

985-1989

Watsonville's hard look at local economy

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For three hours last night the Watsonville Senior Center was brimming with ideas about how to preserve and invigorate the local economy.

Suggestions came from all corners of the community in two languages as more than 200 people jammed the center for a "town meeting" to discuss the troubled economy and the impact on the city of labor unrest in the town's food-processing industry.

Suggestions ranged from infusing the downtown business section with cosmetic improvements to defusing efforts by local food processors to cut workers' wages.

The food-processing industry is in trouble, speakers admitted; in contrast, representatives of some farm groups, such as strawberry growers, said while things are sometimes rough, they are here to stay.

For some, the road to a stable economy meant preserving Watsonville's tie with agriculture, while others called for a major effort to attract industries that aren't dependent on local crops and processing plants, such as electronics and manufacturing companies.

Since the meeting was called by the council to gather ideas, there was no council discussion, and it was not known how members might have reacted to the suggestions.

Several council members, however, expressed an interest in forming a special economic commission to study the situation further and possibly promote the city's resources in an effort to attract new businesses.

But they refused to make any commitments, preferring instead to take some time to "think about" all that was said last night.

"It's going to take a few days to sit down and analyze my notes and see exactly what I have," Councilman Roy Ingersoll said.

The idea of an economic commission "would be a good follow-up" to deal with the questions raised at the meeting, Councilman Rex Clark said.

"I think we're going to have to diversify (the economy)," Councilwoman Betty Murphy said. "We are going to have to have a stable economy that isn't susceptible to the ups and downs (of

agriculture), and if that means promoting the city then we should promote the city ... I'm just not sure yet."

Council members called the meeting to get a better idea about how best to plan for the city's future. They wanted public input, and they got it.

The meeting drew a parade of local business people, politicians, workers and representatives of social agencies.

While the solutions they proposed varied, one message was clear: The strike by about 1,000 union workers at Watsonville Canning and Frozen Food Co., and the ripple effect of wage reductions for other workers during the last year, has had a tremendous effect on the local economy and many of the city's residents.

Downtown retailers said business has suffered despite a reported increase in sales tax revenues.

"That (increase) may be true overall, but it's far from the truth in the downtown area," said Jake Dray, manager of Western Auto and spokesman for the Central Business Improvement District.

"The lifeblood of the downtown area is the food-processing worker," Dray said. With so many out of work and even more with less income because of wage cuts at other plants, it will become "more difficult for the downtown retailer to survive."

Mickey Rebecchi, former manager of the Watsonville Longs who was recently transferred to Santa Cruz, said the Rodriguez Street store still gets the same number of customers, but they're spending between 60 cents and a dollar less than they used to.

"You've got to give them (enough) money to spend," Rebecchi said, implying that workers need a decent wage, "... or the town is going to dry up."

Cal Watkins, manager of J. C. Penney, said, however, that Penney's has just signed a new lease for its building and is committed to staying here, even after a large new Penney's is constructed on 41st Avenue in Capitola.

Main Street businesses have suffered from vandalism and violence in the downtown that were attributed to frustrations over the bitter strike, business owners said.

REFERENCE