

Deal struck on Overlook lawsuit

Settlement will allow construction of city's largest shopping center to begin in August

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WATSONVILLE — A developer, city officials, and plaintiffs suing them both came together Thursday and signed an accord, settling a lawsuit over what promises to be the city's largest shopping center.

The Overlook Shopping Center is now slated to be built starting this August on 33 acres of land off Main

Street, adjacent to Ramsay Park and Struve Slough.

A Target, Lucky's market and Staples office supply store are planned to be included in the 270,000-square-foot project, which city officials say will provide up to 800 new jobs and \$800,000 in tax revenue annually.

After being tied up in courts for the last several months, developer Don Orosco, city officials and attor-

neys for the Watsonville Wetlands Watch and Comité de Derechos Humanos (Human Rights Committee) reached an agreement, in which the city and developer made concessions to the two groups suing over the project.

The suit had alleged that the shopping center would displace 300 affordable housing units formerly planned to be built on the site, that

development would harm the nearby slough system, and that the center would draw business away from downtown merchants.

Here are the points negotiated between the parties:

■ City officials will reopen Watsonville's General Plan and conduct public hearings to consider increasing housing density within city limits.

■ The city will earmark \$50,000 of fees collected from developers under the city's Affordable Housing Ordinance to help fund single-room apartments upstairs in the Jefsen Building on Main Street. The building is now undergoing restoration.

■ The developer will permit monitoring of the slough during

construction and preservation of eight acres of wildland, to be restored with native vegetation.

■ The wetlands and human rights groups dropped their suit Thursday.

"The message here is that finally folks are taking notice to us and listening," said attorney Bill Parkin, who represents the wetlands and human rights groups. "This settlement satisfies a number of complaints my clients had with the project."

City Attorney Alan Smith was also pleased with the settlement. "There's really no downside to the

city at all and it will allow the project to go forward."

The Watsonville City Council was briefed on the project's status during a closed session Tuesday night and authorized city officials to move forward on an agreement, Smith said.

Settlement plans had only been in the works for the last few weeks, he said.

Developer Don Orosco, who was credited with initiating the agreement, could not be reached for comment this morning.

Parkin, who represents other groups in three separate lawsuits fighting city development, says Thursday's agreement is a positive sign. "I hope this is a trend," he said.

"Given the opportunity to come to the table, there are things we can compromise on," Parkin said.

City officials said they are always interested in settling legal disputes. "We don't like lawsuits," said Smith, the city's attorney.

But both sides said no talks were currently under way.

The three suits still being litigated are over the Riverside annexation, where city officials would like to build an industrial park in the southwest corner of town; the Tai property west of Lee Road, on which the city council recently approved an environmental impact report; and Grizzly Flat in Corralitos, where city officials authorized a timber harvest.

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