

Council balks at land swap idea

By STEVE SHENDER

The City Council threw some cold water on City Manager John Radin's hopes for another "high-tech" industrial park on the west side of the municipal airport Tuesday night.

At the same time, it thumbed its nose at the county and indicated its general support for a new, 56-acre "light industrial" park at the confluence of Highway 1 and Green Valley and Harkins Slough roads.

Radin, who had hopes of cutting a deal with a Southern California land developer, sought council approval to continue negotiations which, he said, would give the city a seven-acre parcel with building leases worth \$116,000 annually, in exchange for 10 acres of vacant airport land. But, with Councilman Frank Osmer absent, the council scotched the deal on a 3-3 vote, leaving it up to Osmer to decide the issue when it is reconsidered at a subsequent meeting.

GMC Limited, of Newport Beach, is seeking to build a 37-acre industrial park in the Manfre Road-Buena Vista Drive area, beyond the west end of the airport's secondary runway. The development firm wants to swap a seven-acre parcel between Manfre Road and the airport's main runway (the parcel is known as the "Jennings Industrial Park") for 10 acres of level airport land to the north and adjacent to the developers' property.

A spokesman for the firm, Capitola development consultant Steve Mills, said the park would involve "major improvements," including construction of a new road from Buena Vista Drive to Harkins Slough Road, level with the airport's main runway.

He said the park would be comparable in quality to the Pajaro Industrial Park, which has attracted such firms as Tandem Computers and Seagate Technology.

Mills said Monday the land swap would give GMC a "more rectangular, more easily developed parcel."

The city manager said Tuesday night a swap could be easily accomplished, but that an outright sale of the 10 acres to the Southern California firm would require the approval of the Federal Aviation Administration — an approval which might not be forthcoming.

He told the council the land

deal would give Watsonville the Jennings Industrial Park site, currently occupied by three buildings — with tenants whose leases are worth \$116,000 a year. (The city's current income from the property is \$1,280 annually in property taxes, he noted.) The new park itself, he said, would be worth "\$30 million in assessed valuation."

But those inducements weren't enough to convince Mayor Ann Soldo and council members Vido Deretich and Betty Murphy that the deal was worth pursuing.

"The section of property they want from us is a buffer area," Mrs. Soldo said, "and it's important to maintain that and not have industrial buildings closer to the runway."

"I don't see how we could explain to Watsonville taxpayers why we're taking on those buildings," said Mrs. Murphy, referring to the structures on the Jennings property.

"Why?" asked Radin rhetorically, "\$116,000 a year."

"We're not in the real estate business, John," said Mrs. Murphy. "We're not in the business of buying and selling property," she said, overriding the city manager as he tried to interject a protest.

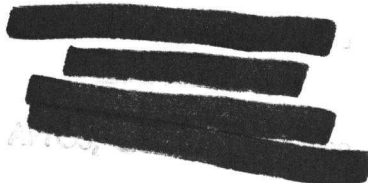
"I can't understand letting any (airport) acreage go," said Mrs. Murphy, adding, "I would think we'd be trying to add acreage to the airport."

"That, in long-term planning, is more important than your concern about income from the Jennings property," the councilwoman lectured the city manager.

"I just think it's good to have extra land at the airport, rather than making it tighter," the mayor reiterated.

"Do you realize what kind of assessed value we'd have to come up with (to get the annual income which the Jennings

(Continued on page 2)



(Continued from page 1)
leases would yield)?" an exasperated Radin asked.

Mills and Radin also told the council the city would soon run out of industrial land. "There's very little that isn't spoken for," Radin said.

"What's that got to do with it?" Mrs. Murphy demanded. "You're supposed to keep a balance between residential, commercial and industrial."

"What we got, let's keep, and what they got, they keep," said Deretich, weighing in against the land swap proposal.

Supporting the deal Tuesday night were council members Rex Clark, Joe Marsano and Roy Ingersoll. Clark said he thought the swap would be "to the city's advantage."

"The developer's willing to build a new road system (and) financially, the potential income from that (Jennings) property is greater than we'll ever earn in the next 50 years from taxes," Clark said.

While balking for the time being at Radin's proposed deal west of the airport, the council moved the city a step closer to reaping a tax windfall on a 56-acre industrial park which a Scotts Valley development firm (IDEVCO) plans to build adjacent to the freeway at Green Valley and Harkins Slough roads.

The council began deliberations on the project's tentative map Tuesday evening, and agreed to take action on the map at its next meeting.

The IDEVCO project has spawned a spate of letters from county officials — including two supervisors (Gary Patton and board Chairman Joe Cucchiara), a planning official and Deputy County Counsel Dwight

Herr — who have warned that the development will aggravate the county's housing shortage.

County officials say the city does not have enough housing to accommodate the 1,900 or so people who will eventually be employed in the park, and that those who can't find housing in Watsonville will be forced to seek it in the county. Citing chapter and verse from the California Environmental Quality Act, they say that the environmental impact report on the IDEVCO development has not given adequate consideration to the "jobs/housing imbalance" issue.

But the council gave scant consideration to the housing question Tuesday evening, focusing instead on safety issues (the adequacy of a fire access road around the perimeter of the development) and the project's visual impact.

Planning Director Robert Ellenwood assured the council the county's housing concerns had been addressed in the EIR, and City Attorney Don Haile advised council members that the city had complied with state law in its handling of the EIR and other aspects of the development application.

The hearing on the IDEVCO proposal was continued to the council's next meeting at the request of Mrs. Murphy, who said she needed more time to study it.