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# Plans for downtown housing get thumbs down from report

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The Watsonville City Council, meeting this afternoon at 4 as the Redevelopment Agency, will consider a recommendation by acting City Manager Chuck Comstock to build offices, not housing, above downtown stores.

In a memo to the council, Comstock warned the council that it may need the tax funds and economic boost generated by commercial development on the 200 and 300 Main Street blocks.

City planners have also come out against housing above new commercial development in the earthquake-razed blocks, citing concerns about parking; the increased difficulty and expense in building residential units, which can put pressure on rents to climb; and the increased difficulty getting financing.

In a memo to the council, Comstock referred to the "Business Relocation Plan" written in 1985 when the city was making

plans for all the businesses it had bought on the 200 block on the west side of Main Street.

The city's plan was to redevelop the block as a "modern, aesthetically pleasing shopping center."

"The plan to buy and redevelop the 200 block was to generate between \$250,000 and \$400,000 in new tax increment funds," Comstock wrote in the memo.

"These monies would be used for future improvements of the entire downtown."

Planning Director Maureen Owens, in her memo on the subject, wrote that "No one will argue that we have a housing shortage or that high-density uses are important and appropriate around the central business district. But the 200 and 300 block of Main Street are not the best place to attempt to solve that housing crisis. In the long run such an effort may prove costly and ineffective."

The Planning Commission recently voted to recommend that the council permit housing-only developments downtown. Such a development has been proposed for the 100 block of Main Street, and Owens writes in her memo that housing constructed independently of commercial uses is a better approach.

The staff has also forwarded to council members a brief report on a study in Westchester County, New York, which looked at different uses above downtown stores. The study found that offices make the best business sense, if there's a market for office space.

A new post office is already under construction on part of the 200 block. The city has also considered asking the county to build a new municipal courthouse and health clinic next to it, instead of a shopping center.

The council will discuss the issue today at 4 p.m. in the council chambers at City Hall.