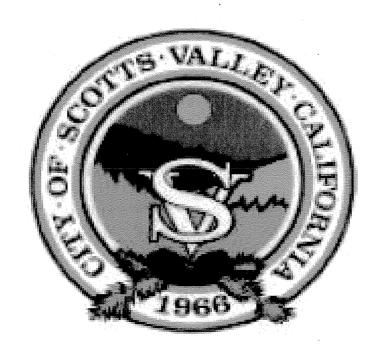
## City of Scotts Valley

# Community Profile



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## CITY OF SCOTTS VALLEY COMMUNITY PROFILE

It might be the awe-inspiring redwoods, or the close proximity to the beach, or even the fact that Scotts Valley is a relatively young city. Whatever the case, residents work hard to maintain the peace, charm and high quality of life found here. It is this old-fashioned sense of community which makes Scotts Valley a unique place to call home.

Scotts Valley is situated in Northern Santa Cruz County. The City thrives just a short distance from Monterey Bay, nestled in the redwoods on the upland slope of the Santa Cruz Mountains. It is approximately six miles north of Santa Cruz, 30 miles southwest of San Jose and 68 miles south of San Francisco.

The climate is characteristic of mountainous coastal terrain. Summer is mild with occasional cool, foggy mornings. Autumn is typically warm with little rainfall. Winter brings necessary rain, but is otherwise relatively mild with temperatures ranging from the 30s to the 60s. Spring means gradually warming temperatures with occasional moderate rainfall. Annual average temperature is 68 degrees, and average annual rainfall is 41.18 inches.

#### **HISTORY**

Scotts Valley was named after Hiram Scott who purchased Rancho San Agustin, including the valley, in 1850 from Joseph Ladd Majors.

Before Majors, the property was owned by José Bolcoff. Bolcoff was the original settler and first European to claim title and live in what was to be Scotts Valley. He was born Osip Volkov around 1794 in Petropavlosk-Kanchatsky, a village on the Kamchatka Peninsula in Siberia. Working as a fur trader around 1815, Bolcoff jumped ship on the Monterey Bay shoreline, quickly assimilated into the Spanish culture, and was well received by the Spanish authorities. Volkov had his Russian Orthodox Baptism validated in Mission Soledad in 1817, and was given the Spanish name José Antonio Bolcoff. Bolcoff lived with and traveled with California's Governor Sota, acting as an interpreter. Becoming a Mexican citizen in 1833, Bolcoff moved his family to his 4,400-acre land grant building, an adobe casa historians speculate was located near present-day Kings Village Shopping Center. Bolcoff relinquished his interest in Rancho San Agustin, selling and accepting \$400 from Joseph Ladd Majors, also known as Don Juan José Mechacas.

July 7, 1846 marked the shift in power in the region from Mexico to the United States.

Hiram Scott built Scott House in 1853 in Greek revival style. Sitting on the green lawn behind City Hall, it is a Santa Cruz County Historical Trust Landmark, and is on the National Register of Historic Places. The house originally stood on Scotts Valley Drive, about where a Bank of America branch is now located.

In 1966, the City of Scotts Valley was incorporated, using the Scott family name. Scotts Valley's most famous resident was legendary film director Alfred Hitchcock. He was the Master of Suspense and his family lived in a mountaintop estate about the Vine Hill area for 32 years, from 1940 to 1972.

## A. Population Characteristics

Population characteristics affect the housing need in a community. These include population growth, the age and race/ ethnicity of residents, household type, employment and income as well. This section details trends in population characteristics that affect housing needs and shopping patterns in Scotts Valley.

#### 1. Population Trends

Incorporated in 1966, Scotts Valley has grown from small town of 3,621 persons in 1970 to a community of 11,385 persons in 2000. As shown in **Chart 2-1**, Scotts Valley has had the fastest rate of population growth countywide. Over the next decade, the Association of Monterey Area Governments (AMBAG) forecasts that population in Santa Cruz County overall will increase 10% by 2010, with Scotts Valley's population expected to increase 16%. A similar growth rate is projected for Santa Cruz and Watsonville, while Capitola is projected to experience modest growth.

Chart 2-1: Population Growth in Santa Cruz County

Jurisdictions Population Growth					Annual Growth
	1970	1980	1990	2000	
Scotts Valley	3,621	6,891	8,615	11,385	7.10%
Capitola	5,080	9,095	10,171	10,033	3.20%
Watsonville	14,719	23,662	31,099	44,265	6.70%
Santa Cruz	32,076	41,483	49,040	54,593	2.30%
Unincorporated	65,386	107,010	130,809	135,326	3.60%
Santa Cruz County	120,882	188,141	229,734	255,602	3.70%

Source: U.S. Census, 1970-2000; AMBAG, 1997.

## 2. Age Characteristics

Scotts Valley's housing needs are determined in part by age characteristics of residents in that each group often has a different lifestyle, family type, income level, and housing preference. As people move through each stage of life, housing needs change. **Chart 2-2** and the following text highlight the most significant age changes and influence upon housing needs in Scotts Valley.

According to 2000 Census, young adults ages 25-44 are the largest segment in the community, comprising 30% of residents. Generally, younger adults occupy rental units, condominiums, or smaller single-family homes that are more affordable in price. However, given the high home prices in Scotts Valley, housing options for young adults are likely to be limited to the rental market. The increase in young adults and families has also resulted in an increase in the number of school-age children.

The second largest group, middle age adults ages 45 to 64, comprises 23% of the City's population. Since 1990, middle age adults have increased by 66% due in part to the aging of persons in the 35 to 45 age group in Scotts Valley and an influx of persons who commute to Santa Clara County. This trend, evident countywide, is attributable to the baby boom generation. Unlike other age groups, middle-age residents are at the peak of their earning power, seeking larger homes, and are more likely to be homeowners.

