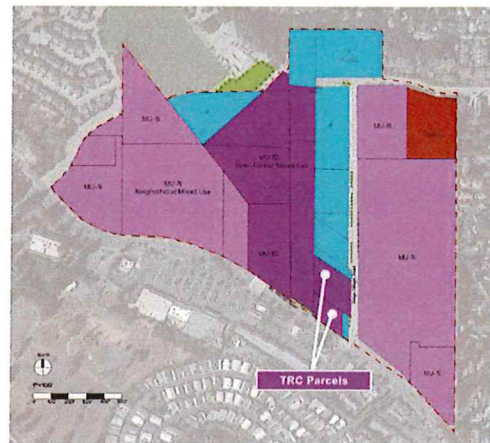
Regarding the Planning Commission's November 20 Study Session of the draft Scotts Valley Town Center Specific Plan, TRC has appreciated the direct outreach of City Manager Mali LaGoe over the last several months concerning the strategic importance of the TRC parcels to the Specific Plan. Our discussions about planning options for the parcels within the context of the Specific Plan have been positive, and we agree that the TRC parcels will play an important role in activating the Town Center as a "mixed-use district that will become the heart of the city."

While we continue to carefully evaluate the draft Specific Plan against our long-term objectives for the TRC parcels, it's important we immediately share with the Planning Commission and Staff our concerns related to the proposed Land Use Standards in Section 3.3 of the proposed Specific Plan.

The TRC parcels – approximately 1.81 acres combined - are currently within the C-S Service Commercial Zoning District as designated on the City's Official Zoning Map (SVMC 17.06.030 and 17.08.010). Under the proposed Specific Plan, the TRC parcels would be zoned Mixed Use – Town Center (MU-TC) (See Exhibit B).



Existing C-S Zoning – TRC Parcels



Proposed MU-TC Zoning - TRC Parcels

Exhibit B

While we support the MU-TC zoning for the TRC parcels, we are very concerned that certain allowable uses within the existing C-S Zone are proposed to be excluded or eliminated as permitted and/or conditionally permitted uses in the MU-TC Zone. Specifically, if adopted as proposed, Banks/Financial Institutions will be prohibited uses in the MU-TC Zone, while drive-through ATM services will remain prohibited in both the MU-TC and MU-N Zones.

We would suggest that prohibiting such fundamentally important uses from the Town Center core of the Specific Plan undermines several important stated Land use Goals and Policies within the draft Specific Plan, including:

- Policy 3-1.1: Ensure that development within the Town Center supports a balanced mix of community serving commercial uses, new housing, civic/public buildings, and community-serving spaces.
- Policy 3-1.4: Prioritize land uses such as retail, dining, health and wellness entertainment, and civic spaces in the Town Center, in order to create a dynamic environment that fosters community engagement and supports a diverse mix of activities.
- Policy 3-3.1: Implement a market-viable strategy that attracts private sector investment, providing incentives and ensuring the economic sustainability of the Town Center.

Banking and financial services combined with daily-need grocery uses are the primary anchors of successful commercial retail development. When strategically sited on the edges of a large mixed-use planning area with high visibility and easy access, these uses enable resident- and visitor-serving daily commerce more accessible to pedestrian and bicycle traffic.

MR. TAYLOR BATEMAN

Page three

As such, they impose fewer impacts on the lower-intensity, residential core at the center of the mixed-use planning area. Their attendant drive-thru ATM facilities support pass-by trips of residents and workers commuting to or from their residence or place of work.

In the instance of the TRC parcels, their location on the hard corner of Mt. Hermon Road and Kings Village Road will serve as a principal gateway to the Scotts Valley Town Center. As important, the TRC parcels developed to their highest and best use(s) will provide an important transition between the more intensive existing retail uses of the proposed Mixed Use – Neighborhood (MU-N) Zone and the more residential, pedestrian centric character of the MU-TC Zone.

TRC has been working through site planning concepts for a small-format neighborhood grocer as the highest and best primary use for the TRC parcels. But it remains unclear to us that the key players in the small-format grocery space see a primary market in Scotts Valley. Having the option to develop the site with a Bank or other Financial Services w/ ATM drive-through uses represents the best commercial retail alternative for easy pedestrian and bicycle, and pass-by trip access to daily financial services for residents and business owners of the Town Center Core.

