



Agenda Report

MEETING DATE: Tuesday, September 5, 2023

TO: Planning Commission

FROM: COMMUNITY DEVELOPMENT DIRECTOR MERRIAM
PRINCIPAL PLANNER MEEK

THROUGH: CITY MANAGER MENDEZ

SUBJECT: PLANNING COMMISSION RECOMMENDATION TO CITY COUNCIL
FOR ADOPTION OF THE DOWNTOWN WATSONVILLE SPECIFIC
PLAN, ADOPTION OF AN ENVIRONMENTAL IMPACT REPORT,
ADOPTION OF AMENDMENTS TO THE WATSONVILLE 2005
GENERAL PLAN, AND ADOPTION OF AMENDMENTS TO THE ZONING
CODE AND MAP

RECOMMENDED ACTION

Staff recommends that the Planning Commission (a) adopt a Resolution recommending that the City Council adopt environmental findings, a statement of overriding considerations, a mitigation monitoring and reporting program and certify an Environmental Impact Report (EIR) for the Downtown Watsonville Specific Plan in accordance with the California Environmental Quality Act, (b) adopt a Resolution recommending that the City Council adopt the proposed amendments to the *Watsonville 2005 General Plan*, (c) adopt a Resolution recommending that the City Council adopt the Downtown Watsonville Specific Plan, and (d) adopt a Resolution recommending that the City Council adopt proposed amendments to the Zoning Map to reflect the boundaries of the Downtown Watsonville Specific Plan and to add a new Part 26 "DWSP DISTRICT" to Chapter 14-16 of the Zoning Code within Title 14 of the Watsonville Municipal Code.

BACKGROUND

A Specific Plan is a planning tool that local governments can use to implement their General Plan and to guide development in a localized area. While the General Plan is the overall guide for growth and development in a community, the goal of a Specific Plan is to focus on the unique characteristics of a special area by customizing the planning process and land use regulations to that area. The authority for preparation and adoption of specific plans is set forth in the California Government Code, Sections 65450 through 65457. The California Government Code authorizes jurisdictions to adopt specific plans by ordinance as regulatory documents. The law allows adoption of Specific Plans as may be required for the implementation of the General Plan.

A Specific Plan is intended to be a tool for developers, property owners, City staff and decision makers by providing strong and clear policies, development standards, and a vision that guides land use decisions, infrastructure improvements, design, and economic development activities in the project area.

In July 2019, the City of Watsonville initiated a Specific Plan for downtown Watsonville. This planning effort built on the historic origins of the area while establishing a clear vision for the future of downtown Watsonville.

The public draft of the Downtown Watsonville Specific Plan (DWSP) was released on June 24, 2022, and revised based on public comment. The City Council accepted the final draft of the DWSP on October 25, 2022, and directed staff to complete the EIR for the Plan.

The Draft EIR for the DWSP was released for public comment on May 12, 2023, and comments letters were accepted through June 26, 2023. If certified, the EIR will provide opportunities for streamlined or simplified environmental review of future development projects that are consistent with the DWSP, in accordance with the California Environmental Quality Act.

PROCESS

Specific Plan

The City Council, upon recommendation of the Planning Commission, shall be the final hearing body for Specific Plans. The Planning Commission shall prepare its recommendation and the Council shall render its decision in accordance with Part 7 of Chapter 12 to Title 14. The Planning Commission and City Council shall, in approving a proposed Specific Plan, make the following findings, as set forth in Section 14-12.904 of Watsonville Municipal Code (WMC):

- That the proposed location of the development and proposed conditions under which it will be operated or maintained is consistent with the goals and policies embodied in the General Plan;
- That the proposed development is in accordance with the purposes and objectives of this title and, in particular, will further the purposes stated for each zoning district;
- That the development will not be detrimental to the public health, safety or welfare of persons residing or working in or adjacent to such a development and properties or improvements in the vicinity or to the general welfare of the City; and
- That the Specific Plan and resulting development will be consistent with the provisions of Article 8 of Chapter 3 of Division 1 of Title 7 of the California Government Code, commencing with Section 65450.

Following adoption of a Specific Plan, developments and uses of the land, subdivisions (including tentative tract and parcel maps), public works projects and development agreements within the Specific Plan area shall be consistent with the Specific Plan.

General Plan Amendments

The provisions of the General Plan text and the General Plan land use diagram may be amended by the Council by resolution and according to procedures established in WMC Chapter 14-12 whenever the public necessity, the general community welfare, and good zoning practices permit such amendment.

The Planning Commission shall review proposed amendments for making a recommendation to Council, which shall be accompanied by a complete report of the Commission's action prepared by the Community Development Department, including a summary of the public hearing, its findings, and a copy of the Commission resolution, minutes, and any other pertinent material or information that will assist the Council in making its final determination on the matter.

The City Council shall review the matter at a public hearing and adopt a resolution approving or denying the proposed amendment(s), subject to findings set forth in WMC Section 14-12.708.

Zoning Amendments

Pursuant to WMC Sections 14-12.801 through 14-12.807, the text and map of the adopted Zoning Code may be amended in the same manner as General Plan Text Amendments and the General Plan Land Use Diagram.

Environmental Review

The California Environmental Quality Act (CEQA) requires local and state governments to consider the potential environmental effects of a "project", as that term is defined in Public Resources Code section 21065 and California Code of Regulations 15378 before approving it.

An Environmental Impact Report (EIR) must be prepared if a project is not exempt from CEQA and does not qualify for a negative declaration. As a general rule, an EIR is required whenever it can be fairly argued on the basis of substantial evidence in light of the whole record before the city that the project may have a significant impact on the environment. The EIR is used by the City, as lead agency under CEQA, to analyze the significant environmental effects of a proposed project, to identify alternatives, and to disclose ways to reduce or avoid the impacts. Below is a summary of key provisions for the consideration of an EIR for a project.

- 1. Consideration prior to approval.** Prior to approving a project, the decision-making body shall consider the proposed EIR together with any comments received during the public review process.
- 2. Standard.** An EIR assesses the environmental effect of the project based on thresholds of significance and substantial evidence.
- 3. The Record.** The lead agency is to specify the location of the documents and materials constituting the record.
- 4. Mitigation Monitoring and Reporting.** When certifying an EIR, the EIR must describe the mitigation measures for significant environmental impacts and the City, as the lead

agency, must also adopt a program for reporting or monitoring the changes it has required or made conditional on approval.

5. Statement of Overriding Considerations. When an EIR identifies a significant environmental effects, the lead agency approving the project must make findings on whether the environmental effects have been substantially reduced or if not, why not. If there are significant environmental effects that will not be avoided or substantially lessened, the City must adopt a statement disclosing that because of the project's overriding benefits, it is approving the project despite its environmental harm.

ADOPTION & AMENDMENTS

The procedures for adopting and amending a specific plan are essentially the same as for a general plan, except that it may be amended as often as necessary, and may be adopted by ordinance or resolution. Gov't Code § 65453(a). The adoption or amendment of a specific plan, like a general plan, is a legislative act.

DISCUSSION

Planning Process & Community Engagement

In 2019, the City of Watsonville started a community planning process to develop a Specific Plan for downtown Watsonville. The Specific Plan process presented a unique and important opportunity for community members to participate and share their ideas to guide Downtown's future. A primary objective of the Plan was to accurately reflect community aspirations. The City highly prioritized having a community engagement process that was structured to provide multiple opportunities and avenues for engagement, to increase inclusion and participation in sharing input about potential Plan recommendations. This Plan has been developed with extensive input from a broad range of stakeholders which included residents, business owners, workers, property owners, Caltrans, and representatives of community organizations and associations. The Specific Plan's cumulative engagement was a 3-year process and has led to valuable community input, which in turn, grew the visionary outcomes documented in this Plan.