Countywide trends show that the percentage of seniors ages 65 and older declined; however, the senior population in Scotts Valley increased 24% over the 1990s. Typically, seniors live in single-family homes, but may begin to consider trading down their larger homes for smaller dwellings that are more easily maintained after children leave home. In Scotts Valley, many seniors also live in the several mobile home parks in the community.

Chart 2-2: Age Characteristics and Trends

	1990	1990	2000	2000	
Age Group	Persons	Percent	Persons	Percent	% Change in Number
Children (0-18)	2,007	23%	2,939	26%	46%
College Age (18-24)	755	9%	800	7%	6%
Young Adults (25-44)	2,993	35%	3,436	30%	15%
Middle Aged (45-64)	1,592	18%	2,637	23%	66%
Senior Adults (65+)	1,268	15%	1,573	14%	24%
Total	8,615	100%	11,385	100%	32%
Median Age	35.9 ა	years	38.3	/ears	

Source: 1990 and 2000 Census

### 3. Race and Ethnicity

During the 1990s, the demographic composition of Santa Cruz County gradually changed. Countywide, Hispanics, Asians, and African-Americans increased to approximately one-third (34%) of all residents. Scotts Valley experienced similar race/ethic change during the 1990s, yet to a lesser degree. Shown in **Chart 2-3**, whites comprised the largest race/ethnic group in Scotts Valley, yet this group's representation declined by six percentage points over the decade due to substantial growth by other groups. Change in minority representation, while slight, showed in two aspects. Hispanics and Asians recorded the largest increase in population, increasing by approximately 300 residents in the "All Other Category." Unlike prior efforts, the 2000 Census allowed respondents to record themselves with multi-ethnic backgrounds. Still, Scotts Valley still has a significantly smaller proportion of minorities than elsewhere in Santa Cruz County.

Chart 2-3: Trends in Race and Ethnicity

	1990	1990	2000	2000
Race/ Ethnicity	Persons	Percent	Persons	Percent
White	7,881	91.50%	9,694	85.10%
Hispanic	421	4.90%	729	6.40%
Asian/ Pacific Islander	238	2.80%	536	4.70%
African-American	40	<1%	48	0.40%
All Others	35	<1%	378	3.30%
Total	8,615	100%	11,385	100%

Source: 1990 and 2000 Census

According to the 2004 Comprehensive Housing Affordability Strategy (based upon the 2000 Census), homeownership levels vary by race and ethnicity. Among whites, 76% of households own their own home. Homeownership rates dip slightly for people of other race and ethnic groups. For instance, approximately 71% of African Americans own a home, followed by Asians/ Pacific Islanders (70%), and Hispanics (68%). All Native Americans (8 households) own

their homes. Differences observed in homeownership rates are due in part to the average income level of residents.

## 4. Household Type

Household composition affects housing needs within Scotts Valley. For instance, younger adults entering the labor market often look for smaller and more affordable housing, which is difficult to find in Scotts Valley. In contrast, families and middle age adults often look for larger housing that can comfortably accommodate children. Although many seniors live in single-family homes, they may consider smaller homes that are easily maintained.

In 2000, Scotts Valley had 4,273 households. Of that total, families comprised 69% and non-families the remaining 31%. As shown in Chart 2-4, married families with children increased the fastest among all households, followed by other families, resulting in a slight increase in the average household size. Still, Scotts Valley had a smaller average household size of only 2.5 persons.

In addition to conventional housing, Scotts Valley has approximately 4% of its population living in group quarters. A total of 452 residents live in group quarters and are not counted as household per se. This population is comprised of a large senior congregate housing facility and additional residential care facility providing approximately 200 to 250 beds, and Bethany College dorms accommodating approximately 225 students.

**Chart 2-4: Household Characteristics** 

	1990	1990	2000	2000	·
Household Type	Number	Percent	Number	Percent	% Change in Number
Total Households	3,342	100%	4,273	100%	28%
Family Households					
Married With Children	865	26%	1,244	29%	44%
Married No Children	1,077	32%	1,249	29%	16%
Other Families	333	10%	475	11%	43%
Non-Family Households					4
Single Person	822	25%	1,001	23%	22%
Other Non-Families	245	7%	304	7%	24%
Average Household Size	2.48 av	verage	2.56 a	verage	3%

Source: 1990 and 2000 Census

#### **B.** Economic Characteristics

Located in northern Santa Cruz County, Scotts Valley developed in part as a bedroom community of Silicon Valley, and many major employers have relocated to the community and provided higher paying jobs to residents. Transitions in the Silicon Valley and technology industries, however, will continue to affect the firms relocating to the city and the income of residents.

### 1. Employment Market

According to the 2000 Census, 5,690 Scotts Valley residents were in the labor force (66% of the eligible population), with a 2.6% unemployment rate. This is significantly lower than the 6.0% unemployment rate countywide. According to 1999 Economic Census, Scotts Valley had 512 retail, professional, scientific, technical, and manufacturing firms representing half the entire business base and employing 3,500 people. **Chart 2-5** shows the largest employers in Scotts Valley.

Silicon Valley has grown to 1.5 million jobs over the past 50 years. The 1950-1960s saw expansion into the defense-related industries. This was followed by an expansion into integrated circuits from the 1960-1980s. Application of these technologies led to the personal computer industry, which dominated the 1980- to mid-1990s, and the internet industries of the 1990s. Scotts Valley employment base has followed these patterns since early 1970s.