Given our comments, we respectfully request the city consider the following options:

- Permit Banks and Financial Institutions w/ ATM drive-throughs in the MU-TC Zone
- Allow conditionally permitted (CUP) Banks and Financial Institution w/ ATM drive-throughs in the MU-TC Zone
- Stipulate by footnote in the Specific Plan that Banks and Financial Institutions with ATM drive-throughs are permitted uses on the TRC parcels
- Stipulate by footnote in the Specific Plan that Banks and Financial Institutions with ATM drive-throughs are conditionally permitted (CUP) uses on the TRC parcels
- Place the TRC parcels in the MU-N Zone and allow permitted or conditionally permitted ATM drive-throughs

The draft Specific Plan offers a vision with many goals and policies to achieve it. Among them is “the intent is to customize the land use requirements to encourage reinvestment and revitalization of the Town Center Plan Area consistent with the Specific Plan vision.”

TRC hopes to be part of that reinvestment and revitalization effort.

Sincerely,



Byron de Arakal

Consulting Director | Entitlement Planning and Special Projects

Cc: Lori Gentile – Planning Commission Chair
Chuck Maffia – Planning Commission Vice Chair
Davide Hodgins – Planning Commissioner
Shawn Mosely – Planning Commissioner
Steve Simonovich – Planning Commissioner
Mali LaGoe – City Manager

From: [Juliana Maggio](#)
To: [Scotts Valley Planning Department](#)
Subject: Taylor Bateman 1 Civic Center Drive, Scotts Valley, CA 95066
Date: Wednesday, November 19, 2025 9:59:34 PM

CyAs Tech

Warning: Sender jumaggio@gmail.com has never sent any emails to your organization. Please be careful before replying.

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The proposed plan for the town center appears to have an excessive amount of house units and we are concerned about the traffic that this will create in such a small area.

The town center we imagine is a place for gathering where there's outdoor and indoor space to hang out with friends, family and neighbors, outdoor space for sport games, pump track, skate park and space for music events, arts fairs, and food tracks. We do not envision any of those key parts of sky park to disappear! We envision more restaurants, cafes and shops where we can buy clothes, and shoes and gives these town a more cohesive look and feel. Buildings is not a town center. Apartment is not a town center. That is not what residents of this town are looking for.

Many issues with creating a denser population in his small town with such limited roads and resources, and especially limited roads in case of need for evacuations,

Please give this town what it deserves

Juliana

From: [Kate Halper](#)
To: [Scotts Valley Planning Department](#); [City Council](#)
Subject: Attention: Taylor Bateman - Public Comments on the Town Center EIR
Date: Wednesday, November 19, 2025 2:43:18 PM

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

Hello -

I am writing in response to the EIR for the new Town Center project, submitting my public comments within the timeframe. I am seeking detailed response to these comments, as I am unable to attend the meeting tomorrow night. I don't see the following items addressed in the available documentation.

- How will the City address current traffic congestion on Mt. Hermon Rd once it's amplified by the addition of new community space and more than 650 new residences? As you are aware, traffic currently backs up onto the 17 off-ramp in the afternoons.
- How do adequate bike lanes and safe bike parking/lockers factor into the Town Center? That doesn't appear to be referenced anywhere
- In the EIR, it appears we will lose several existing community features at Sky Park - mainly the pump track, skate park, and dog parks. Is that accurate? Will those amenities be relocated? As a parent with two kids and a dog raising my family in Scotts Valley, these safe and accessible community features are essential.
- I understand there are plans for a dog park on the other side of town, but what about this current side of town? Surely many of the residents of the new 657 homes, all of whom will not have a yard of their own, will have dogs that need daily exercise. If even 20% of those homes have dogs, that's more than 100 dogs with no place to play
- There does not seem to be adequate parking for the new homes or the retail spaces; what formula is used to calculate how much parking is required to serve retail, gathering, and residential space? There are many mentions of being "pedestrian-friendly", but folks still need to park somewhere to enjoy walking around.
- For those not living in the town center, where will parking be for community events, like the Art & Wine and Food Truck Fridays?