Detailed descriptions of each meeting can be found in Appendix A to the DWSP, where information about meeting format, location, content, and purpose are provided. In summary, the engagement process included the following activities and events:

- Project information webpage
- Stakeholder meetings
- Advisory Committee meetings (9)
- Community workshops (3)
- Online engagement & community-wide surveys (3)
- Pop up events
- Planning Commission study session and City Council briefings

In addition, the project team identified further engagement opportunities, where possible, to bring attention to the Specific Plan project, while also soliciting feedback from a wide range of constituents. Meetings with the following organizations/groups were held in addition to the foundational engagement efforts detailed above:

- Watsonville Citizens Academy
- Empower Watsonville (PVPSA Youth Group)
- Interagency Technical Advisory Committee (ITAC)
- Watsonville Vision Zero Task Force (WVZTF)
- WVZTF Working Group on Bike Friendly Communities
- Santa Cruz County Workforce Development Board
- Watsonville High School
- Monterey Bay Economic Partnership (MBEP)

DWSP Document

The Draft DWSP is organized into the following nine chapters:

- **Chapter 1: Introduction** sets the stage for the rest of the document by discussing the local context, relationship to other planning documents, purpose of the Plan, and objectives.
- **Chapter 2: Downtown Vision, Goals & Policy Direction** describes the existing context, issues and opportunities, engagement efforts and the vision and guiding principles to direct future development in downtown Watsonville. This chapter includes the physical design and policy strategies to collectively shape the future of the Plan area.
- **Chapter 3: Design Framework** provides recommendations for public realm improvements in addition to providing a description of the intent and purpose for each downtown Character Area.
- **Chapter 4: Mobility & Transportation** explores multimodality, the street network, street cross-sections and streetscape standards, bicycle and pedestrian networks, and parking and curb management.
- **Chapter 5: Public Realm Improvements** focuses on a series of publicly accessible rights-of-ways, parks, squares, plazas, courtyards, alleys, paseos, and parklets and the connections between those spaces.
- **Chapter 6: Land Use & Zoning** sets standards and guidelines to regulate future development on privately-owned properties in downtown Watsonville. It establishes standards related to allowed land use, development intensity, height, building frontage design, building placement, open area, and block size. The chapter also includes detailed guidance on design of ground floors, building facades, building architecture, landscaping character, and other building and site design elements.
- **Chapter 7: Historic Preservation** explores the historic context of downtown Watsonville and identifies potential historic districts and recommendations.

- **Chapter 8: Infrastructure** frames the infrastructure context of downtown by identifying utility networks and demand analysis. The chapter includes a list of priority infrastructure projects, including water, sewer, and recycled water.
- **Chapter 9: Implementation** provides implementation actions necessary to realize the Specific Plan vision, as well as financing and funding tools to implement the Specific Plan.

Appendices to the DWSP provide a community engagement summary (Appendix A), applicable General Plan goals and policies (Appendix B), and detailed information about downtown's historic resources (Appendix C).

Context & Setting

The DWSP plan area constitutes 195.5 acres of downtown Watsonville centered on Main Street and extends west to the edge of existing neighborhoods and the industrial district, south towards Pajaro, and several blocks east to existing neighborhoods. About 55.5 acres of the DWSP plan area are dedicated to streets and rights-of-way.

Organized in a traditional urban street grid with walkable neighborhoods and shopping corridors, downtown Watsonville is the heart of the community. Development in downtown started before the City was incorporated in 1868. The area contains a mix of contemporary and historic buildings, urban plazas, higher-density residential buildings, government offices, community-serving retail uses, and is home to numerous community events that attract both visitors and residents.

Once a thriving and bustling downtown, Main Street has struggled to compete regionally with other commercial areas and has experienced high retail and commercial vacancy rates for the past several decades. The City has taken many steps to revitalize the downtown since the destructive 1989 Loma Prieta earthquake, including several downtown plans and downtown design guidelines, as well as the development of a new Civic Plaza that is home to the South County Courthouse, City library, City administrative offices, City Council Chambers, and public meeting space.

State Highway 152 (SR-152), a Caltrans facility, operates along portions of Main Street and as a one-way couplet along E Lake Avenue and E Beach Street. Riverside Drive on the south end of the DWSP plan area is a part of State Highway 129 (SR-129). Caltrans has been an integral part of the planning process and for developing recommendations for right-of-way improvements such as sidewalks and streets within their facilities. The City has also worked on improvements to the downtown parking district and completed a downtown parking study to modernize the on- and off-street parking provided in the downtown to attract shoppers and assist in retail business investment and opportunity.

Downtown is also beginning to see interest from private developers for new mixed-use and residential development. With growing interest and attention to downtown Watsonville, the City has established the Specific Plan as the visionary guide for development in downtown Watsonville.

Vision Themes and Guiding Principles

The six vision themes for the DWSP of vitality, dignity, equity, preservation, safety and innovation were informed by community input.



Vitality



Dignity



Equity



Preservation



Safety



Innovation

The DWSP establishes the following guiding principles and objectives for downtown Watsonville:

- Preserve key elements that make downtown unique.
- Establish a varied choice of uses and experiences for our diverse community.
- Create diverse and inclusive housing opportunities.
- Promote local economic prosperity.
- Create a vibrant, safe, and active downtown.
- Foster a healthy, inclusive, and culturally connected community where all can thrive.
- Re-imagine and innovate mobility options and connections.
- Incorporate sustainable design elements to improve community health.

Detailed implementation strategies for each guiding principle are provided on pages 36 and 37 of the DWSP.

Goals and Policies

The goals and policies of the DWSP set forth the framework for realizing the vision for downtown Watsonville, serve as guidelines for decision making and provide direction for the future. They are organized in the following topics:

1. Land Use
2. Urban Design
3. Affordable Housing and Housing Production
4. Anti-displacement Strategies
5. Historic Preservation
6. Economic Development
7. Mobility and Parking
8. Transit
9. Infrastructure

As outlined in Section 2.4 of the DWSP, the goals and policies strive to facilitate housing production and preservation; increase retail-entertainment activity; encourage higher-density mixed-use residential projects; add visitor-oriented uses; support a greater range of civic and cultural activities; improve the safety and comfort of pedestrians; enhance bicycle infrastructure and connections; and target uses and activities that appeal to a wide range of Watsonville's residents and employees.

Growth Projections

The DWSP plan area is mostly developed with historic commercial buildings and established residential neighborhoods. Hence, future potential growth is likely to be directed to the identified opportunity sites, vacant City-owned parcels, and a limited number of vacant or underutilized sites that could be redeveloped. The goal of this approach is to develop growth projections that can cover all anticipated development in the next 25 years but not over-estimate what could be built.

TABLE 1 Growth Projects for the Specific Plan Area

Land Use	Residential (du)	Commercial (sf)	Industrial (sf)	Civic (sf)
Residential	3,886			
Restaurants, Cafes, Bars		150,248	7,537	
Retail		57,788		
Research & Development			56,524	
Office		23,115	37,798	
Civic				114,852
Industrial			275,084	
Total	3,886	231,151	376,827	114,572

Notes: du = dwelling unit; sf = square feet.

These growth projections were used as the basis for traffic forecasts, as well as the EIR technical studies for noise and air quality. The growth projections were also used to forecast greenhouse gas emissions and analyze infrastructure demand (water, sewer, wastewater). Staff will monitor the amount of development in downtown relative to the projection thresholds over time.