According to 2002 Projections, over 230,000 jobs were created in the Silicon Valley during the late 1990s, mostly in the internet and high technology sector. However, since 2000, as the region lost 92,000 of those jobs due to regional, national and global factors, changes occurred in Scotts Valley. For instance, the Borland complex is now occupied by start-up firms with 10-25 people.

Chart 2-5: Top Employers in Scotts Valley

Major Employers	No. of Employees
Seagate Technology	877
Inprise/Borland	366
ASML	355
Threshold Enterprises	303
Rainmaker	192
Nokia	130
Starfish Software	119
Surf Control	116
E-Mu Systems	101

The City's objective is to balance the requirements of providing a fair share of affordable housing and mix of different housing types (apartments, condominiums, townhouses) in the region, while not exceeding the capacity of the City's infrastructure. Between 1998 and 2004, the number of housing units increased from 4,121 to 4,565. The job to housing ratio has thus declined from 1.54 in 1998 to 1.18 in 2004. This means that the number of jobs is declining in relation to the number of housing units in the City. The Association of Monterey Bay Area Governments (AMBAG) considers that 1.50 is an appropriate balance between jobs and housing.

#### 2. Occupational Profile

Scotts Valley's higher median household income is reflective of the type of occupations held by its residents. Shown in **Chart 2-6**, three of every four residents held managerial and professional positions or sales/technical/administrative occupations. Of particular note, 53% of City residents held managerial and professional jobs. While the 2000 Census does not estimate household

income associated with different jobs, regional estimates can be derived from the National Compensation Survey. More than half of all jobs held by Scotts Valley residents earn salaries ranging from \$70,000 to \$80,000, on average. However, because many households have multiple wage earners, the income for many householders is likely to be significantly higher.

Chart 2-6: Occupations of Scotts Valley Residents

Jobs				
Occupational Category	Persons	Percent	2000 Mean Salary	
Managerial Positions	1,321	24%	\$82,000	
Professional and related	1,628	29%	\$71,100	
Sales and Office	1,378	25%	\$35,700	
Service Occupations	554	10%	\$22,400	
Production, transportation, etc.	279	5%	to	
Construction, extraction/maintenance	352	6%	\$43,800	
Farming, Forestry, Fishing	29	1%	\$18,500	
Total	5,541	100%		

#### 3. Household Income

Many City residents work in manufacturing, technology, and other high-paying industries. As a result, Scotts Valley residents earn the highest median household income (\$72,000) compared to any other community in Santa Cruz County. Furthermore, from 1990 to 2000, Scotts Valley's median household income rose faster than all other cities in the county. **Chart 2-7** shows the change in median household income for all cities.

Chart 2-7: Median Household Income 1990 – 2000

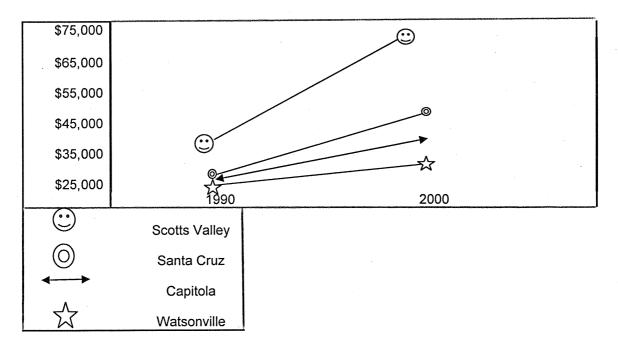


Chart 2-8 details the reason for this change. While the number of households in income groups below \$100,000 declined or remained the same, those earning more than \$100,000 increased in number by 1,189 households. Households earning between \$100,000 and \$150,000 increased 261%, while the number of households earning more than \$150,000 increased by 570%. Part of this change is presumably due to inflation however the primary reason is that many of Scotts Valley residents work in increasingly higher paying jobs.

Chart 2-8: Household Income Trends

Income Category	No. of Househ	olds	Change in Number	% Change in Number
	1990	2000		
<\$25,000	839	551	-288	-34%
\$25,000 to \$34,999	384	426	42	11%
\$35,000 to \$49,999	641	510	-131	-20%
\$50,000 to \$74,999	705	708	3	
\$75,000 to \$99,999	490	547	57	12%
\$100,000 to \$150,000	263	951	688	261%
More than \$150,000	88	589	501	570%
Total	3,410	4,282		

Source: 1990 and 2000 Census

Median household income varies depending upon household characteristics. According to the 2000 Census, married couple families earned a median income of \$101,297 – more than double than that earned by other families having two or more workers (2000 Census). Household income is highest during working year's householders between the ages of 25 and 64, with a median income ranging from \$81,000 to \$101,000. In contrast, seniors and single-persons earned a median income in the mid \$30,000s.

Households are often grouped into different income categories to facilitate assessment of housing needs. For state housing programs and for the Regional Housing Needs Assessment Plan discussed later, households are grouped in four income categories, expressed relative to the Area Median Income (AMI). The followings income thresholds issued by The California Housing and Community Development Department (HCD) in 1999 were used to calculate the income distribution of households living in Scotts Valley from the 2000 Census. (The income levels are adjusted periodically by the State)

• Very Low income: 0-50% of AMI or up to \$30,500

• Low income: 51-80% of AMI or up to \$47,800

• Moderate income: 81-120% of AMI or up to \$61,000

• Upper income: Above 120% or over \$73,200

As shown below in **Chart 2-9**, 52% of all renters are classified as low incomes compared to 29% of all homeowners. This finding is expected given the high cost of housing in Scotts Valley.

Approximately 23% of renters earn moderate incomes versus 18% of homeowners. As expected for those owning homes, 53% of homeowners versus 25% of renters earn above-moderate incomes.

