

# City *at a* Crossroads

Watsonville seeks to develop farmland in effort to create non-agricultural jobs



Bill Lovejoy/Sentinel

Farmland between Riverside Drive and Beach Street could be developed under the annexation plan.

*Watsonville - Annexation*

## Annexation plan divides a growing community

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Sentinel staff writer

### WATSONVILLE

**T**HE NEXT TIME you take a drive down the stretch of Highway 1 between Santa Cruz and Monterey, and you're approaching that nondescript exit called Riverside Drive, slow down and take a look around. What you're looking at — the rows of green lettuce and red strawberries — is the fortune of the Pajaro Valley.

And the crossroads that you are about to enter is quite literal, because Santa Cruz County is about to make a decision about what will be done with this 219 acres: whether to continue using its deep alluvial soils and moist ocean breezes to produce strawberries so big that you only need three or four for a handful, or lettuce so crisp that some buyers come all the way from Japan. Or, whether to use this land for an industrial park, the jumping off point for a new, economically diversified Watsonville.

There is no right answer to this question — only implications that will send ripples throughout the entire county for years to come. Will the stretch of Highway 1 that runs from Aptos to Seaside remain a bucolic scene, interrupted by only the occasional vegetable stand? Or will Watsonville go the way of its northern and southern neighbors, taking advantage of access to Highway 1 to draw business that city officials view as rightfully Watsonville's — an industrial park that will provide a variety of employment opportunities to the area's diverse workforce?

To Janet Manabe, the granddaughter of the Japanese immigrants who years ago bought one of the parcels in question, the answer is obvious. As a child living on the lettuce and vegetable farm, she saw the state slash the farm in two with Highway 1, and then watched the encroaching development surround the land. Now, she says, the flooding from encroaching development grows worse every year. The time has come to sell the property, she's decided, and let it develop as

### How LAFCO works

This week, the Local Agency Formation Commission will hear arguments regarding Watsonville's request to add more than 700 acres of land to its "sphere of influence," or projected city limits. If LAFCO approves the request, the city would apply to annex the land.

A public hearing on the annexation is scheduled for 7:15-11 p.m. Wednesday at Lakeview Middle School. The commission is expected to vote on the issue at an upcoming meeting, either Oct. 1 or Nov. 5. LAFCO has 70 days following Wednesday's hearing to vote.

LAFCO is a seven-member body: LAFCO Chairman Roger Anderson, county Supervisor Ray Belgard, county Supervisor Mardi Wormhoudt, Santa Cruz Councilwoman Katherine Beiers, Watsonville Councilman Lowell Hurst, and LAFCO Vice Chairwoman Carol Bell.

LAFCO's decision cannot be appealed, but a reconsideration can be requested within 30 days. Beyond that, the issue can be taken to court.

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urban land, as her neighbors already have.

Standing in the middle of the field she and her husband, Lou Jemison, now lease to lettuce grower Dick Peixoto, she sees power lines, railroad tracks, cold storage facilities and traffic.

"It's different now; it's not as farmy as it used to be," said Manabe. "The city was looking to expand, and the property that

made the most sense was that property that was already surrounded by the city."

But to others, the key to the valley's future lies in an increasingly high-tech and demanding industry: turn-of-the-century agriculture.

It also represents, to some, the homogenization of Watsonville — the first step to making it less the "Silicon Valley of modern agriculture," as Diane Porter Cooley once put it, and more like the rest of California.

The agriculture of the '90s is much more complicated than just picking, argues the fifth-generation Pajaro Valley landowner and political observer, and could employ people in high-paid research, technical and business jobs — if only Watsonville schools were providing the training. Pajaro Valley serves as an incubator for new agricultural technology, ranging from the latest in hybridization, genetic engineering and organic farming methods to innovations in equipment and biological pest warfare.

"It kills me to have to employ people from out of town to go into research and technical and business aspects of agriculture," she said. "We need to be training people to be going into this line of work."

The 219 acres in question make up about 1 percent of Pajaro Valley farmland, but those 219 acres also represent about 10 percent of the valley's prime farmland. By taking any of its best land out of production and urbanizing the area, the county runs the risk of diminishing the critical mass of prime land that makes the tiny valley a key player in the nation's agricultural future, says Pajaro Valley historian Frank Bardacke.

"We're in danger here, because we have a small little valley," Bardacke says. "Once you start taking the best ag land, agriculture in the valley is in danger in a way that Hollister, Gilroy and Salinas are not."

