

Annexation up for vote again in Watsonville

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WATSONVILLE — The city's proposal to annex 94 acres of farmland is about more than converting prime agriculture land into an industrial park. It's about the city's future.

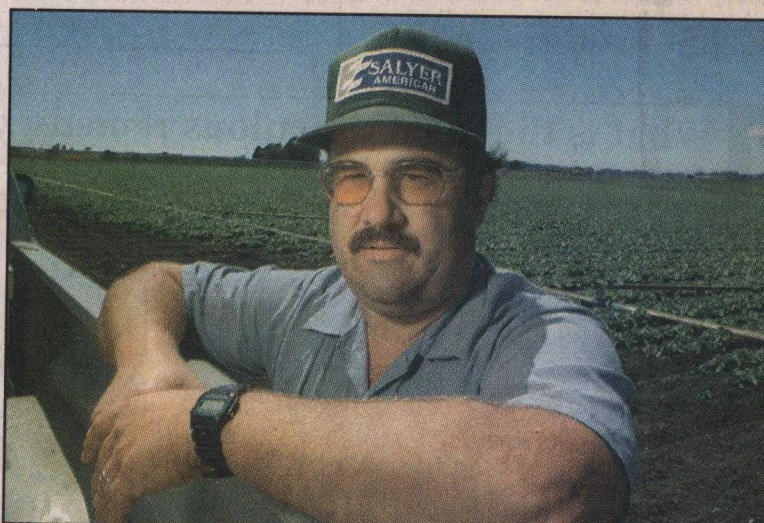
The effort, which began as part of a larger annexation plan 22 years ago, lays bare Watsonville's growing pains and is forcing city officials, farmers, environmentalists, business leaders and the public to answer the difficult

questions of whether and how Watsonville should grow.

Santa Cruz County's Local Agency Formation Commission (LAFCO), is set to decide the annexation at a hearing in Watsonville on Thursday. The 94 acres, known as the Manabe-Burgstrom property, is located just east of Highway 1 behind Big Creek Lumber north of Riverside Road.

Annexation supporters argue Watsonville needs the land for jobs and

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Bill Lovejoy/Sentinel

Dick Peixoto farms the land Watsonville hopes to annex on Errington Road.

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tax revenue. Opponents say the farmland is too good to lose to warehouses and assembly plants.

Watsonville is ringed by some of the world's most productive agricultural land; estimates range from roughly 14,500 to 17,000 acres.

Opponents of the annexation, which is being led by the Campaign to Save Pajaro Valley Farmland and Wetlands, argue building an industrial park on the property is like paving over Eden.

"This is the most valuable farmland in the world," said Sam Earnshaw, central coast coordinator for the Community Alliance with Family Farmers and a member of the anti-annexation group. "Why destroy what is our best asset? It's like cutting off your nose to spite you face."

While agriculture made Watsonville what it is today, the industry has been a burden on the city, too. Since most of the farmland is outside the city limits, Watsonville does not receive any tax benefits from the industry. What it does get is demand for low-income housing, services and education for Spanish-speaking children, demands it struggles to meet. In spite of the jobs agriculture creates, unemployment in Watsonville stands at about 18 percent, although this figure varies seasonally.

As Pajaro Valley farmers have planted more strawberries, lettuce and other labor-intensive crops over the past 20 years, these pressures have only increased.

While city officials concede it's no panacea, they want to annex the property for an industrial park in hopes of alleviating unemployment, boosting the city's tax rolls and diversifying its economic base.

"What we have today is the product of agriculture," said Watsonville Mayor Oscar Rios. "But agriculture by itself doesn't support our services and needs we have here."

"The city needs to diversify. Watsonville cannot keep being the cheap labor force for the whole county."

The city envisions light industrial uses for the land, such as computer assembly plants, bakeries, food packing and wholesaling. City Manager Carlos Palacios said an industrial park could provide 900 to 1,200 jobs.

In 1977, Watsonville submitted a proposal to LAFCO to annex 681 acres that included the Manabe-Burgstrom property, the nearby Landmark property, the area now called the Westridge Industrial Park, and parts of Riverside Road. The proposal was denied but the city came back with smaller proposals and has been successful in annexing many of them.