Design Framework

Section 3.2 of the DWSP sets forth the overall urban design approach that will achieve the Specific Plan's goal of transforming the area into an active, vibrant downtown. The urban design approach is based on the major strategies, or "big ideas," identified by the community during the development of the Specific Plan. Each of these strategies is intended to support the implementation of the Downtown vision with the creation of new housing, jobs, and improvements to transportation and public spaces for residents and businesses downtown.

These big ideas or strategies are:

- Retain downtown's charming historic architecture and character.
- Build on and extend downtown's walkable scale.
- Activate downtown with new uses, special events and programming.
- Provide improvements to the public realm—streetscape, public art, murals.
- Re-imagine Main Street right-of-way to address traffic calming and walkability goals.

- Provide more housing choices and maintain affordability.
- Improve bicycle and pedestrian connectivity and safety.
- Address traffic speed and congestion concerns.



Mobility & Transportation

The DWSP presents strategies and network recommendations for all modes of travel in Chapter 4. The following are summaries of key topics in this chapter.

Multimodal Network and Strategies. The DWSP's mobility framework provides pedestrian, bicycle, and transit network recommendations in the DWSP plan area. Mobility goals include:

- Complete Streets—Design streets to provide safe and comfortable facilities for all people walking, biking, rolling, riding transit, or operating motor vehicles.
- Parking—Effectively manage parking to accommodate demand through increased utilization of existing supply and eliminate barriers to development by reducing requirements for on-site parking through use of shared parking.

- Curb Management—Effectively manage competing priorities for curb space to safely accommodate active travelers, passenger pick-up/drop-offs, and deliveries.
- Travel Demand Management—Increase the availability of mobility options to access and travel within the Plan area without driving alone and reduce Vehicle Miles Traveled (VMT) associated with new development.

Street Network Improvements. The DWSP includes several key roadway improvements to support multimodal travel, increase safety, and improve access to local amenities and businesses. The future improvements are designed to reduce potential conflict points between motorists, people who walk, and people who bike. Key improvements include:

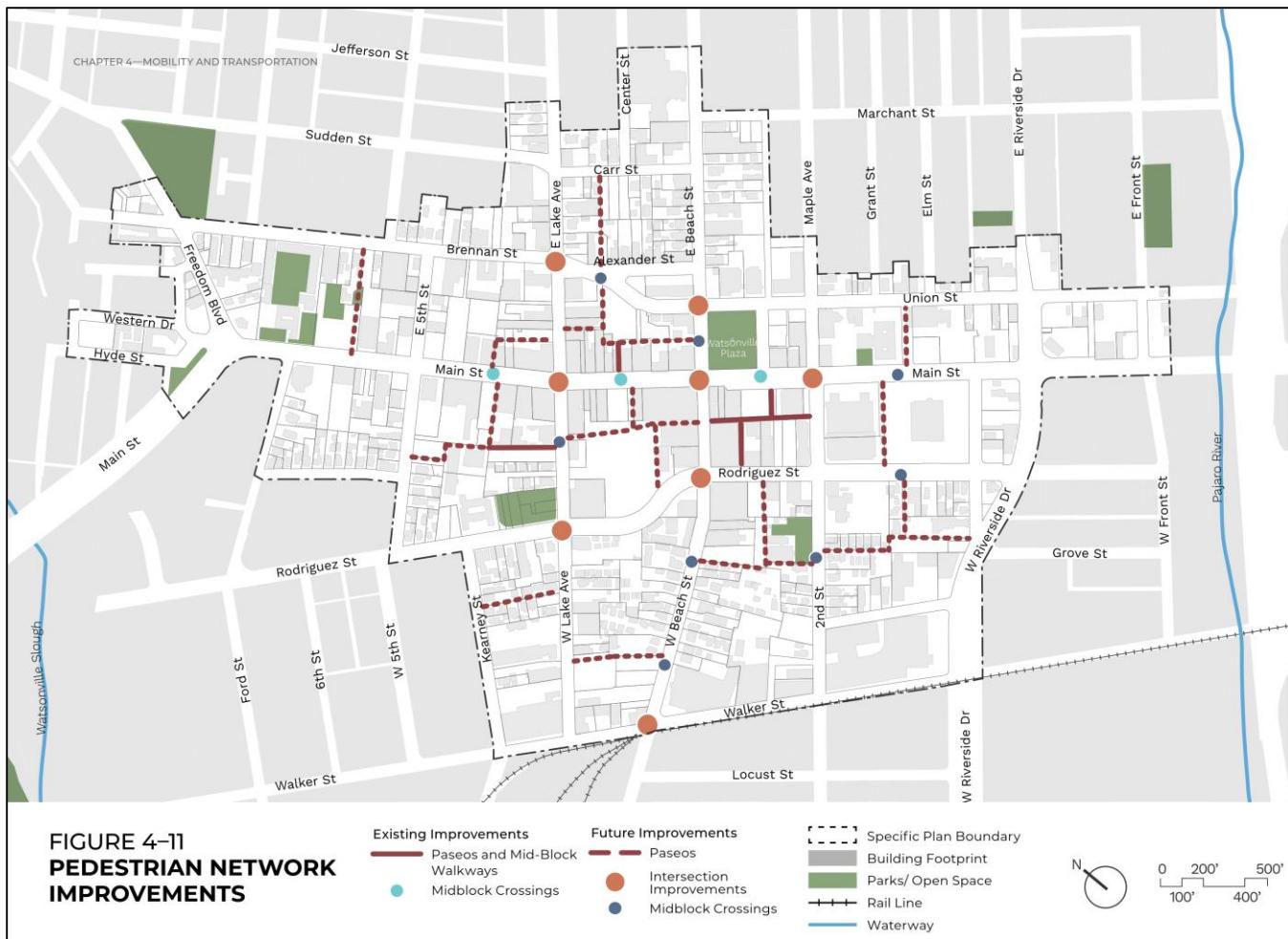
- Reducing the number of travel lanes for Main Street from four to three with a center running left turn lane (or landscaped median) and one lane in each direction between Riverside Drive and Freedom Boulevard.
- Converting East Lake Avenue and East Beach Street, which currently operate as one-way couplets, into two-way streets.
- Squaring off the connection between Union Street and Alexander Street from East Lake Avenue to East Beach Street and vacating that portion of Union Street for private development.

Figure 4-1 illustrates the recommended roadway improvements and changes to the directionality of East Lake Avenue and East Beach Street. Figures 4-3 through 4-10 (on pages 99 through 108 of the DWSP) present future redesign concepts for roadways within downtown Watsonville. These concepts aim to improve the safety and circulation of people walking and biking while preserving residential on-street parking. Street design features also expand the pedestrian realm by installing parklets intermittently along key commercial corridors. The right-of-way dimensions are intended to serve as standards but allow for flexibility in the implementation process for other streetscape features. Implementation of future designs will require further study, engineering, and coordination with adjacent property owners.