Chart 2-9: Household Income Distribution

	Household Characteristics		
Income Category	Total	Renters	Homeowners
Median Income	\$72,500	\$43,000	\$90,500
Very Low	702 (14%)	330 (25%)	372 (10%)
Low	1,059 (21%)	356 (27%)	703 (19%)
Moderate	973 (19%)	302 (23%)	671 (18%)
Above- Moderate	2,304 (46%)	323 (25%)	1,980 (53%)
Total	5,038 (100%)	1,312 (100%)	3,726 (100%)

Source: 2000 Census

## D. Housing Characteristics

Housing characteristics also determine how the housing stock fits the needs of residents. This section analyzes housing characteristics, including the type of housing units available, the ownership and vacancy rates, age and condition, and the price and affordability of housing.

## 1. Housing Types

According to the 2000 Census, Scotts Valley had 4,477 housing units, representing a growth of 92 units annually since 1990. As shown below, the majority of units in Scotts Valley are single-family detached homes, which increased in number and proportion from 59% in 1990 to 64% of the housing stock by 2000. Multi-family units also increased in number and remained at approximately 18% of the City's housing stock. Mobile homes continue to provide a relatively larger proportion of the City's housing at 814 or 17% of housing stock. Chart 2-10 provides a summary of key housing characteristics in Scotts Valley.

**Chart 2-10: Housing Unit Characteristics** 

	1990	1990	2000	2000
Housing Type	Number	Percent	Number	Percent
Single-Family-Detached	1,764	50%	2,457	55%
Single-Family-Attached	327	9%	408	9%
Multi-Family (2-4 Units)	363	10%	376	9%
Multi-Family (5 or more)	279	8%	422	9%
Mobile homes/other	823	22%	814	17%
Total	3,556	100%	4,477	100%
Rental Vacancy Rate		7.60%		3.40%
For-Sale Vacancy Rate		3.10%		0.70%

Source: 1990 and 2000 Census

## 2. Housing Tenure and Vacancies

During the 1990s, the tenure distribution of housing remained stable. Scotts Valley had 4,307 occupied units, comprised of 3,229 owner and 1,078 renter households. Scotts Valley also has a high homeownership rate of 75%, which is well above the county average of 47%. Another important indicator is that housing vacancy rates declined over the decade. As of 2000, vacancy rates in Scotts Valley were low, at 3.4% for rentals and 0.7% for homeowners- well below industry standards for an optimal housing market. **Chart 2-11** provides key housing characteristics in Scotts Valley.

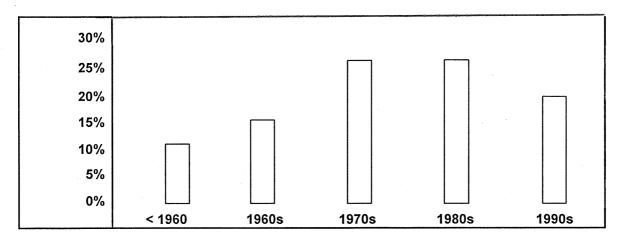
Chart 2-11: Housing Tenure and Vacancy

	1990	1990	2000	2000
Housing Type	Number	Percent	Number	Percent
Homeowners	2,461	74%	3,229	75%
Renters	881	26%	1,078	25%
Total Units	2,342	100%	4,307	100%
Rental Vacancy Rate		7.60%		3.40%
For-Sale Vacancy Rate		3.10%		0.70%

Source: 1990 and 2000 Census

## 3. Housing Conditions

Housing age often indicates when homes require repairs. After 30 years, most homes require greater maintenance, such as new roof, wall plaster, and stucco. Homes older than 50 years require more substantial repairs to plumbing, electrical, or other components. As shown in **Chart 2-12**, housing is in excellent condition in Scotts Valley, except for a small area near City Hall, encircled by Bean Creek Road, Erba, Scotts Valley Drive, and Oak Lane. Within this area, 100 older homes need substantial repair and one smaller mobile home park could benefit from rehabilitation. **Chart 2-12: Decade When Housing Built** 



## 4. Housing Prices

The Santa Cruz County Association of Realtors (SCAOR) reports that the median price of a single- family home increased 46% countywide from 1996-99 and an additional 40% in Santa Cruz and Scotts Valley from 1999-2002. Shown in **Chart 2-13** the median sales price for a single-family home in Scotts Valley was about \$570,000 in 2002. Approximately 25% of homes sold below \$522,200. The third quartile refers to the sales price at which 25% of homes sold above \$685,000. Condos cost 65% of the median single-family home. Mobile homes sell for a median price of \$165,000.

Chart 2-13: Home Prices in Scotts Valley, 2002

Sales Prices					
		Condo-			
Housing Sales Price Distribution	Single-Family	miniums	Mobile Homes		
Average Price	\$610,000	\$365,000			
First Quartile	\$522,200	\$342,000	\$109,750		
Median Price	\$570,000	\$365,000	\$159,000		
Third Quartile	\$685,000	\$400,000	\$195,00		

Source: Dataquick Services, 2002.

As shown in Chart 2-14, rents vary significantly. For higher-end complexes (Bay Tree and Acorn Court), rents from \$1,400 for a one-bedroom unit to \$1,750 for a two bedroom unit, to \$2,200 for a three-bedroom unit. For older complexes, rents range from \$900 to \$1,200. Single-family homes provide a large proportion of rental housing. Duplexes and triplexes with two bedrooms generally rent for \$1,000 to \$1,500 per month. Three-bedroom homes rent for \$1,500 to \$2,200 and four bedroom homes rent for \$2,500. In Scotts Valley, mobile home owners are not allowed to rent their units.