### Views of business community differ

Even within the valley's business community, there is little agreement about what to do. At a recent forum held by the county's Business Council, representatives from West

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# Annexation

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Marine and Smith and Vandiver, two non-agricultural Watsonville employers, presented opposite views of the same problem. And while the council overwhelmingly voted to endorse the annexation, West Marine founder and president Randy Repass said that's far from a mandate from Watsonville businesspeople, many of whom are not members of the group.

Like Porter Cooley, Repass opposes the annexation. He believes the key to finding better jobs for local residents lies in education, as well as job creation. His Watsonville headquarters employs 400 people, only a fourth of whom come from Watsonville — not because he doesn't want to hire Watsonville people, but because it's been hard to find local people with adequate training for the jobs. Another 25 percent commutes from Santa Cruz, and the rest come from all over the area.

"We support 100 percent the goals of the city to provide more jobs, more housing, and more tax base for the city, but we think the city should take a pro-active, long-term approach instead of a reactive approach," Repass said. "We think there's a lot of underutilized space in the existing city limits. We think there's a better way to do it than paving over farmland and building on environmentally sensitive areas."

By "we," Repass refers to a new group that will be conducting an intensive survey of local employers over the months ahead in an attempt to devise an alternative strategy for the Pajaro Valley: the Pajaro Valley Futures Project, which has the backing of several major donors — including a \$25,000 grant from the David and Lucile Packard Foundation.

## High rent also an obstacle

Ironically, it is Repass' company that is most frequently cited as an example of why Watsonville needs to expand its boundaries. When West Marine needed to grow, Repass decided to locate its facility in Hollister — not Watsonville.

But even if Watsonville had had its

proposed industrial park in place at the time, Repass says, he still would have chosen to locate in Hollister — primarily because of land prices, which were one-sixth the amount in Hollister.

Repass still continues to invest in Watsonville, and he's putting his money where his mouth is. He's in the process of purchasing the Kalich Building, a major eyesore on Main Street, and hopes to refurbish it and bring in retail businesses to add to the downtown redevelopment project.

Unlike the agricultural world of the 1930s, '40s and '50s, when Watsonville was the hub of rail commerce in the region, rail is no longer important, Bardacke notes. Salinas, Hollister and Morgan Hill, with their superior transport locations on Highway 101, have become the preferred location for the shipping necessary in large-scale industrial enterprises.

"A lot of this whole debate is about where the rent is cheaper," Bardacke says. "Part of the reason it's cheaper over there is that there's more of it. And another reason is that it's not as beautiful over there, and the climate isn't as good."

To Bardacke's way of thinking, all that adds up to keeping Watsonville focused on what it's geographically best-suited for: smaller businesses, and high-value crops.

## Lack of space hampers growth

Rent was not an object for Alida Stevens of Smith and Vandiver, a personal care products manufacturer on Airport Boulevard — and neither was the shortage of a trained labor pool. All but 20 of her 78 employees come from Watsonville. Many of them had no skills at all, including mastery of the English language, but she and her staff trained them from the ground up, and some serve as department managers and customer service representatives.

Now her company would like to stay in Watsonville as it grows, but she's afraid she won't be able to.

"In times we've gone to look for those kinds of places, they do not exist here," she said. "Though there's talk of open, available buildings, we don't see them."

The buildings that Smith and

Vandiver has grown into over the past several years are the abandoned offices of adjacent companies that moved to Morgan Hill or Gilroy so they could have space to grow, she said.

"There is a sense of urgency," she told the Business Council at a recent forum. "Many people are unemployed, and their future is

important. This annexation has been studied properly for a long period of time; these are reasonable, appropriate choices to make."

Deputy City Manager Marcela Tavantzis has a thick folder of companies that have shown interest in locating here — but the city doesn't have the type of parcel they are looking for: typically larger than 10 acres, flat, with access to the highway.

City officials say they've studied the subject to death. Now, they say, with the potential for millions of state "enterprise zone" dollars to serve as an incentive to lure major employers to the valley, it is time to turn around Watsonville's waning fortunes.

Now is the time to recapture the manufacturing dollars that fled the valley with the loss of the frozen food processing industry, argues Bruce Woolpert of Granite Rock Construction.

"I'm not for eliminating farmland; I grew up in Watsonville," Woolpert said at a recent Business Council forum. "I also grew up in Watsonville when it had a lot more manufacturing jobs than it does today. Those people who used to work in the canneries lost their jobs."

Watsonville has become Santa Cruz County's "inner city," he said, and the time has come to fix it.

*A special two-hour presentation on the annexation issue, a taped public meeting of the Santa Cruz County Business Council's forum, will be shown on TCI Cable Channel 3 today and Monday at 9-11 a.m., 1-3 p.m., 5-7 p.m. and 9-11 p.m. The forum also will be show on Sonic Channel 19 from 6-8 p.m. Tuesday.*