Recommended pedestrian network improvements include:

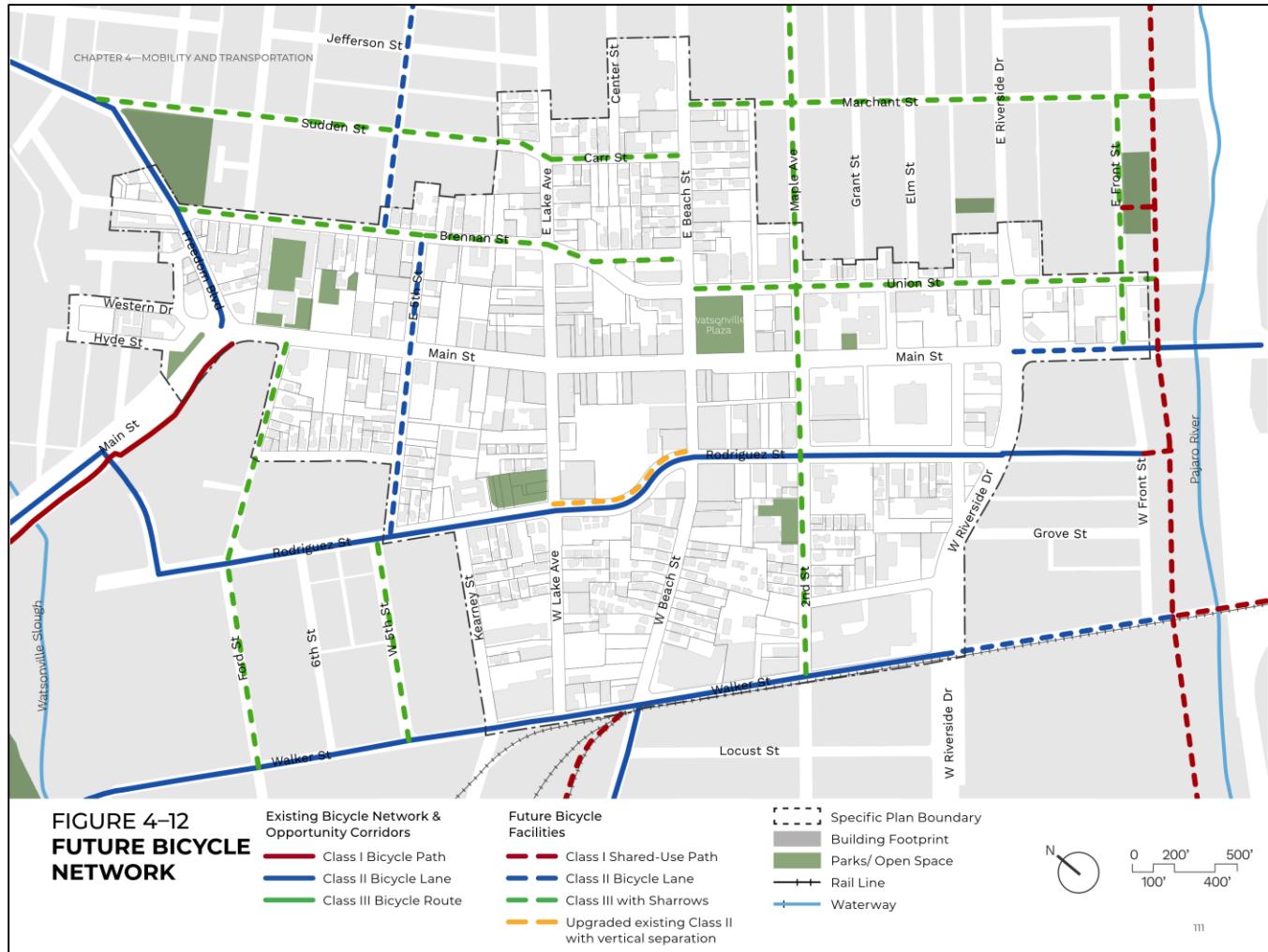
- Enhanced midblock crossings (e.g., pedestrian refuge islands, rapid flashing beacons, pavement markings and signage) to connect paseos intersecting arterial streets. All improvements will be ADA-compliant.
- Create network of paseos at locations shown in Figure 4-11, with minimum widths of 12 feet.
- Improved pedestrian connections (e.g., signalization, high-visibility striping, curb extensions, and/or other treatments).



Recommended bicycle network improvements include:

- New signed bicycle route on Merchant Street between East Beach Street and the Levee Trail.
 - Identify Levee Trail as a designated public bicycle and pedestrian facility.
 - New access improvements from Merchant Street to the Levee Trail.
 - New signed bicycle route on Sudden Street between Freedom Boulevard and East Beach Street.
 - New signed bicycle route on Brennan Street/Union Street between Freedom Boulevard and the Levee Trail.
 - New access improvements from Union Street to the Levee Trail.
 - Improved connection to the Levee Trail from River Park.
 - Improved wider bicycle lanes, with an enhanced buffer between adjacent vehicular travel lanes and the bicycle lane, on Rodriguez Street between West Lake Avenue and West Beach Street.
 - New bicycle lanes on Walker Street from West Riverside Drive to the Pajaro River.
 - New shared-use path from West Front Street along Rodriguez Street to the Levee Trail.
 - New signed bicycle route on Ford Street between Walker Street and Main Street.

- New signed bicycle route on West 5th Street between Walker Street and Rodriguez Street.
- New bicycle lanes on 5th Street between Rodriguez Street and Brennan Street.
- New signed bicycle route on 2nd Street/Maple Avenue between Walker Street to Lincoln Street.
- New signed bicycle route on East Front Street between Main Street and Merchant Street.



Parking, Curb Management and Travel Demand Management. The DWSP provides parking, curb management and transportation demand management strategies, including an overview of existing systems and recommended standards and guidelines for implementation. For instance, the DWSP calls for maximizing the use of existing parking supply through time restrictions and pricing that best reflect actual demand and expanding the Downtown Parking District to the boundaries of the Plan area to make all non-residential land uses exempt from onsite parking requirements. As shown in Table 4-1, the DWSP would establish lower minimum parking requirements for new residential development within the Plan area to “right-size” supply to support objectives in the DWSP and lower the cost of providing new housing units. (Note: maximum instead of minimum parking limits would apply to projects that are entitled under California’s Density Bonus Law. See page 115 of the DWSP for further information.)

Table 4-1 Off-Street Parking Minimum Requirements

Multifamily Residential	Existing Minimum Requirement	Future Minimum Requirement
Studio/1-bedroom unit	2 spaces per unit	0.8 spaces per unit
2-bedroom unit	2 spaces per unit	1.6 spaces per unit
3-bedroom unit	2 spaces per unit	No change
4-bedroom unit	3 spaces per unit	No change
5-bedroom unit	4 spaces per unit	No change

Transportation demand management (TDM) strategies aim to reduce single-occupant vehicle (SOV) travel, minimize peak period vehicle trips, and shift trips to transit, biking, walking, or shared rides. TDM is a multi-faceted approach to manage transportation resources through pricing, incentives, services, communication, marketing, and other techniques. Strategies work together synergistically to achieve SOV trip reduction and mode share goals. By working to reduce SOV trips within the DWSP plan area, impacts from future development such as congestion or localized pollution can be reduced. TDM also supports sustainability and greenhouse gas (GHG) reduction goals by helping to reduce associated VMT.