Chart 2-14: Average Rents in Scotts Valley, 2002

	Average Rent	
Size of Units	Apartment	House
One-Bedroom	\$900-\$1,400	N.A.
Two-Bedroom	\$1,200-1,800	\$1,000 to \$1,500
Three-Bedroom	\$1,500 to \$2,200	\$1,500- \$2,200
Four-Bedroom	N.A.	\$2,500 +

Source: Internet Search and Interviews with Realtors

As shown in **Chart 2-15**, the number of permits issued has an impact on the valuation that the City of Scotts Valley receives.

Chart 2-15: Valuation

	Number of Permits	
Year	Issued	Valuation
2000	352	17,721,513
2001	387	22,576,263
2002	357	9,847,526
2003	413	18,742,497
2004	389	19,687,557
2005	372	25,378,444
*2006	336	12,094,006
* as o	of Novembe	er 30, 2006

## Chart 2-16: Scotts Valley Population and Housing Estimates, 1/1/2000-2006

Chart 2-16 shows the total population for the City of Scotts Valley from the years of January 1, 2000 to January 1, 2006. Chart 2-16 also shows the total population for the City of Scotts Valley from the years of January 1, 2000 to January 1, 2006. Housing Units are shown below from the years of January 1, 2000 to January 1, 2006 and are categorized by single family units detached and attached and also multi-family units two to four units and 5 plus units. It also shows mobile homes, occupied, percent vacant and persons per household.

	POPULATION						
YEAR	TOTAL	HOUSE- HOLD	GROUP QUARTERS				
1/1/2006	11,606	11,154	452				
1/1/2005	11,576	11,124	452				
1/1/2004	11,546	11,094	452				
1/1/2003	11,560	11,108	452				
1/1/2002	11,502	11,050	452				
1/1/2001	11,448	10,996	452				
1/1/2000	11,385	10,933	452				

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1			SIN	GLE		-				PERSONS PER
					2 TO	5	MOBILE	OCCU-	PCT	HOUSE-
	YEAR	<b>TOTAL</b>	DETACHED	ATTACHED	4	<b>PLUS</b>	HOMES	PIED	VACANT	HOLD
1	/1/2006	4,622	2,488	415	417	497	805	4,465	3.40	2.498
1	/1/2005	4,616	2,482	415	417	497	805	4,459	3.40	2.495
1	/1/2004	4,565	2,463	415	415	468	804	4,410	3.40	2.516
1	/1/2003	4,535	2,461	415	397	458	804	4,381	3.40	2.535
1	/1/2002	4,486	2,455	413	397	417	804	4,334	3.39	2.550
1	/1/2001	4,449	2,438	413	377	417	804	4,298	3.39	2.558
1	/1/2000	4,423	2,428	403	371	417	804	4,273	3.39	2.559

Source: State Department of Finance Demographic Research: E-5 Population and Housing Estimates.

#### **TOURISM**

From its early years as a stop on the stage route across the mountains, the community of Scotts Valley has provided services to travelers. With the growing popularity of the family automobile in the early twentieth century, the area became commercialized and tourism developed as a local industry.

In the early 1920s, Edward Evers established Camp Evers at the junction of the State Highway and Mt. Hermon Road. Camp Evers consisted of a small store, gas pumps, dance hall and tents, becoming a resort and rest stop for travelers.

The Beverly Gardens were established in the 1930s and featured a collection of exotic birds and animals, a restaurant, and cabins.

The Tree Circus was opened in 1947 featuring trees grafted and trained in strange and unusual shapes. Bright "life size" painted dinosaurs overlooking Highway 17 was added to the Tree Circus in 1964 when it changed its name to The Lost World.

Santa's Village was established in 1956. It was the most popular of the many attractions, attracting millions of visitors to Scotts Valley for over twenty years, and it was the last of Scotts Valley's theme parks to close its doors, in 1978. On June 13, 1956 legal documents were drawn up for the sale of Lawridge Farm, which was a portion of the former Rancho San Augustin. From the Lawridge Farm estate came the leasing of the 25 acres which housed Santa's Village theme park, one of three locations in America's first theme park chain. The lease was to H. Glenn Holland, who had already developed a Santa's Village in 1955. He would go on to develop a third Santa's Village near Chicago in Dundee, Illinois (which is still in operation today). The park maintained a historically correct team of Mexican burros who lived on the back 20-acre field. Four reindeer from Unalakleet, Alaska, pulled Santa's sleigh. All the buildings were designed to look like log chalet-type structures, replete with snowy roofs and gingerbread trim. One chalet housed a legendary fresh gingerbread bakery that filled the town of Scotts Valley with the smell of gingerbread during the summer months. Theme-appropriate music flowed from speakers hidden in towering redwood trees. The pristinely clean Santa's Village of Scotts Valley was an inviting theme park for all. In 1977 the Santa's Village Corporation had filed for bankruptcy, and in 1979 the park's gates were finally closed. The site is currently a temporary playing field at Borland's headquarters.

All these attractions were supported by numerous curio shops, fruit juice stands, cactus shops and motels.

Scotts Valley is also near Big Basin Redwoods State Park, Henry Cowell Redwoods State Park, and Roaring Camp Railroads. The town is surrounded by redwood forests. The City of Santa Cruz lies 5 miles to the south. The Tim Brauch Memorial Skateboard Park is in Scotts Valley.

#### **SCHOOLS**

The City is served by two school districts, the Scotts Valley Unified School District and the Cabrillo Community College District. Both districts have boundaries larger than the City of Scotts Valley. There are two public elementary schools, one middle school and one high school located within the district. Cabrillo College is scheduled to open an extension campus in February 2007. The City also has one a private school named Baymonte that offers classes for preschool through eighth grade.

