

City gets half a million federal dollars for housing

The city has received \$500,000 in federal funds for its housing rehabilitation program, the maximum it was eligible for.

City Manager John Radin told the City Council Tuesday night that the application (considered on a competitive basis with counties and other cities) for the full amount had been granted.

The city has received money since 1976 when it entered the program, known as WHIP (Watsonville Housing Improvement Program.)

The money is used for low-interest home improvement loans, with interest rates ranging from 3 percent to 9½ percent, depending on the borrower's income.

This year, the money will be used for homes in the area bounded by Salsipudes Creek, the Pajaro River, Union Street and Riverside Drive.

The city has about \$200,000 left over from previous grants for rehabilitation of homes in

other parts of the city.

In other business Tuesday, the council:

—Indicated it wants to go ahead with at least part of Village Park, the small park the city is planning at Joyce Court and McKenzie Street.

The city recreation commission recommended spending \$211,000 on the first phase. The recommendation calls for lawn, sprinkler system, sandbox, four tennis courts and a picnic area.

The council, noting that it has only \$54,000 available for parks, directed Recreation Director Patricia Donohue to come back with a scaled-down plan.

—Decided the city should handle its own policing of hazardous (toxic and flammable) materials, rather than having the county handle it. The city will continue to participate in a county task force on hazardous materials. Assistant Fire Chiefs Don French and Vern Hamilton

told the council the city is ahead of the county in dealing with regulation of such materials.

—Approved a contract for the Watsonville Pony League to use fields at Ramsay Park, but denied the request to use the fields for preseason practice on Friday nights and Saturday mornings and afternoons.

—Approved increasing the capacity of the water storage tank at the airport from two million to three million gallons. The move should save the city \$400,000 over the cost of increasing the capacity later.

—Rejected the request of Dr. Marco Martinez eliminating the need for an environmental impact report for a two-story office building he plans to build at 238 Union Street, where he already has an office.

The action of the council (acting as the city Redevelopment Agency) is a setback for Dr.

Martinez' project, but does not close the door altogether.

Dr. Martinez' property, which is in the redevelopment area, was rezoned from commercial to residential last year, a fact that nobody seemed to notice when it was done.

Councilmen Frank Osmer and Vido Deretich said they couldn't recall the council rezoning the land, insisting that the council made a mistake.

"Should our mistake be absorbed (by the property owner)?" Deretich asked. "Why should somebody else eat it?"

Other council members, however, contended that that council had not made a mistake. Only Deretich voted against the denial.