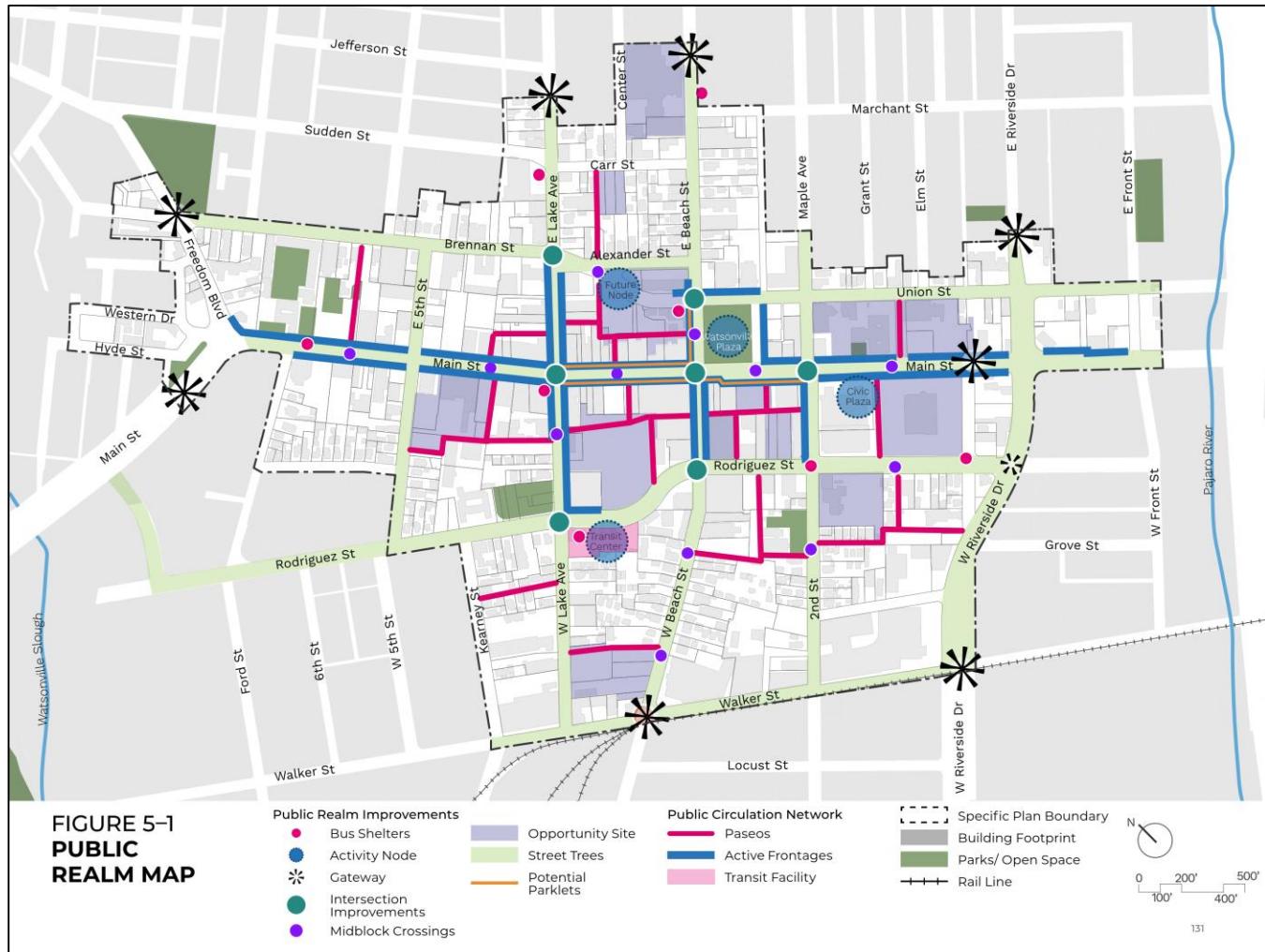
Caltrans Complete Streets “Road Diet” Project. Caltrans is committed to implementing a key recommendation in the DWSP. In response to Council support for integrating complete streets infrastructure on State Route 152 (Resolution No. 195-22), Caltrans will be including the “road diet” concept—i.e., reducing the number of travel lanes for Main Street from four to three with a center running left turn lane (or landscaped median) and one travel lane in each direction—and other complete streets recommendations into their upcoming State Highway Operation and Protection Program (SHOPP) project no. 05-1P110. A virtual public meeting was held on the Route 152 Rehabilitation Project on October 6, 2022. For more information, download the meeting’s [presentation slides](#). For a single-page summary on this and other projects in the Watsonville area, download this [factsheet](#).

Further projects, such as converting East Lake Avenue and East Beach Street into two-way streets, are the subject of ongoing discussions with Caltrans.

Public Realm Improvements

The DWSP provides in Chapter 5 recommended public realm improvements that serve to fulfill the goal of enhancing the pedestrian experience and creating linkages between various activity nodes. The recommended public realm improvements consist of an interrelated palette of sidewalk improvements, street trees, street furniture, street lighting, signage, and landscaping. Public art can also have a role in the streetscape palette. These improvements are intended to enhance and unify the visual and spatial experience of the driver, pedestrian, and the bicyclist, and help provide key linkages between the activity centers and neighborhoods in the DWSP plan area.

Figure 5-1 illustrates recommended streetscape elements that would create a pleasant publicly accessible environment and help achieve the vision of evolving downtown Watsonville into a destination. As these recommendations are conceptual, the City will need to further assess and supplement them on a project-by-project basis.



Land Use & Zoning

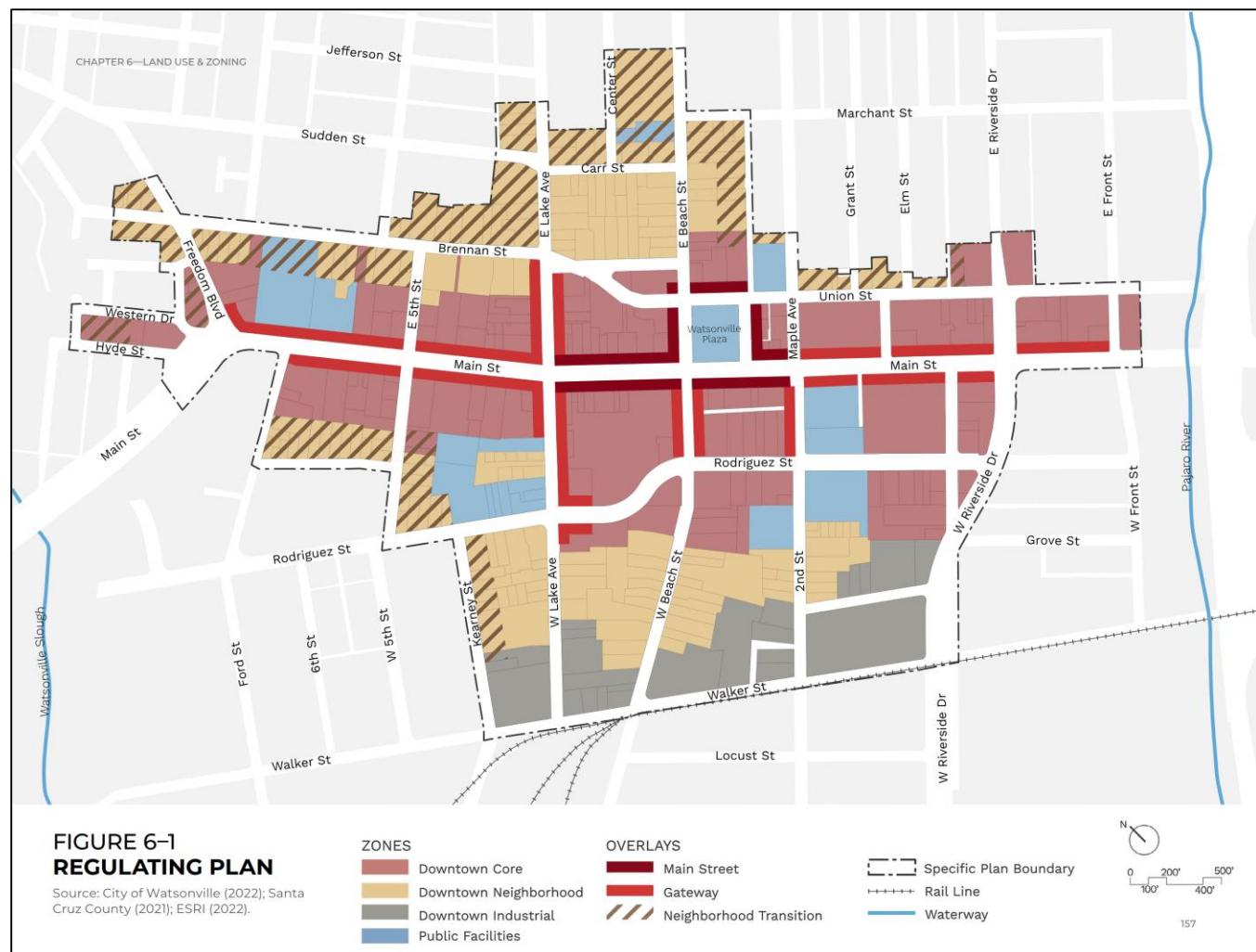
Chapter 6 of the DWSP sets standards and guidelines to regulate future development on privately-owned properties in downtown Watsonville. It establishes standards related to allowed land use, development intensity, height, building frontage design, building placement, open area, and block size. The chapter also includes detailed guidance on the design of ground floors, building facades, building architecture, landscaping character, and other building and site design elements.