Questions aside, this plan seriously lacks in planning for residents who *already* live in Scotts Valley. Inadequate plans for traffic flow on Mt. Hermon, safe bike access and parking, auto parking, kid-friendly features, and removing the pump track and dog park demonstrate a significant lack of judgment from the planning department. Without updating our infrastructure and adding improved amenities rather than removing them, we can't serve existing community members, let alone those that move into the new units. For a plan that has taken so long to develop, this one is an overall disappointment.

I look forward to understanding the answers to the questions I've posed. And, I hope the planning department and city council will take into account the many community members who are concerned about these issues as well.

Thank you for your time.

-Kate Halper

From: [Renee Inlow](#)
To: [Scotts Valley Planning Department](#)
Subject: Town Center - EIR Comments
Date: Wednesday, November 5, 2025 1:50:28 PM

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

Hello SV Planning Department,

I write to you with concerns about the Town Center proposal. After reviewing the documents posted online I found an error in the upload of Appendix E - Water Supply. That link directs you to the transportation analysis. Water supply is a critical component of this project and impacts all current and future Scotts Valley Residents. We depend completely on ground water in our community. Please provide this document to me via email or post to the website correctly.

I was also not able to determine how many housing units are actually proposed. Within various documents, I see numbers ranging from a minimum of 300 units and a maximum of 657 units! This is a massive range and will greatly impact Skypark community use, the existing Skypark neighborhood, and surrounding shopping centers.

Reviewing the transportation study I did not see any mention of parking. How can we propose over 600 homes + new shops without a clear parking proposal? What is the current proposed number of parking spaces? The drawings show 3 tiny parking lots that will be terribly insufficient for even the residents of this new development, little alone the customers of the shops and restaurants.

Already the events held at Skypark are well attended (without an additional 1200 residents added to the mix). Finding parking during the art and wine fest, and even simple soccer games and food truck events is already challenging. Often these events depend on the dirt lot for parking. The dirt lot will soon be developed.

How will the existing residents of Scotts Valley (not living in the new development) access the park and its events? Will all of these fun community gatherings stop?

Thank you for your consideration. I am not against the development of this area, I simply want the proposal to be realistic in size and scope. I do not think that the area can accommodate the current proposal.

Renee Inlow
831-278-0655

From: [Nesh Dhillon](#)
To: [Scotts Valley Planning Department](#)
Subject: Town Center-comments/SCCFM
Date: Friday, November 21, 2025 11:30:22 AM

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

City of Scotts Valley Planning Department
1 Civic Center Drive, Scotts Valley, CA 95066

PROPOSED PROJECT DESCRIPTION: 2025 Scott's Valley Town Center Specific Plan
(State Clearinghouse #2025050499)

Attn: Taylor Bateman

This is an exciting development for both the community and City of Scott's Valley and I look forward to seeing it come to fruition.

After some review, I could not locate any mention of space for a farmers' market which has unique needs. The proposed project has many references to civic activities, events and other community engagement objectives. However, there is no specific designation for a certified farmers market (CFM) or consideration as far as I can tell in this proposal. Santa Cruz Community Farmers' Markets (SCCFM) understanding was the future development would not only include the necessary infrastructure (utilities, weather protection, etc) to operate an effective year round market in the heart of the development but also have the opportunity to participate in those discussions. I think our feedback and experience in the region would be valuable to the discourse. We encourage the planning department to consider the positive impact of a year round farmers' market as both an incubator for new food ideas, access to locally grown produce and a time tested community engagement tool that can be leveraged for a variety of needs to enhance the community cohesion.

Presently, we are looking for another site for the seasonal Scott's Valley FM. The current location is slated for redevelopment (Boys and Girls Club) and the footprint is not going to work to have an event. Additionally, after 16 years, operating at multiple locations in Scott's Valley, we are convinced that Mount Herman Road is where we need to be and ultimately part of the fabric work of the future town center. Space is limited but we are on the search.

Please considering the following in your discussions concerning the Town Center:

1. Specific mention for the need of a "certified farmers' market" in the design plans and permanent site for the Scott's Valley FM.
2. Consultation with SCCFM on "best" design concept/options and infrastructure basics.
3. Efficient and effective layout/design integration of CFM and new retail, civic events and

entertainment.