Chart 2-17: School Enrollment

School	School Capacity*		2000	2001	2002	2003	2004	Average Students Per Classroom
Brook Knoll	fixed	392	679	675	655	639	631	Grades K-3: 19 students/classroom
	w/portables	732						Grades 4-5: 29 students/classroom
Vine Hill	fixed	452	666	657	617	605	608	Grades K-3: 19 students/classroom
	w/portables	692						Grades 4-5: 28 students/classroom
SV Middle	fixed	450	673	681	698	752	710	Grades 6-8: 29.5 students/classroom
	w/portables	720						
SV High	fixed	1,100	323	529	684	767	897	Grades 9-12: 24 students/classroom
SVUSD Total	n/a	3,244	2,341	2,542	2,654	2,763	2,846	n/a
Baymonte	fixed	544	467	474	424	390	413	Grades P-8: 22 students/classroom
TOTAL	n/a	3,788	2,808	3,016	3,078	3,153	3,259	n/a

Review of the City's 1994 General Plan indicates that school enrollment has steadily increased and will continue to increase through City build-out. Between 2000 and 2004, student enrollment in the Scotts Valley Unified School District (SVUSD) has increased by 451 students. In the City's 1994 General Plan, the SVUSD projected an enrollment of 2,269 students at City build-out in 2020. Table 25 shows that this figure was exceeded in 2000. The SVUSD's current enrollment capacity is 3,244 students. Given the total current enrollment of 2,846 students, there are approximately 400 spots for new students.

### **PUBLIC RECREATION**

Parks and recreation facilities are provided by the City of Scotts Valley, the School District, and the private sector. The City's park and recreation programs are administered by the Recreation Division of the City's Public Works Department. The Parks and Recreation Commission, a five (5) member commission appointed by the City Council, is an advisory Commission that oversees the parks and recreation programs. The City's Parks Master Plan indicates the need for five (5) acres of developed parks per thousand (1,000) persons. This does not include undeveloped open space and natural resource areas. Currently, the City has 38.6 acres of developed park facilities, with a population of 11,600, resulting in 3.33 acres of developed park land per thousand persons.

Although the City has not reached the projected goal for developed park facilities, it is anticipated that as new development takes place, additional park and recreation areas will be designated. A new 8.0 acre park site in the Glenwood area has been dedicated but not yet improved. In 2003, the City purchased the former Light of Life Church site and converted it into the community center. These new sites will increase the parks rates to 4.12 acres of park land per one thousand persons. With the designation of new park facilities, the City should meet the goal for developed park facilities in the City at build-out in year 2020.

Chart 2-18: Existing Public and Private Parks and Recreation Facilities

Type of Recreation Facility	Private	Public City Facilities	School Facilities	Total Facilities
Acres of Public Parks & Open Space	0	91.7	0	91.7
Baseball/Softball Fields	0	3	6	9
Basketball Courts	2	2	5	9
Child and Tot Playgrounds	4+	4	4	8
Community Center	0	1	0	1
Dog Park	0	1	0	1
Fitness Center (privately owned)	4	0	0	4
Golf Course (privately owned)	1	0	0	1
Roller Skating Rink/ Sport Center				
(privately owned)	. 1 .	0	0	1
Skate Park	0	1	0	1
Soccer Fields	1	5	2	8
Swimming Pools	1	1	0	2
Tennis Courts	3	4	6	13
Urban Trail(s) (in miles)	0	1	0	1
Video Arcade (privately owned)	1	0	0	. 1
Wilderness Trail(s) (in miles)	0	1.	0	1

The total acreage of public park and open space areas was derived from Table IV of the City's Parks Master Plan. Five (5) acres of land slated for park use in the Polo Ranch development was not included in the total figures. The City has a joint use agreement with the school district to use public school facilities; however, these facilities are not included in **Chart 2-18** (above).

## **CULTURAL AND HISTORIC RESOURCES**

The City contains sites of cultural and historic value. Promoting the enjoyment and use of cultural resources is appropriate for the education and recreation of the community. The City Hall site is located on Civic Center Drive. The site contains both the historic Scott House and a 10,000-year old archaeological deposit on display in City Hall. In addition to the Scott House, the Cultural Resource Preservation Commission has designated the Polo Barn and the "Octagon" building (located at 5030 Scotts Valley Drive) as local historical structures. The City is served by the Santa Cruz County Library system and a six-screen movie theater services the area. **Chart 2-19** (below) lists the facilities and sites that contribute to the City's cultural and historic amenities.

Chart 2-19: Cultural and Historic Amenities

	# of	
Type of Facility	Facilities	Notes
		Scott House; Octagon Building;
Historic places and structures	3	Polo Ranch Barn on site
Movie Theaters	1	Scotts Valley Cinema (6 screens)
		Located in Kings Village Shopping
Public Library	1 .	Center

#### NATURAL ENVIRONMENT

Scotts Valley water supply and delivery capacity are summarized below along with regional air quality.

#### A. Water

The City is served by two water districts, the Scotts Valley Water District (SVWD) and the San Lorenzo Valley Water District (SLVWD). As discussed in the 2002 State of the City Report, and Scotts Valley Water District Water Management Plan, 2006 water resources continue to be a concern throughout the Water District.

### 1. Scotts Valley Water District (SVWD):

The Scotts Valley Water District (SVWD) provides the majority of water to the city through six production wells. Well 3A and 7B serve the SVWD's Orchard Run Treatment Plant (located north of the Polo Ranch site) and pump water primarily from the Butano Formation. Wells 11A and 11B serve the El Pueblo Water Treatment Plan (located in the central area of the town) and pump water solely from the Lompico Formation. Wells 9 and 10 (located in the Camp Evers area of the south end of the town) pump water from the Santa Margarita, Monterey, and Lompico Formations. Water is distributed through 55 miles of mains, seven storage tanks, and nine booster pump stations.