Key aspects of the Regulating Plan (Section 6.3), Land Use Regulations (Section 6.4), Form Regulations (Section 6.5), and Site Standards & Guidelines (Section 6.6) are described below.

Regulating Plan. Development and design standards and guidelines differ by zone and overlay. This is because different areas of the Downtown are intended to have different characteristics,

informed by the existing context and future vision as described in previous chapters of the DWSP. The Regulating Plan (Figure 6-1) establishes these zones and overlays, whose intent is summarized in Sections 6.3.A and 6.3.B on pages 158-9 of the DWSP.

In general, the arrangement of zones and overlays concentrates urban activity and intensity in the center of Downtown and allows development to transition to existing lower-intensity neighborhood fabric at the periphery of Downtown and to industrial activity to the south.



Land Use Regulations. Section 6.4 includes land use provisions for all properties within the DWSP plan area. Table 6-3 lists uses that are permitted, conditionally permitted, or not permitted. Uses not listed in Table 6-3 are allowed by right unless prohibited elsewhere in the Watsonville Municipal Code. For example, retail and restaurants are allowed by right throughout the plan area; therefore, they are not included in Table 6-3. As shown in Table 6-3, dwelling units are allowed in certain areas of the DWSP plan area, including in the Downtown Core and Neighborhood Zones except on the ground floor of buildings in the Main Street and Gateway Overlays. Similarly, office uses are permitted in all zones except on the ground floor of buildings in the Main Street Overlay. To help foster an active, walkable environment, certain uses are not allowed, such as drive-through facilities.

Table 6-3 Land Use Regulations

Use	Downtown Core			Downtown Neighborhood	Downtown Industrial ¹
	Main Street Overlay	Gateway Overlay	Elsewhere in the Zone		
Alcohol-Related: Group A	AUP required ¹				
Alcohol-Related: Group B	SUP required ¹				
Antique Shop	Not permitted on parcels fronting Main Street; AUP required elsewhere			AUP required	AUP required
Automobile Service	Not permitted			Not permitted	Permitted
Cannabis Facility	Not permitted				
Church	SUP Required				
Drive-through	Not permitted				
Dwelling Unit	Permitted on upper floors; Not permitted on ground floors		Permitted	Permitted	SUP Required
Heavy industrial & Manufacturing	Not permitted			Not permitted	Permitted ²
Light Industrial / R&D	Not permitted			AUP required ²	Permitted ²
Office	Permitted on upper floors; Not permitted on ground floors	Permitted on upper floors; AUP required for ground floors	Permitted	Permitted	Permitted
Payday Lenders	Not permitted				
Storage/warehouse	Not permitted			Not permitted	Permitted
Thrift Shop	Not permitted on parcels fronting Main Street; AUP required elsewhere			AUP required	AUP required
Use Code 65	SUP required				
Vehicle fueling facility	Not permitted				

Form Regulations are intended to ensure that all new buildings contribute to the Downtown built environment. They involve standards and guidelines concerning building placement (e.g., setbacks), building height, building massing, façade design, private frontages (e.g., shopfronts, lobbies, vehicle access), architectural elements that encroach beyond the build-to range and, in some case, into the public right-of-way (e.g., awnings, balconies, bay windows, arcades). For instance, as shown in Table 6-5 of the DWSP, buildings in the Downtown Core zone may have a total of six stories with the top two floors set back a minimum of 15 feet from the street façade. Buildings in the other zones may have up to four stories. New development along the periphery of DWSP plan area in the Neighborhood Transition Overlay are limited to three stories to better align with the scale of development in adjoining neighborhoods.

Table 6-5
Building Height

		Downtown Core	Downtown Neighborhood	Downtown Industrial	Neighborhood Transition Overlay ¹
Allowed Number of Stories					
A	Street Façade	2 to 4 stories; 30% of the length of the façade can be built up to 6 stories (max)	4 stories (max) ¹	3 stories (max)	
B	Total Number of Floors	6 stories (max); 5th and 6th floors set back from the street façade a minimum of 15 feet	4 stories (max) ¹	3 stories (max)	
Ground Floor Level (measured from level of exterior sidewalk)					
C	Ground Floor	0 feet	0 to 4 feet	0 to 4 feet	
Floor Heights (min - measured from floor to ceiling)					
D	Ground Floor	12 feet	8 feet	12 feet	8 feet
E	Upper Floor		8 feet		8 feet
Building Base Height (min)					
F	Buildings up to 2 stories in height	14 feet	10 feet	12 feet	10 feet
F	Buildings 3 or 4 stories in height		16 feet		
F	Buildings 5 stories or more in height		25 feet		

Site Standards and Guidelines are generally intended to inform the design and location of elements of a site for the purpose of the health, safety, and general welfare of the immediate occupants of each building, and for the neighborhood. They apply to waste and utility placement (e.g., mechanical equipment), site walls (e.g., fence heights), lighting, and onsite open space (e.g., forecourts, roof decks).

