Housing proposal dealt blow.

Watsonville: Judge sides with environmentalists on farmland impact of 1,800 homes, golf course and stores.

BY JOHN WOOLFOLK Mercury News Staff Writer

Watsonville's biggest-ever housing proposal suffered a setback in court Tuesday when a judge agreed with environmentalists that the city improperly defined the project's impact on farmland.

But lawyers on either side of the fight disagreed over how much of a setback the ruling would be.

The ruling by Santa Cruz Superior Court Judge Samuel Stevens voids Watsonville's March 1997 approval of an environmental analysis on annexing farmland west of town for 646-acre Tai and Associates project.

Proposed in 1995 by developer Vincent Tai of San Francisco, the project would put 1,800 homes, a

golf course and stores on a rural plot west of Highway 1 outside the city limits.

"I think this might be the death knell of this thing," said the environmentalists' lawyer. Keith Sugar.

But lawyers for the city and the developer also left the courthouse claiming victory, saying the judge rejected most of the environmentalists' claims and ordered only technical revisions.

"I think it's more of a pothole in the road than anything beyond that," said Watsonville City Attorney Alan Smith.

The lawsuit was filed by seven environmental groups, including Watsonville Wetlands Watch and Campaign to Save Pajaro Valley Farm-

The suit claims the Watsonville City Council didn't properly consider the impact on wetlands and farmland when it approved an environmental study on annexing land for the project. Critics claim the project would ruin prime agricultural land, threaten wetlands and set a precedent for expanding development west of Highway 1.

City officials say the project is badly needed to ease overcrowding and unemployment in Watsonville, a city of 34,000.

A key issue is whether the targeted property constitutes "prime" farmland. Watsonville's effort to an-



nex the property must meet the anproval of both the Coastal Commission and the Local Agency Formation Commission. Neither agency is likely to approve a move that would pave over choice cropland.

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Lawyers debate effect of edict

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But there is disagreement over what constitutes prime farmland. The county considers any land capa
Needed to ease ble of producing \$200 per acre worth of crops each year as prime agricultural land, Smith said. Watsonville officials consider that definition overly broad.

"There's no land in Santa Cruz County that isn't capable of producing \$200 a year," Smith said. "This is not a desert."

The city-commissioned study on annexing the property deemed it of marginal agricultural quality based upon soil analysis, Smith said.

In his ruling, Judge Stevens found the report's definition of prime farmland vague, noting that the wording was inconsistent throughout the analysis. As a result, critics were not given a fair shot at reviewing the report.

If the ruling stands, the document must be revised, recirculated and re-

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approved for the project to go forward, lawyers from both sides said.

Lawyers for the city and the developer have not yet decided whether to appeal the judge's ruling or revise the report and recirculate it for public comment.

Recirculating the report could delay the project by six months to a year, Smith said.