In the past, City Council members have expressed bitterness over LAFCO's control of Watsonville's destiny.

"It's like we're going to be the Soweto of Santa Cruz County," former City Council member Lowell Hurst said in 1997 when LAFCO chopped Watsonville's annexation proposal from 216 acres down to 94. "We are the designated ghetto."

But over the past 25 years, Watsonville has fared about as well as other cities in the county on annexation proposals.

Since 1974, 28 of Watsonville's 32 annexation applications have been approved by LAFCO. In Santa Cruz, 20 of the city's 23 proposals were approved. The approval rates in Scotts Valley and Capitola are about the same.

In his staff report to the LAFCO commission, LAFCO Executive Officer Pat McCormick recommended approval of the annexation given the scarcity of vacant industrial sites in Watsonville, but added two "reservations."

First, based on projected development costs, he said the development potential of the site is "ambiguous." Second, McCormick said little progress has been made to address some of the fundamental land-use policy differences between the city, county and California Coastal Commission over development west of Highway 1.

Palacios said he is confident LAFCO will vote in support of the annexation because the city has complied with the three condi-

tions the agency laid down two years ago: Examine the industrial potential of the Landmark property; adopt some of the recommendations contained in an in-fill study; and reach an agreement with the county and Coastal Commission over future annexations west of Highway 1.

If the annexation is approved, grower Dick Peixoto would lose one of his best fields. Peixoto grows lettuce and strawberries on 60 acres he leases for about \$2,000 per acre from the Manabe family. With 2,700 acres in production at various locations in the Pajaro Valley, he is one of the area's biggest farmers.

Peixoto's father was born in a house near the Manabe-Burgstrom property. It has since been razed for development.

Peixoto said it's the climate, not the soil that makes the land so valuable.

"You can't duplicate this climate anywhere in the world," he said, surveying tidy rows of lettuce.

The cool weather produces iceberg lettuce with thicker leaves. Thicker leaves mean the lettuce holds up better in storage, allowing him to ship his crop as far as Hong Kong. As for strawberries, there is simply no better place to grow the lucrative berries, he said.

Palacios says the project will probably need state and federal subsidies given high development costs. Fully developing the site could take 10 years, he said.

The city is counting on its labor pool, cheaper housing and enterprise-zone tax breaks to help entice business to Watsonville.

Critics say prospective businesses may look elsewhere when cheaper and more accessible land is available in places like the Highway 101 corridor near Gilroy and Hollister.

Instead of taking valuable agriculture land out of production, Earnshaw said the city needs to redouble its efforts to build on vacant and underutilized city land.

But according to Palacios, there are only 43 acres of vacant industrial land, scattered in small lots around the city.

"That's nowhere near enough," he said.

Earnshaw, meanwhile, disagrees with the annexation on philosophical grounds. Paving over fertile fields is not the way for Watsonville to grow, he said. The city should focus on existing business and cultivate agro- and eco-tourism in the Pajaro Valley.

"Let's live within our means," he said.

As farmland across the state is paved over, Watsonville would be smart to hold onto its green assets, said organic farmer Jerry Thomas.

"It's only going to become more valuable in the future," he said.

But the Manabe and Burgstrom families say the time has come to sell out because they feel hemmed in by the steady march of development around them. Farming in the area is becoming untenable, they say.

Lou Jamison, president of MF Farming and member of the Manabe family, said his family opposed the annexation back in 1977 that included their 90-year-old farm. The family now owns about 70 acres. But with residential development in the works north of his property and an overburdened and under-maintained drainage system running along the fields, the farm is being squeezed out.

"That way of life is no longer available to someone trying to work the farm," he said.

If annexed, the landowners would negotiate sale of the land, but the city would steer potential buyers their way.

While opponents of the annexation tout the quality of the farmland, Jamison said the poorly maintained drainage system, which is part of the Watsonville Slough and serves as the main drain for agriculture and many urban uses in Watsonville, has caused crop yields to drop over the years.

While he does not see the same drop in yields, Peixoto said water and mud often prevent him from operating tractors on the fields.

LAFCO will hold a public hearing on the proposed Manabe-Burgstrom annexation at 7 p.m. Thursday at Watsonville's Alianza School.