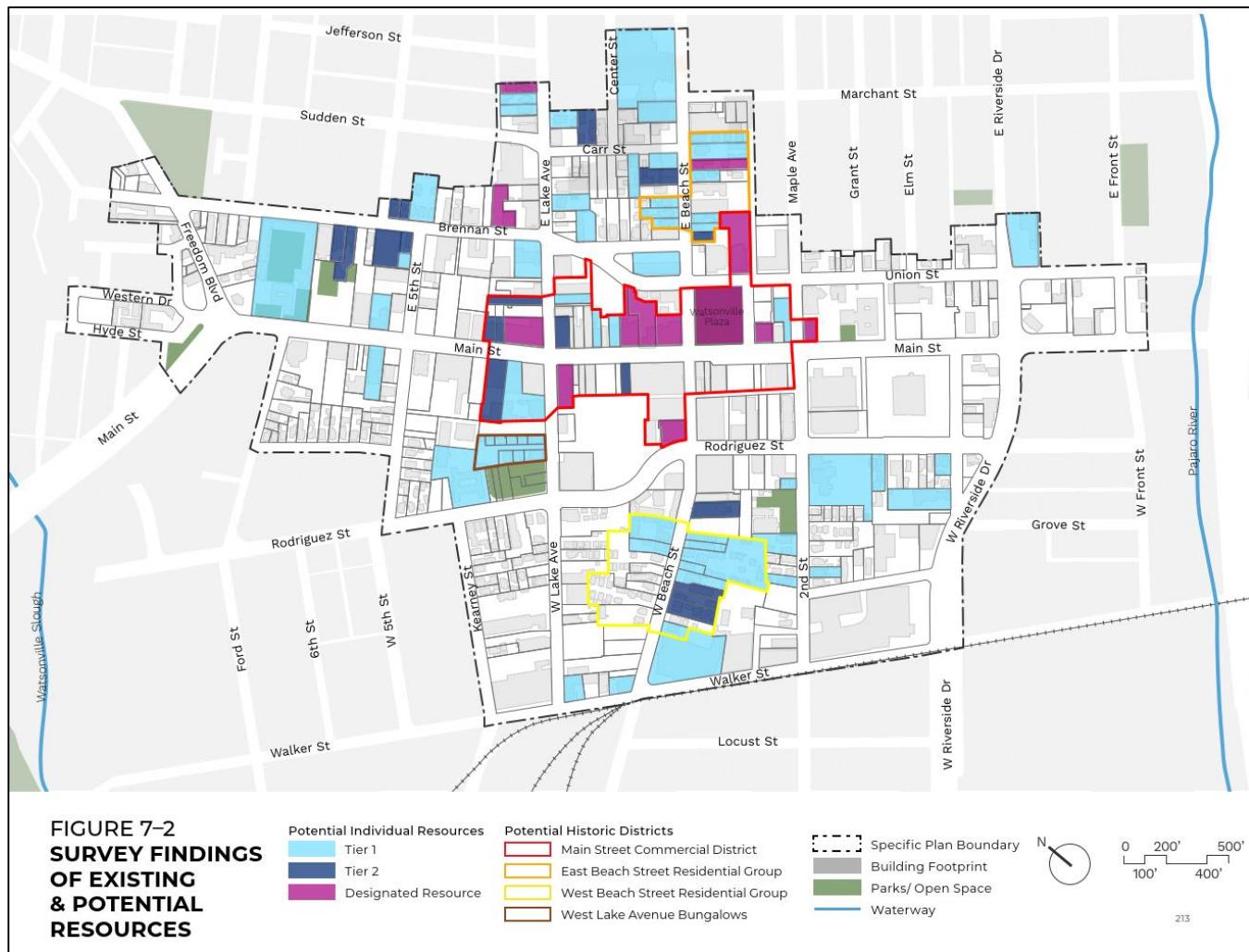
Historic Preservation

Historic resources are fundamental focal and cultural points of downtown Watsonville. The DWSP plan area contains 13 properties which are currently listed in the National Register of Historic Places, California Register of Historical Resources, and/or Watsonville Historic Register. A reconnaissance-level survey was conducted early in the planning process that also identified other potentially significant historical resources, which were divided into two tiers (Tier I and Tier II) based on their level of historic integrity (ability of a property to convey its historical associations or attributes) according to the Secretary of Interior's Standard for the Treatment of Historic Properties. These are shown in Figure 7-2 and further described in Appendix C to the DWSP.

In addition to the potentially eligible individual resources in Downtown, the survey identified several areas within the DWSP plan area that feature intact and cohesive groupings of historic-period development and common historical and/or architectural trends. Pending further research, the four groupings shown in Figure 7-2 may be found eligible as historic districts or conservation overlay zones depending on their significance, integrity, and applicable designation criteria.

As future planning and development efforts proceed under implementation of the DWSP, there is a potential for impacts to historical resources to occur, should those resources be demolished

or altered in an adverse manner. To address these potential impacts and to inform future historic preservation planning efforts, Chapter 7 of the DWSP provides recommendations to assist City staff, project applicants, and the public in making informed decisions and provide a consistent framework for future identification and treatment of historical resources.



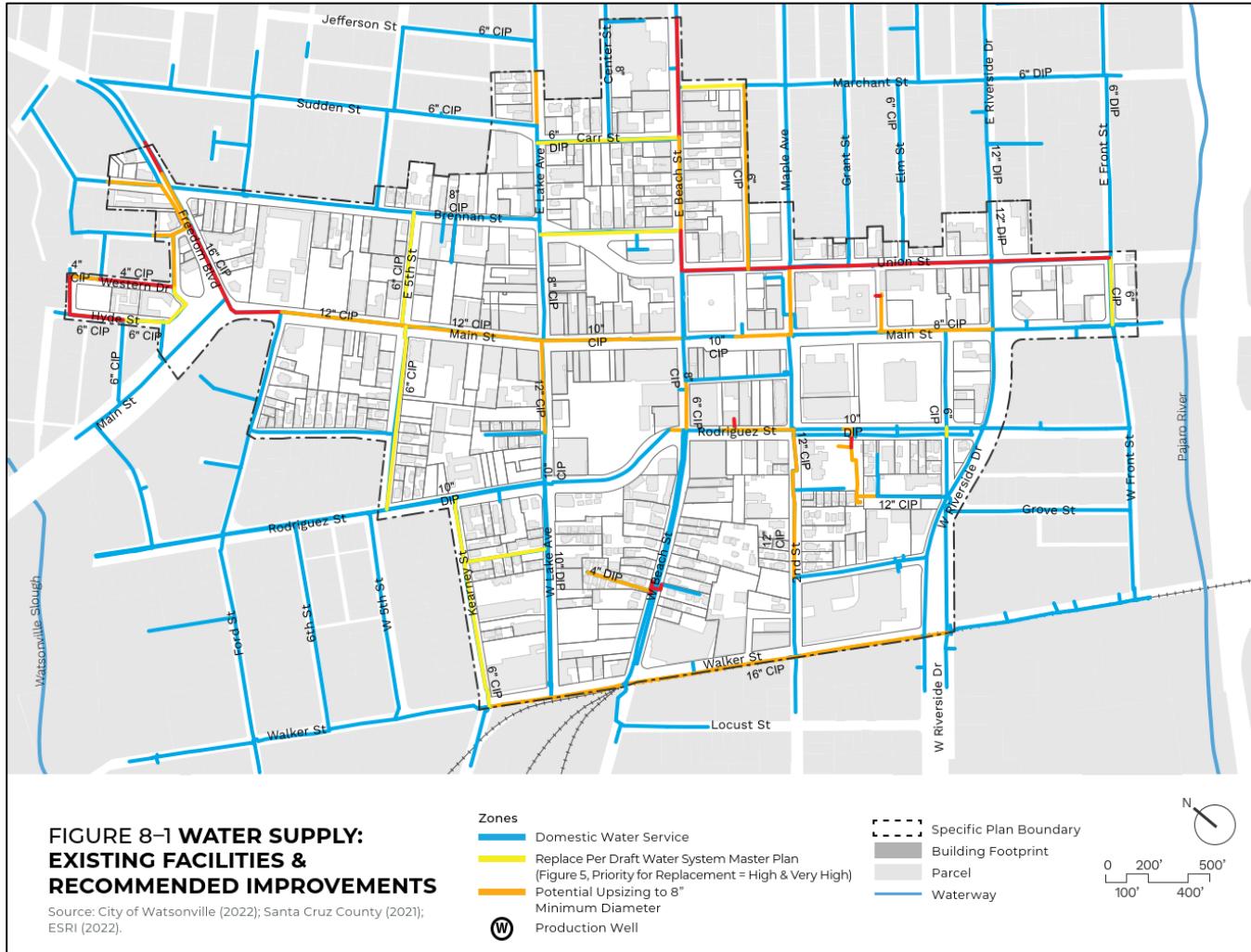
Infrastructure

The purpose of Chapter 8 is to summarize the existing and planning infrastructure facilities (water, sanitary sewer, and stormwater) and provide recommended infrastructure upgrades for supporting growth in downtown Watsonville. The recommended upgrades are based on comparing the existing facilities and their capabilities/capacities with the proposed development within the DWSP plan area. The analysis assumes the maximum net new development as shown in Table 1.