4. Consideration of Santa Cruz County Agriculture and its regional economic impact and importance.

5. Strong consideration of the relationship between local food production and restaurants (farm to table). A local year round market would be the source for restaurants and cafes that prioritize locally farmed goods, value added products and unique cuisines.

6. CFM's represent a distribution point for CAL FRESH (EBT) and food assistance programs like "Market Match" (<https://santacruzfarmersmarket.org/campaigns/market-match/>). SCCFM distributes over 600K in Cal Fresh through the five markets we operate in the county.

7. CFM's serve as emergency food distribution points (farmed goods, food boxes,etc) and were determined to be an "essential business" during the Covid-19 lock down.

Please let me know how SCCFM can assist in this project and thank you for considering our suggestions.

Thank you-
Nesh Dhillon
Executive Director
Santa Cruz Community Farmers' Markets

From: [Sue Draper](#)
To: [Scotts Valley Planning Department](#)
Subject: Town Center question for EIR
Date: Monday, November 24, 2025 4:40:20 PM

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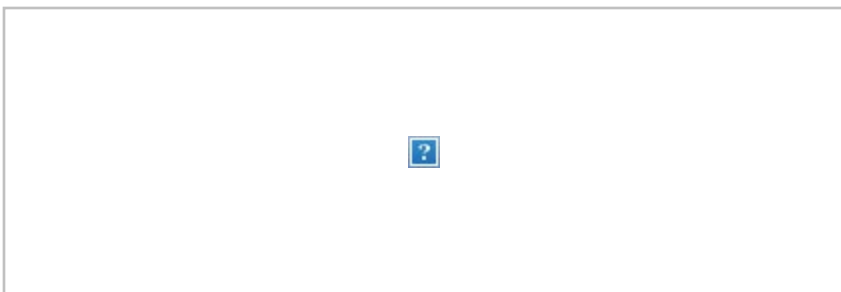
[EXTERNAL EMAIL] DO NOT CLICK links or attachments unless you recognize the sender and know the content is safe.

Regarding the current EIR for the proposed Town Center please address the following questions:

- 1) Where in the report does it address the recharge of water to our aquifer?
Scotts Valley currently uses its open space to collect and recharge the aquifer. Every additional business and residence has a direct impact on our water usage.
Please explain the measures taken to mitigate the loss of open space (12.5 acres) of recharge down to 2.68 acres of recharge space. This appears to be an Irreversible Use of Nonrenewable Resource
Is that really (Less than Significant Impact? What exactly is the Mitigation Incorporated)
- 2) Traffic impacts Every resident and business owner using Mt Hermon as an access to Hwy 17, getting children safely to and from school, and day to day operations of vital business for the residents they support. I see several New streets in the Town Center Plan but no alternative routes are proposed. With our current volume of traffic, residential neighborhoods are already experiencing the impact from inadequate flow, Estrella Drive has had to implement speed bumps to try and detour "cut through" traffic. Baja Sol and Whispering Pines are also being negatively affected by additional "cut through" traffic as we speak.
Please explain how the hundreds of additional housing units, all using Mt Hermon as their access to work, schools, and business will have a (Less than Significant Impact? What exactly is the Mitigation Incorporated)
- 3) Parking for residents and business owners appears to be adequate. ALL of our schools, shopping/ restaurants, and many residential neighborhoods are currently impacted by not planning for necessary parking. Did anyone drafting this report try parking in Victor Sq on an afternoon in order to get groceries, a meal, or a beer. Try finding a space at Nob Hill since the EV conversion of the parking lot during the afternoon. Try parking even remotely close to Chase Bank any time of the day. Honestly the huge missing link in the Town Center for success is inadequate parking. I predict the overflow will end up using existing parking intended and paid for by our current business owners.

These are my biggest concerns.

I look forward to hearing from you,
Sue





12/04/2025

City of Scotts Valley
Planning Commission
1 Civic Center Drive
Scotts Valley, CA 95066

Re: Scotts Valley FEIR and Town Center Specific Plan

YIMBY Law is a 501(c)3 non-profit corporation, whose mission is to increase the accessibility and affordability of housing in California. YIMBY Law sues municipalities when they fail to comply with state housing laws, including the Housing Element Law.

