



Hidell and Associates Architects

The development in the 200 block of Main Street will have Watsonville city offices, a library, courtrooms and a museum. The bottom floor will be retail space and the upper floors will be townhouses.

Momentum builds for Watsonville project

Main Street plan nears fruition, after years of effort, delays

By KAREN A. DAVIS
SENTINEL STAFF WRITER

200 block of Main Street

The city of Watsonville last week solidified a deal with the county, cementing the county's commitment to put court facilities in a \$44.9 million, 190,000-square-foot, six-story building planned for the 200 block of Main Street.

WHAT'S NEXT

■ Housing and Economic Development Director Jan Davison said the city will 'begin to work very aggressively with the county' to refine building plans. Architects will work on schematic and construction drawings.

■ The city's attorneys will prepare a draft cooperation and lease agreement for consideration in March. Also, a developer will be chosen to assume responsibility for the residential portion of the project.

HOW TO PAY FOR IT

The city of Watsonville plans to pay for the development with cash from a number of different sources. They include:

CASH: \$13.7 million, including the county's \$5 million pre-paid lease for court services on the third floor.

BONDS: \$16.4 million from tax increment bonds issued by the Redevelopment Agency. Those bonds would be secured through revenue already being generated within the city's redevelopment project area.

CERTIFICATES: \$5.8 million from certificates of participation secured through the Measure B sales tax initiative for the library.

GRANTS: \$2.9 million from federal Economic Development Administration and Rural Enterprise Development grants.

DEVELOPER FINANCING: \$6.1 million from a private residential developer for the project's townhomes component.

Source: City of Watsonville

WATSONVILLE — It's been a long time coming, but city and county officials have taken a monumental step toward construction of a six-story, \$44.9 million mixed-use building on the 200 block of Main Street.

"In my tenure on the council, I've seen the council do a lot of things for the city," Mayor Betty Bobeda said last week. "But I feel that this is the most important thing we've done." "This is one of those cases where the county, the city — everybody wins — and I think that's historic."

The development, which could be complete in five years, would house county court services, among other things. It is the cornerstone of the city's downtown revitalization plans. The 190,000-square-foot building and attached 498-car garage would be built on the 2.4 acres next to the post office. The land has been vacant since 1984, when the city razed some buildings with plans for a shopping area. The 1989 quake further delayed development.

The city and county approved a memorandum of understanding last week, cementing the county's commitment to the project. The memo outlines terms and conditions under which the county will occupy 40,000 square feet on the building's third floor for courts and court services.

That commitment was what the city needed to move forward with construction of the parking garage. The city had received a \$2.75 million Economic Development Administration grant to help pay for the \$9 million facility, and to secure the cash the city has to solicit bids by April and must file a notice to proceed with construction by June.

Over the next two months, the city, redevelopment agency and county will formalize the deal, according to Jan Davison, city housing and economic development director. That agreement should be approved by the City Council and county Board of Supervisors in March.

"At this point in the process, I'd like to say we're formally engaged, and the consideration of the cooperation agreement will be the wedding," Davison said.

Over the past decade, officials have explored numerous possibilities for the 200 block with the goal of stimulating downtown economic growth, Davison said. After a mixed-use structure was decided on, city officials worked for several years on different renditions of the

Please see **MAIN STREET** on **Page A6**



BOBEDA



Dan Coyro/Sentinel photos

Redevelopment plans for the 200 block of Main Street in Watsonville have been under consideration since before the 1989 earthquake.

Main Street: Momentum builds for downtown Watsonville project

Continued from Page A1

building. Hidell and Associates Architects of Carrollton, Texas, designed the current concept.

The project was dealt a blow in August when the Granite Rock Co. pulled out of the project, which has been called the premiere piece of the downtown redevelopment.

Graniterock officials at the time said project completion was just too far away, and that the company needed office space immediately.

The latest rendition has retail shops and cafes on the ground floor and will feature an outdoor eating area. The city library will be relocated to a 40,000-square-foot space on the second floor, which will also house a farm-worker museum.

Court facilities, a linchpin of the project, would occupy the third floor, while city administrative offices and a new council chamber would be on the fourth. The fifth and sixth floors would be comprised of about 20 two-story residential townhomes for sale at a cost of \$300,000 to \$400,000 each, city officials say.

City officials seem certain there will be interest in the townhomes, regardless of the fact they will be above court facilities.

"We definitely have a lot of city employees interested in the building," Davison said. "And we have such a shortage of residential units I think they will be very much in demand."

Davison said the "high-end" townhomes will provide a number of attractive urban amenities — including easy access to the library, shopping and dining. The court's holding facility will not house prisoners overnight, she said.