In 2005, the SVWD prepared an Urban Water Management and Water Shortage Contingency Plan to govern the District's long-rang water plans. This plan concluded that water could meet growth in the District projected by AMBAG; increase of 155 customers from 3,773 in 2005 to 3,928 customers in 2010; further increase to 4,001 customers by 2015; and further increase to 4070 customers by 2020; and 4100 customers by 2025. The Plan also noted that some limited growth beyond the rate projected by AMBAG could be accommodated by expansion of the Water Recycling Project, artificial recharge, or other water supply development programs.

Like many areas in Santa Cruz County, Scotts Valley is faced with water supply challenges. To assure a reliable water supply, the District has implemented many water management measures over the past decade. These measures include the construction of a Water Recycling Facility, a million gallon storage facility, and collection of water impact fees for funding additional water development projects. The District joined the California Urban Water Conservation Council in 2005, formalizing its commitment to implementing water conservation best management practices.

In 2006, the District completed a Groundwater Modeling Study, which documented the long-term loss of groundwater in storage due to well pumping by the District and others in excess of natural recharge. This Study also documented that the current level of groundwater in storage can be maintained or increased by expanding the Water Recycling Project, constructing one or more new municipal supply wells to better distribute the location of well pumping across aquifer systems, enhancing water conservation programs, and implementing water management measures.

Scotts Valley built the first recycled water system in Santa Cruz County. The District's Water Recycling Project affords a mechanism to accommodate finite growth without further impact on groundwater storage levels. The tertiary water-filter system now treats effluent at a level that allows for direct irrigation at City parks, schools, and commercial and residential landscaping. Ultimately, the system is anticipated to provide up to 1mgd. Or 550 acre-feet of recycled water annually, providing a direct offset to pumping demands. Recycled water deliveries totaled 120 acre-feet in 2005, and have increased significantly in each year of operation.

In the short-term, the SVWD is planning to construct two new municipal supply wells to shift a portion of its pumping from the Lompico to the Butano aquifer. The 2006 Groundwater Modeling Study shows this management measure would help offset current impacts on groundwater storage. The District is also seeking state grants for the Water Recycling Project expansion and artificial recharge feasibility investigations as part of the Northern Santa Cruz County Integrated Regional Water Management Plan. The Plant is capable of expansion from the 120 acre-feet delivered in 2005 to up to 550 acre-feet per year. This difference of 430 acre-feet is more than enough to accommodate the units associated with the six sites identified for the Housing Element. At an estimated 0.41 acre-feet per year per unit, the new demand would be 215 acre feet.

Should water supply and delivery become an issue, the District adopted Resolution No. 07-06, which established policy regarding water service for affordable housing. The policy states the "Scotts Valley Water District shall not deny or limit water supplies to a proposed development that includes affordable housing units unless the District makes a written finding that it lacks a sufficient water supply, that it is subject to a State Department of Health Services compliance order that prevents new water connection, or that the applicant has failed to agree to reasonable, generally applicable terms and conditions of water service. Procedures for implementing this policy shall be consistent with Government Code Section 65589.7 and the District's Urban Water Management and Water Shortage Contingency Plan.

## 2. San Lorenzo Valley Water District (SLVWD)

The SLVWD water supply comes from two (2) groundwater wells, both of which extract source water from the Santa Margarita Groundwater Basin. Lompico Sandstone is the geologic formation and primary aquifer for the production of source groundwater supply for SLVWD. In the past, SLVWD shared usage of the aquifer subunit, commonly know as the Pasatiempo Subunit Lompico Sandstone aquifer, with Mount Hermon Association, a private water purveyor and, Hansen Aggregates, an industrial user. In 2004, Hansen Aggregates (previously known as Kaiser Quarry) ceased operations. **Chart 2-20** (below) shows the estimated amounts of groundwater pumpage by the different users in the Pasatiempo Subunit Lompico Sandstone aquifer.

Chart 2-20:
Groundwater Pumpage Estimate by User from the Pasatiempo Subunit
(In Acre-Feet for each Water Year\*)

Groundwater User	WY2003	WY2004
SLVWD	436	428
Mt. Hermon	206	202
Hansen Aggregates	96	0
Subtotal	738	630

\*\* Water Year (WY) is during Oct 1- Sept 30 and is preferred when addressing water resources. Projected future demand for the SLVWD Scotts Valley service area is approximately 450 acrefeet per year (AFY). The potential for additional water service connections within the SLVWD Scotts Valley service area (including Santa Cruz County) is estimated at twenty-six (26) vacant parcels and seven (7) existing single-family dwellings with individual wells as the supply source. In 1995, a hydro geologic study (Ellis Report) estimated a gross approximation for the change in groundwater storage and annual recharge (safe yield) relative to the Pasatiempo Subunit. This report estimated average annual inflows (recharge) at 165 AFY and average annual outflows (extractions) at 765 AFY. This resulted in an estimated change in groundwater storage of approximately 600 AFY. Previous State of the City Reports have indicated that total demand in the Pasatiempo Subunit likely exceeded annual recharge by approximately 600 AFY.

Chart 2-21 (below) shows the pumping demand and water supply capacity, over the last five years, of both Water Districts that supply water to the City.