Today we write with concerns regarding the proposed insufficient zoning of the Specific Plan. The Housing Element's Programs committed to zoned capacity that the program does not meet, which threatens the continued certification and compliance with state law. Programs H-1.1 and H-1.10 required Town Center parcels to support at least the level of development assumed in the site inventory. Full zoned capacity on city-owned parcels amounts to 963 units and 898 on others as listed within the sites inventory. However, the proposed capacity is only 657 units.

Government Code § 65583 requires each jurisdiction's housing element to include "a program which sets forth a schedule of actions" that the city "is undertaking or intends to undertake" to implement the goals, policies, and objectives of the housing element. Once adopted and certified by HCD, these programs are not optional. They are enforceable commitments, and jurisdictions are required to follow through. Government Code § 65583(c) uses mandatory language: programs "shall" identify actions, timelines, and responsible agencies. The Legislature's intent is clear—cities must not simply adopt programs as aspirational statements but must carry them out in good faith.

Beyond the insufficient capacity, specific City-owned parcels may be downzoned from the capacity as represented in the Housing Element. If APN# 022-721-06 is designated as Public/Quasi-Public, they will be subject to a designation that does not allow residential uses. This action would violate § 65863 No Net Loss provisions and § 65583.2(h)(2) requirements that at least 50% of a jurisdiction's lower-income housing need be accommodated on sites designated exclusively for residential use, where non-residential or mixed uses are not permitted.

Every low income site in the proposal would be rezoned to allow non-residential uses. Under California Court of Appeal's recent decision in *New Commune DTLA LLC v. City of Redondo Beach*, Housing Element rezoning programs cannot lawfully allow exclusively non-residential development on sites designated to accommodate lower-income housing. Such a rezoning does not meet legal requirements under Housing Element law. Scotts Valley may only remain compliant if the low income sites allow residential uses by right and do not permit non-residential units.

The current zoning plan does not comply with the Scotts Valley Housing Element or California rezoning requirements. Without going through this process, Scotts Valley cannot ignore or abandon the programs it committed to in its adopted housing element. Failure to comply with Housing Element law exposes the City to significant legal risk. This includes potential litigation under Government Code § 65587, enforcement actions by the California Attorney General, loss of state funding eligibility, and the risk of being subject to Builder's Remedy projects. Alternately, the Specific Plan must allow for the Housing Element capacity, correct the proposed downzoning and non-residential uses, and ensure that all parcels referenced in the sites inventory allow 100% residential uses by right.

I am signing this letter both in my capacity as the Executive Director of YIMBY Law, and as a resident of California who is affected by the shortage of housing in our state.

Sincerely,

A handwritten signature in black ink that reads "Sonja Trauss". The signature is written in a cursive, flowing style with a large, stylized 'S' and 'T'.

Sonja Trauss
Executive Director
YIMBY Law



Date: December 3, 2025

To: Scotts Valley Planning Commission

planningdepartment@scottsvalley.gov

Re: **Comments on the Proposed Scotts Valley Town Center Specific Plan – Compliance with Housing Element Commitments and State Housing Law**

Dear Commissioners:

Santa Cruz YIMBY appreciates the opportunity to provide comments on the City of Scotts Valley's proposed Town Center Specific Plan ("TCSP"). As we have explained in our prior comment letters, the City's Housing Element establishes clear, binding rezoning obligations for the Town Center area—obligations the current draft Specific Plan does not satisfy.

1. The Specific Plan Continues to Under-Zone the Town Center Relative to the Housing Element

As detailed in our June 10, 2025 and November 24, 2025 comment letters, the Housing Element commits the City to planning for significantly more housing capacity in the Town Center than is reflected in the current draft Specific Plan. The Housing Element's Programs H-1.1 and H-1.10 require the City to implement the full Appendix F capacity methodology and ensure that the Town Center parcels support at least the level of development assumed in the site inventory—approximately 898 units at full zoned capacity, or 963 units when accounting for the City's obligation to achieve at least 300 units on the three City-owned parcels.

