

Lawsuit contests Tai annexation

Watsonville Annexation

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SANTA CRUZ — A coalition of environmental, farmland preservation and human rights groups filed suit against the city of Watsonville Wednesday, contesting the proposed annexation of the Tai property.

The lawsuit contends that the city dropped the ball in its environmental impact report on the 646-acre project, which was proposed for an 1,800-unit housing development. The attorneys are attacking the city on two fronts: First, that it underestimated the impact of the development on the area's farmland. The Tai property doesn't meet the city's definition of prime farmland because the soil isn't particularly rich, but it does meet the county and the Coastal Commission's definitions of prime agland because of its position in the coastal zone.

Second, the group contends the development would wreak havoc on the fragile and already damaged coastal wetlands that run through and around the land. The site serves as a part of the Pacific flyway, where migrating birds stop over on their way south in the fall, and is the home of numerous endangered and threatened species.

"The impacts on slough systems have been wildly understated," said Keith Sugar, one of two attorneys representing the coalition. "You're talking about a slough system on the brink anyway; it's not going to

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Tai property

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take a lot to push the ecosystem there into collapse."

The suit was filed Wednesday in Santa Cruz County Superior Court.

Representatives of the developer and the city of Watsonville were not surprised at the announcement.

"It's predictable," said Omar James, an attorney for Tai Associates, the property's developer. "There is no action that that City Council can take relative to growth that won't be challenged, and that's a given. It's unfortunate they have to be second-guessed."

The same law firm has challenged the city on the annexation of 216 acres of prime farmland off of Riverside Drive for an industrial park, the development of the proposed Overlook/Target shopping center off Main Street, and logging in Grizzly Flat. The logging has proceeded, but the groups have succeeded in stalling the other two projects — in the case of The Overlook, for as long as two years.

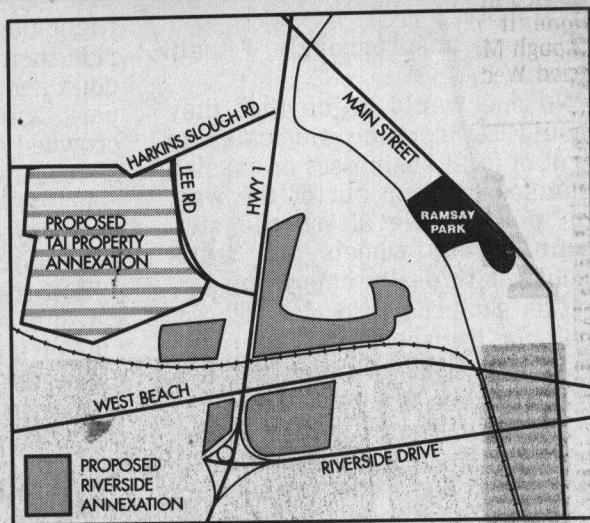
City officials point to a study commissioned by the city last year to show the financial impact of such lawsuits on the Watsonville economy. The Overlook was projected to have brought in an estimated \$560,000 to city coffers each year in sales tax alone, plus \$69,000 in property taxes to the city, \$123,000 to the school district and \$69,000 to the county. That's not to mention the estimated 800 jobs the shopping center was expected to generate.

But opponents of that project said it would have driven other local businesses, especially those in the struggling downtown, out of business, damaged nearby wetlands and used up a site that was designated for low-income housing.

Because it will probably take at least until the end of the building season to resolve the case, The Overlook's developer, DBO Inc. of Monterey, is not expected to begin any serious work in the project until the next building season at the earliest.

And while it is unclear that the Riverside Drive annexation has been slowed by the lawsuit, city officials believe the Local Agency Formation Commission has been reluctant to place the case on its agenda until the lawsuit is resolved. The city filed its request with LAFCO six months ago, and it still has not appeared on the agency's agenda.

The City Council had already voted to put the Tai annexation on hold until the Riverside project is re-



Sentinel graphic

solved. But at the same time, it voted to approve the project's environmental impact report. Wednesday was the last day that opponents could legally appeal the status of the EIR.

"It just creates a very difficult situation for a city that's trying to do the best for their citizens in an economic environment that's less than favorable," James said of the lawsuits. "It's unfortunate, but it just seems to be one of the price tags of dealing with government."

Sugar noted that one of the ironies in the proposed Tai annexation is that the EIR condoning the project was conducted by Jones & Stokes of Sacramento. That firm published a report in 1991 that decried the loss of agricultural lands in the state to development.

That report indicated that developing agricultural lands actually created a net shortfall of housing by inducing more growth in the areas where the development occurs. It also stated that urban encroachment on farmlands decreases the agricultural value of surrounding lands by increasing vandalism, complaints from neighbors about odors and pesticide use and traffic, among other things.

"The city has determined that Tai is not prime agland, but it seems to have pulled its definition out of thin air," said Sugar. "According to the Coastal Commission, the county and LAFCO, it is prime agland, and Watsonville's determination to the contrary is simply an effort to ramrod this thing through without the public knowing the full impact."