Chart 2-21: Water Districts' Pumping Demand and Water Supply\*
(Demand and Capacity are shown in Acre Feet)

Supplier	2000 Pumping		2001 Pu	umping	2002 Pumping	
	Demand	Capacity	Demand	Capacity	Demand	Capacity
SVWD						
Potable	1,929	3,760	2,009	3,535	2,058	3,064
Recycled	0	0	0	0	. 0	**50
SLVWD						
Potable	430	1,050	420-440	1,050	444	1,050
	2003 Pu	mping	2004 Pu	mping		
	Demand	Capacity	Demand	Capacity		
SVWD	-					
Potable	2,050	2,735	1,986	2,516		
Recycled	19	350	36	350		
SLVWD						
Potable	439	1,050	406	1,050		

- \* Numbers are shown in calendar year (Jan 1-Dec 31), not water year (Oct 1-Sept 30), which is preferred when addressing water resources.
- \*\* The Tertiary Treatment Plant began producing recycled water late in 2002. Thus, the capacity was only available for a portion of the year. Although a small amount of water was actually distributed for use in the City's landscape median strips, the total demand was less than 1acre foot in 2002.

In 1999, the SLVWD Board reviewed their policy regarding new water service connections and did not impose any restrictions on the allocation of water meters due to the limited amount of vacant/undeveloped land within the district. SLVWD will review their policy regarding the allocation of water meter connections on an as-needed basis.

The SVWD currently relies solely on local groundwater resources, which are also used by the SLVWD and private pumpers. In December 2000, the SVWD Board adopted an Urban Water Management Plan and Water Shortage Contingency Plan. In 2002, the Association of Monterey Bay Area Governments (AMBAG) allocated 804 housing units to the City, which is pending resolution of a Santa Cruz County-wide law suit. Therefore, the number of housing units and available meters may require the City to work with the SVWD and SLVWD in establishing a priority system for low income units. In 2003, the SLVWD implemented a water conservation rebate program. When the SVWD's grant to update the groundwater model for the Santa Margarita Groundwater Basin is completed in 2005, the estimations of the Basin's sustainable yield will be provided.

#### **AIR**

Preservation of the scenic ridge lines, various habitat communities, trees, riparian corridors and other open space lands help conserve the air quality of the City of Scotts Valley, which is located in the Monterey Air Basin. The Basin is comprised of Monterey, San Benito and Santa Cruz Counties. The northwest portion of this air basin is dominated by the Santa Cruz Mountains. Air in Scotts Valley is typically maritime in origin, as it moves over the land from the Pacific Ocean. Subsidence inversions, which occur during the summertime high pressure area, can cause air pollutants to become trapped due to decreased vertical movement and poor ventilation. Wintertime inversions, which are shallower and occur with nighttime cooling, may also tend to trap some pollutants, as well as create dense surface fog.

The Monterey Bay Unified Air Pollution Control District (MBUAPCD) monitors air quality in the Monterey Bay region and has the primary responsibility for ensuring that all state and federal ambient air quality standards are achieved and maintained within the Monterey Air Basin. In Santa Cruz County, the MBUAPCD has for monitoring stations: Davenport, Santa Cruz, Scotts Valley, and Watsonville. In August 1992, an ozone monitoring station was installed at Siltanen Park and then relocated to Scotts Valley Drive and Carbonero Way in late 1994.

Ozone (the primary constituent of smog) is formed in the atmosphere through complex chemical reactions involving volatile organic compounds (VOC) and nitrogen oxides (NO<sub>x</sub>) in the presence of sunlight. According to the MBUAPCD's 2000 Air Quality Management Plan, onroad and off-road motor vehicles are the largest source of VOC (52%) and NO<sub>x</sub> (75%) in the Monterey Air Basin. During summer days, fuel combustion from on-road vehicles and trailing road dust from paved roads account for 10% of the particulate matter smaller than 10 microns (PM10). According to the Santa Cruz County Regional Transportation Commission's "2004 Transportation Monitoring Report", the highest daily measurement increase in ozone occurred in the Watsonville region (+13%) between 2001 and 2004.

The state ambient air quality standard for ozone is 10 parts per million (ppm). There have been a total of five (5) violations recorded for ozone standards in the City, which are the number of days that the hourly ozone measurements exceed the hourly standards in ppm. One (1) violation occurred in 1995, two (2) in 1996, one (1) in 1998, and one (1) in March 2001(which exceeded the state standard but not the national standard). Since March 2001, the City has not exceeded state or national standards. The City's objective is to maintain or improve the present air quality level in Scotts Valley.

**Chart 2-22** shows Scotts Valley Crime Statistics Comparison of 2004-2005. It also shows the percent change from 2004-2005.

## **CRIME RATES**

Chart 2-22: Scotts Valley Crime Statistics Comparison of 2004-2005

DESCRIPTION	2004	2005	% OF CHANGE FROM 2004 - 2005
PART 1 CRIMES			·
HOMICIDE	0	1	100.0
RAPE	2	2	0
ROBBERY	3	2	(33.3)
ASSAULT	92	113	22.8
BURGLARY	35	79	125.7
LARCENY	220	257	16.8
AUTO THEFT	10	15	50
ARSON	4	2	(50)
TOTAL PART 1 CRIMES	366	471	28.7
PART II CRIMES	1,201	814	(32.2)
MISCELLANEOUS ACTIVITY	14,741	15,035	2.0
TOTAL CALLS FOR SERVICE	16,308	16,320	.1
TOTAL CITATIONS	2,891	1,971	(31.8)
NUMBER OF ARRESTS	515	538	4.5
INJURY ACCIDENT	34	32	(5.9)
NON INJURY ACCIDENT	168	168	0
HIT & RUN	29	66	127.6
TOTAL ACCIDENTS	231	266	15.2
DOMESTIC DISTURBANCE	100	107	7.0
VANDALISM/GRAFFITI	123	171	39.0
DRUG VIOLATIONS	63	47	(25.4)