A cramped court annex

For years, the caseload at the Freedom Court annex, like its one small courtroom, has been full. Court employees have long sought relief from the cramped quarters of the nearly 50-year-old facility.

"Now there is (only) room for one judge and some wind up sharing offices so they don't sit on each other's laps," said Roy Blaine, deputy administrator for operations of the Superior Court.

Judge Heather Morse is the court's only full-time judge. She and three other part-time judges hear about 350 cases per week, Blaine said.

While the court hears a variety of small claims, traffic and other cases, felony cases are transferred to Santa Cruz, "simply because of the issue of holding," Blaine said. The facility's two holding cells are inadequate, he said.

Besides the cramped Freedom Court annex, it is difficult for many South County residents to make the journey up Highway 1 to court services in Santa Cruz, said City Councilman Richard De La Paz.

"You've got juvenile court services at Graham Hill near Scotts Valley and Boulder Creek," he said. "For our community, this building will be a tremendous impact on our court services, our economy and our downtown."

As part of the agreement, the county will provide three courtrooms and one hearing room in the new building. A full array of court services will be provided, including adult, juvenile, civil, criminal, family, traffic and night court.

The county will pay \$5 million for a 30-year lease of the court facilities and complete the



'It (will bring) more tourists and more people downtown. I feel this is necessary.'

ARACELI CASTELLANOS-RIVAS,
CO-OWNER OF TAPA-SAHUAYO
RESTAURANT



Sylvia Baltazar, manager of Don Roberto Jewelers, is happy with the city's plans, but she fears such large-scale development could cause Watsonville to lose its small-town feel.



'Space for courts will be OK. But if they're going to put a cafe or luncheon, that (competition) is not going to bring us any extra business. But who knows?'

FELIX GONZALES,
OWNER OF EL ALTANO RESTAURANT

Businesses wait

Meanwhile, business owners that will someday be neighbors of the proposed building agree the project will bring people downtown, but some have mixed feelings about the competition the proposed retail outlets may pose.

Araceli Castellanos-Rivas, co-owner of the Tapa-Sahuayo restaurant, said she thinks it will be great for business.

because of the issue of holding," Blaine said. The facility's two holding cells are inadequate, he said.

Besides the cramped Freedom Court annex, it is difficult for many South County residents to make the journey up Highway 1 to court services in Santa Cruz, said City Councilman Richard De La Paz.

"You've got juvenile court services at Graham Hill near Scotts Valley and Boulder Creek," he said. "For our community, this building will be a tremendous impact on our court services, our economy and our downtown."

As part of the agreement, the county will provide three courtrooms and one hearing room in the new building. A full array of court services will be provided, including adult, juvenile, civil, criminal, family, traffic and night court.

The county will pay \$5 million for a 30-year lease of the court facilities and complete the tenant improvements for their space, Davison said.

Now that the memorandum of understanding has been approved, the county must provide the first of two \$150,000 deposits. The second will be paid upon approval of the cooperation agreement in March. The deposits will be refunded only if building construction does not begin within the next four years.

In return, the city's redevelopment agency will be responsible for building the court's shell at a total estimated cost of \$6 million. The agency also will provide a \$3.2 million tenant improvement allowance to the county to help with the cost of improvements.

The county will have the option to purchase their portion of the building at any time during the course of the lease for \$2.2 million. That purchase price will increase 2 percent annually throughout the life of the building.

'Space for courts will be OK. But if they're going to put a cafe or luncheria, that (competition is) not going to bring us any extra business. But who knows?'

FELIX GONZALES,

OWNER OF EL ALTENO RESTAURANT

Businesses wait

Meanwhile, business owners that will someday be neighbors of the proposed building agree the project will bring people downtown, but some have mixed feelings about the competition the proposed retail outlets may pose.

Araceli Castellanos-Rivas, co-owner of the Tapa-Sahuayo restaurant, said she thinks it will be great for business.

"It (will bring) more tourists and more people downtown," she said. "I feel this is necessary."

Sylvia Baltazar, manager of Don Roberto Jewelers, agreed. She is happy with the city's plans and thinks the growth will bring additional customers to the store. Still, she fears such large-scale developments downtown could cause Watsonville to lose its small-town feel.

Still, Felix Gonzales, owner of El Alteno restaurant, has concerns. The former lettuce field worker has lived in the area for 33 years and opened his restaurant two years ago.

"Space for courts will be OK," he said. "But if they're going to put a cafe or luncheria, that (competition is) not going to bring us any extra business. But who knows?"

Contact Karen A. Davis at
kdavis@santa-cruz.com.