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100-block redevelopment plan postponed

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Frank Ragsac said he just doesn't want to get pushed around by the city of Watsonville.

The City Council doesn't want to do that, but Ragsac's concern means a Monterey developer, and perhaps a portion of the city's downtown redevelopment effort, are in trouble instead.

That's because a four-member majority of the council, acting yesterday as the city's Redevelopment Agency, delayed its plans for the private redevelopment of Main Street's 100 block until zoning changes are approved for the blighted downtown area late next month.

Actually, all the council did was postpone negotiations with a developer for the project aimed at coming up with a building plan for the block, which angered the three councilmen who voted in the minority.

They say the city is postponing — once again — any move-

ment toward redevelopment on the block. They also said the council majority may be threatening the only hope the city currently has to redevelop the block, since Monterey builder William Peters is the only one who has shown any interest in the project.

But the council majority wants to make some decisions about zoning in the downtown redevelopment area before choosing a developer or a project plan.

And Ragsac was a big reason for the council's decision.

He wants a guarantee that the developer and the city won't treat him and his family dry-cleaning business the same way the city has treated business owners on the 200 block of Main Street.

The as-yet-unapproved zoning changes for the city's redevelopment plan, which the agency is scheduled to review and approve July 29, could provide Ragsac and several other business owners the guarantee they want.

Ragsac and his family have owned Ideal Cleaners at 126 Main St. since 1937. Now they want to build a new building and expand their parking lot. But Ragsac says he doesn't want to upgrade his business only to have the city come in to condemn the property and force him to move.

Business owners in the 200 block are currently faced with exactly that. They are being pushed out — either forced to move or sell out — by the city so a new post office building and a commercial development can be built.

City Councilman Vido Derechich and the rest of the council majority said yesterday they don't want to create the same hardship for business owners on the 100 block.

They oppose any condemnation of property where businesses are already established.

That's why the council refused — for now — to negotiate with Peters to rebuild both sides of the blighted block

between Riverside Drive and the Pajaro River. Council members will take up the development question after the zoning is approved.

Peters wasn't scared away by the council's second rejection of his proposal. Last week, the council postponed a decision on his proposal until more information about his financing was provided.

Although he provided that and was still put off by the council, Peters said he's still interested. He said after yesterday's meeting he still wants to build a mix of commercial and residential buildings along Main Street, and a type of senior housing unit on the block's west side.

Councilwoman Betty Murphy said Peters, a former Monterey County supervisor, didn't give the council a "straight answer" about guarantees to existing business owners.

Peters made it clear he is willing to negotiate with Ragsac and any other business owner on the block who might be interested in staying there.

But, he said, without the city's consent to use its condemnation powers when negotiation falters, he won't be able to build the 100 block in "an integrated way."

The decision to hold off on negotiations with Peters angered City Councilmen Rex Clark and Roy Ingersoll.

"I have no intention of condemning Mr. Ragsac," Clark said. "Let him go ahead and build it (his new building). I see nothing wrong with authorizing negotiations (with Peters)."

Clark said the zoning would provide less protection for Ragsac than could a negotiated development agreement with Peters specifying that the cleaners is off limits to the developer.

Ingersoll was upset with the delay.

"Are we going to go through the next 10 years with piecemeal development down there," he said. Most of the properties in that area are "an eyesore,"

he said, and there are no assurances that Ragsac or anyone else will build anything.

"We can't get started if we keep getting put off," Ragsac said. "If you're going to condemn ... tell me so so I don't waste everyone's time."

Julio Villamil, who owns several empty parcels on both sides of the 100 block, said Peters was the property owners' only chance to do anything with their parcels. Many parcels have remained empty and run-down because the owners have been unable to mount any developments that could pay off.

In other action, the agency approved its \$5 million budget for 1986-87. The budget calls for \$3.4 million to be spent on downtown redevelopment in the 200 block area and about \$1.3 million for redevelopment in the industrial areas.

The city doesn't have any money to redevelop the 100 block itself because it is using all its downtown redevelopment funds on the 200 block.

REFERENCE