Your own Housing Element and our comments make clear that these are not optional policy preferences; they are legally binding Housing Element implementation commitments. Despite this, the draft TCSP maintains a significantly reduced total capacity of 657 units, contrary to the commitments the City made when HCD certified the Housing Element.

2. The Proposed Downzoning and Mixed-Use Zoning of Lower-Income Housing Element Sites Violates State Law Unless the City First Amends Its Housing Element

We are deeply concerned that one of the three City-owned parcels identified in the Housing Element as accommodating 64 lower-income units, the parcel with APN# 022-721-06, is proposed to be redesignated to **Public/Quasi-Public (P)** under the draft Specific Plan. The current Land Use element of the Scotts Valley general plan indicates that **the P designation does not permit residential uses**, resulting in a de facto **downzoning** of a site the City explicitly relied upon to meet its lower-income RHNA obligations.

This action is unlawful for two independent reasons:

1. **Government Code section 65863 (the No Net Loss Law)** prohibits any reduction in the density or residential capacity of a Housing Element site unless the City simultaneously identifies equivalent replacement sites that fully maintain the Housing Element's lower-income capacity by income category. A jurisdiction may not downzone, redesignate, or otherwise reduce realistic capacity on an inventory site unless it makes the required findings and secures replacement capacity at the time of the action.
2. **Government Code section 65583.2(h)(2)** requires that at least 50% of a jurisdiction's lower-income housing need be accommodated on sites designated exclusively for residential use, where **non-residential or mixed uses are not permitted**. It allows use of mixed-use sites for lower-income RHNA *only if* those sites (a) **allow 100% residential use**, and (b) require that **residential uses constitute at least 50% of the floor area** of any mixed-use development.

By redesignating an inventory site to a non-residential Public/Quasi-Public zone and by rezoning the remaining lower-income sites to mixed-use districts that allow stand-alone commercial or civic uses, the draft Specific Plan both:

- A. *reduces lower-income capacity* in violation of section 65863, and
- B. *fails to meet the section 65583.2(h)(2) requirement* that lower-income need be sited on parcels that function as bona fide residential or residential-dominant sites.

Under state law, Scotts Valley has only one lawful path if it wishes to proceed with this downzoning:

The City must first amend its Housing Element to remove the site from the inventory, subject the amendment to HCD review, and simultaneously identify equivalent replacement lower-income capacity elsewhere in the City.

Only after completing that Housing Element amendment—and demonstrating continued compliance with section 65583.2(h)(2) and section 65863—could the City legally redesignate the parcel to Public/Quasi-Public.

The City has not taken these steps. Adopting the TCSP as currently drafted would simultaneously (1) violate state law, (2) jeopardize the validity of the Housing Element, and (3) expose the City to HCD enforcement and litigation risk.

3. The Specific Plan Must Ensure That Lower-Income Sites Allow 100% Residential Use and May Not Permit Exclusively Non-Residential Development on Those Parcels

The California Court of Appeal's recent decision in *New Commune DTLA LLC v. City of Redondo Beach* has clarified that a Housing Element rezoning program **cannot lawfully allow exclusively non-residential development on sites designated to accommodate lower-income housing** (see §65583.2(h)(2) above). The court held that a city fails to implement its Housing Element if its rezoning allows commercial-only or otherwise non-residential projects on parcels the Housing Element relies on to satisfy lower-income RHNA.

Yet, the TCSP draft proposes that **every lower-income Town Center site listed in Scotts Valley's Housing Element—including the City-owned parcels and the METRO and Kings Village parcels—is proposed to be rezoned to allow non-residential uses as permitted stand-alone uses**, such as retail, restaurants, offices, hotels, or public facilities.

In the TCSP use tables (Draft Chapter 3), both MU-TC and MU-N allow a broad array of commercial uses by right or by CUP, including uses that could occupy the entirety of a parcel without any housing. This directly conflicts with state law and with the *New Commune* precedent.

To comply with state law, the City must ensure that:

- *All Housing Element lower-income sites must allow 100% residential uses by right, and*

- *Non-residential uses may occur only as part of a mixed-use project that also includes the required level of residential capacity, not as a stand-alone use that displaces required housing.*

The TCSP does not currently include these safeguards.

4. The City Must Ensure That the Rezoning Fully Implements the Housing Element Before Plan Adoption

Finally, state law requires that all rezoning programs included in a certified Housing Element be fully and faithfully implemented. Scotts Valley's TCSP is clearly a Housing Element "shortfall" rezoning program, and therefore the City must ensure:

- Consistency with all Housing Element programs and site inventory assumptions;
- Full preservation of lower-income site capacity;
- Zoning that facilitates (not merely nominally permits) the quantities of housing required; and
- No downzoning or reduction of capacity without a prior Housing Element amendment and HCD review.

The City's staff acknowledges that the TCSP rezoning program is being adopted specifically to satisfy Housing Element Program H-1.1 and the City's RHNA commitments.

Given this, the TCSP must be corrected to reflect the City's legal obligations.

Request

For the reasons above, Santa Cruz YIMBY respectfully requests that the Planning Commission:

1. **Direct staff to revise the Town Center Specific Plan to provide the full housing capacity required under the Housing Element**, consistent with Programs H-1.1 and H-1.10.
2. **Remove the proposed downzoning of the City-owned 64-unit lower-income site**, or alternatively, require a Housing Element amendment identifying a replacement site before adoption.

3. **Revise zoning for all lower-income Housing Element sites subject to a rezoning so that exclusively non-residential projects are not permitted,** consistent with *New Commune DTLA LLC v. Redondo Beach*.
4. **Ensure that all lower income Housing Element parcels included in the TCSP allow 100% residential development by right** and support realistic, feasible multifamily development at the required densities.

We strongly support a vibrant, mixed-use Town Center. However, Scotts Valley must also comply with its Housing Element and state housing law. Santa Cruz YIMBY urges the Commission to adopt a legally compliant plan that fully meets the City's obligations to plan for, accommodate, and facilitate desperately needed lower-income housing.

Thank you for your attention and for the opportunity to comment.

Sincerely,

Rafa Sonnenfeld

Janine Roeth

Gavin Roth

Ryan Meckel

Jocelyn Wolf

Leads, Santa Cruz YIMBY

Santa Cruz YIMBY Mission: We envision a community where our neighbors of all ages, cultures, abilities, and incomes, can make Santa Cruz County their home. In response to the ever-increasing cost of living, we advocate for more affordable housing to meet the needs of our growing population.

Santa Cruz YIMBY is a chapter of YIMBY Action, a 501(c)(4) nonprofit organization.



Affordable Housing NOW!
(760-935-4892)

Every Unit Counts!

Dec. 12, 2025

RE: Certification of final environmental Impact Report for Town Center

Dear Council Members,

Affordable Housing NOW enthusiastically supports the Certification of the EIR Report. We have been aware of the priority Council and staff have given to moving the Town Center forward and this demonstrates that much needed housing may be coming.

While, based on the report, the following comment might not change the report, we would like to suggest a solution to a problem that is not in the study. Mt. Hermon Road traffic is increasing year by year and not due to growth in the City of Scotts Valley. The construction-delivery truck traffic has been especially notable.

During the school year many Middle School students descend onto Mt Hermon Rd and in addition there are many seniors from Spring Lakes Park who walk to the shopping complexes, library, and post office. For those two groups, especially, crossing Mt Hermon has become more dangerous. A pedestrian overpass or underpass could reduce the risk while at the same time possible reduce the amount of time the pedestrian traffic lights are slowing traffic.

Housing, especially affordable housing, is our organization's primary focus. The submission by YIMBY makes important points, the City's Housing Element goals largely rely on the number of units in the Town Center project. Please keep that in mind.

For the public that does not want to see any housing, please understand that around 90% of employees in Scotts Valley do not live there. The commercial elements of a Town Center will increase that number. Housing targeted toward solving the discrepancy reduces traffic and makes the City a complete community.

Sincerely,

A handwritten signature in blue ink that reads "Tim Willoughby".

Tim Willoughby, AHN Chair

From: Trent C <tcatesryan13@gmail.com>
Sent: Friday, December 5, 2025 1:09 PM
To: Cathie Simonovich <csimonovich@scottsvally.gov>
Subject: Scotts Valley Town Center

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I am a resident of Scotts Valley, living near the middle school. I live there with my 2 children and their mother. We very much love Scotts Valley for the unique small town feeling, and community. Along with the sense of safety and close to nature conditions, that is none existent in cities like Santa Cruz, and even Felton. I am very much against this property development. It will be the beginning of a process that robs us residents of everything that make Scotts Valley unique and the most desirable area to raise a family in. All I see that will result from this is; traffic, less open space, degradation of community, schools and teachers overwhelmed, increase in crime, drain on city resources, becoming more like Santa Cruz, and many other second/third order consequences. This will not end well for the community of Scotts Valley. The only individuals that will truly benefit from this project moving forward are the developers/realtors, and the politicians that get to pat themselves on the back for "achievements" that look great on paper but are a slow poison for the once thriving close-knit community.

Best Regards
Trent Cates

December 9, 2025

To: City of Scotts Valley Planning Department
Re: Town Center Proposal

Dear Friends:

I am writing in opposition to the proposed Town Center development.

Over the years, the members of the Scotts Valley City Council have been actively exploring and promoting the idea of a town center to be built on the grounds of the former airport property. And, over the years, a few out of town developers have prepared different mixed use housing (stack and pack) with retail space proposals.

Have the council members ever asked the good citizens of Scotts Valley if they want or need a town center made up of mixed use buildings surrounded by asphalt and concrete "landscaping"? Do we want every square inch of bare land in the city to be built up for the profit of others?

I propose that the city leadership explore a green space option for our town center. We have a sports field, skate park and dog park. Let's join that together with a town center public garden made up of greenery, paths, fountains, benches, and a playground for children?

We have lived for many years without building on the proposed space. Let's go with a scenic, green and enjoyable park for our citizens and visitors, and call that our town center.

Thank you,

David Jones
109-B Bluebonnet Ln. Scotts Valley

831 234-6704



1 December 2025

SCOTTS VALLEY PLANNING COMMISSION

City of Scotts Valley
1 Civic Center Drive
Scotts Valley, CA 95066

RE: 12/04/25 Planning Commission Public Hearing to adopt resolution recommending the City Council certify the Final Environmental Impact Report (FEIR) and adopt the 2025 Scotts Valley Town Center Specific Plan (2025 Plan)

Dear Chair Gentile, Vice Chair Maffia and Honorable Commissioners:

Scotts Valley Shopping Center, LLC (dba TRC) appreciates the Planning Commission's and Planning Staff's consideration of our November 19, 2025, comment letter on the draft Scotts Valley Town Center Specific Plan at its November 20, 2025, Study Session. In our letter, we conveyed our concern that the prohibition of Bank and Financial Institution uses with drive-up ATMs in the Mixed-Use Town Center (MU-TC) zoning district disaggregates a fundamentally important daily-need consumer service from the 12-acre Town Center Core. Further, it restricts land use flexibility necessary to respond to market demands.

We note in the modified draft Specific Plan and in the Staff Report for the December 4, 2025, Public Hearing that Planning Staff is not recommending certain requested changes to Chapter 3 – Allowed Land Uses of the draft Specific Plan. We hope Staff, the Commission and the City Council will further consider our request that Bank and Financial Institution uses be permitted or conditionally permitted in the MU-TC Zone. Alternatively, as suggested in our earlier comment letter, since the TRC parcels are not part of the 12-acre Town Center Core their assignment to the Mixed-Use Neighborhood (MU-N) Zone would be appropriate.

We also noted that "Table 2: Written Comments Received on the DEIR" of the Staff Report lists our November 19, 2025, comment letter as a DEIR comment. Our comment letter was limited to the draft Specific Plan only. TRC does not have any comment on the Draft Environmental Impact Report.

Thank you for the opportunity to comment on and participate in the Scotts Valley Town Center Specific Plan process.

Sincerely,

A handwritten signature in blue ink, appearing to read "Byron de Arakal", written over a blue circular stamp or seal.

Byron de Arakal
Consulting Director | Entitlement Planning and Special Projects

Cc: Mali LaGoe – City Manager
Taylor Bateman – Community Development Director