Recommended improvements to the water system within the DWSP plan area are prioritized below based on input from the Public Works & Utilities Department, as follows:

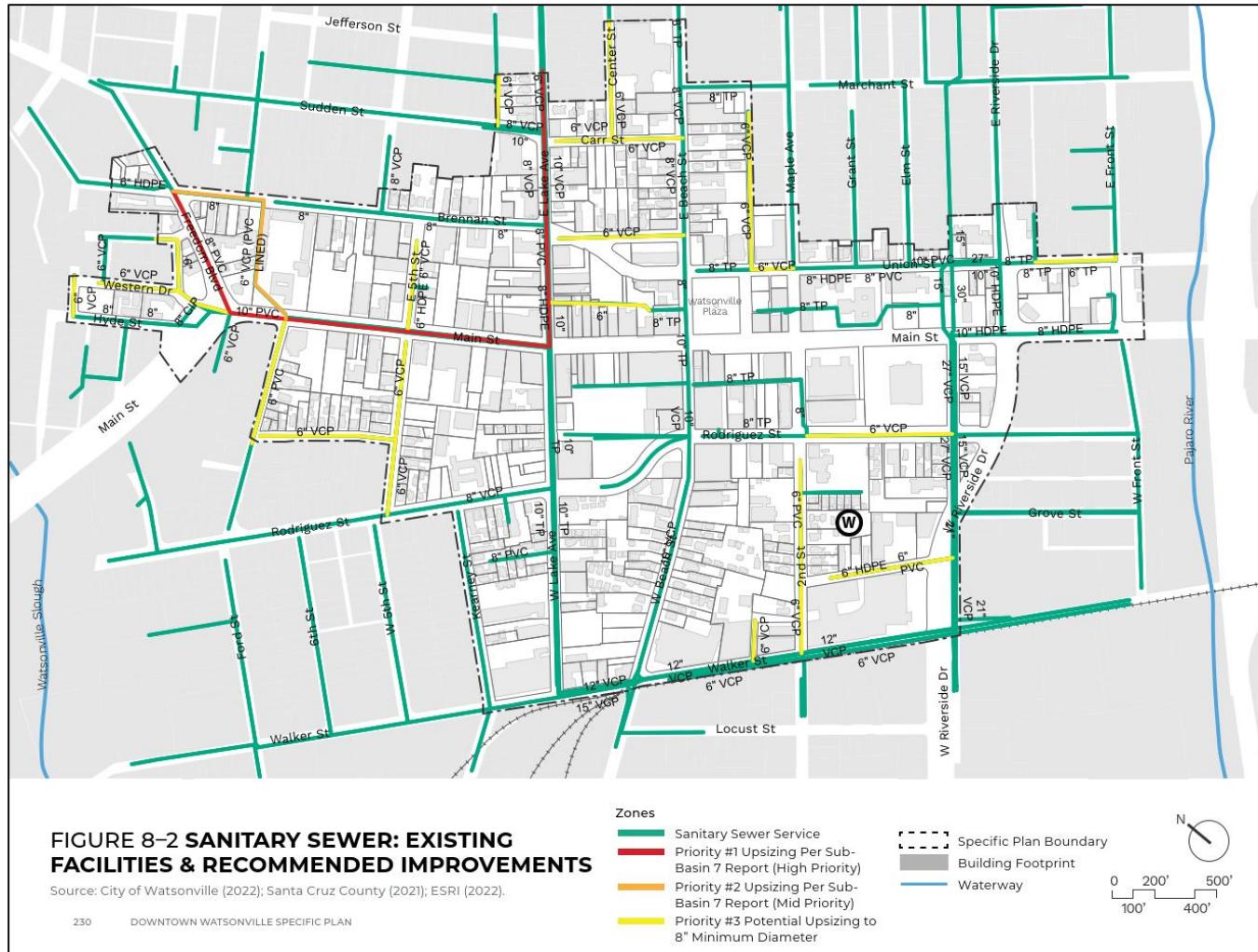
- Priority #1: Replace per draft Water System Master Plan (WSMP) condition assessment (Figure 5, total replacement score greater than 8).

- Priority #2: Replace per draft WSMP condition assessment (Figure 5, total replacement score greater than 6).
- Priority #3: Potential upsizing of 4- and 6-inch mains to 8-inch minimum.
- Priority #4: Install a new well in Zone 1 or Zone 2 to reliably meet 2040 demands.



Recommended improvements to the sanitary sewer collection system within the DWSP plan area are prioritized below based on input from the Public Works & Utilities Department and identified in Figure 8-2.

- Priority #1: Upsize per Sub-Basin 7 Report (high priority)
 - Freedom/Main Street—Upsize 8/10-inch to 12/15-inch pipe.
 - East Lake Avenue—Upsize 6/8-inch (northern line) to 10-inch pipe. Upsize 10-inch (southern line) to 15-inch pipe.
- Priority #2: Upsize per Sub-Basin 7 Report (mid priority)
 - Palm/Sudden Street—Upsize 6/8-inch to 10-inch pipe.
 - Brennan Street—Upsize 8-inch to 10-inch pipe.
- Priority #3: Potential upsizing of 4- and 6-inch mains to 8-inch minimum PVC to comply with current City standards.



Stormwater discharges in the City of Watsonville are under the jurisdiction of the State Water Resources Control Board, regulated through the Central Coast Regional Water Quality Control Board under the National Pollutant Discharge Elimination System (NPDES) Small Municipal Separate Storm Sewer System (MS4) Phase II permit. All new and redeveloped projects that contain storm sewer improvements must comply with the City's Stormwater Post Construction Standards. The NPDES program and the City's post-construction stormwater requirements are described in further detail on pages 234-237 in the DWSP.

Implementation and Financing

Chapter 9 of the DWSP describes implementation actions and funding options needed to achieve the goals of the Specific Plan. Implementation of the DWSP will require a comprehensive approach that includes private sector development, City actions, and coordination with partners and stakeholders. Together, these projects and actions will support the incremental transformation of downtown into a more vibrant mixed-use urban neighborhood with increased housing options, new workplaces, and additional retail opportunities.

As noted on page 14 of this staff report, Caltrans is working in partnership with the City to implement recommended improvements to Main Street (SR 152) as part of SHOPP project no. 05-1P110. This effort is in line with recommended actions in Section 9.1 to coordinate on re-imagining SR 152 as a downtown street with priority given to pedestrians and destination traffic.

Other key strategic early implementation actions identified in this chapter include:

- Undertaking a facility needs assessment study and advanced planning / site design for relocating civic core facilities, such as the Police station;
- Funding downtown signage and wayfinding improvements;
- Expanding the Downtown Parking District to correspond with the DWSP plan area;
- Developing a program of regular reporting on key DWSP objectives; and
- Conducting ongoing capacity building and public outreach.

General Plan Amendments

Per State law, specific plans must be internally consistent with the jurisdiction's general plan. Where a specific plan is inconsistent with the general plan, a General Plan Amendment would need to be adopted concurrently with the specific plan to ensure consistency between the two documents.

As part of implementing the DWSP, the City would adopt a General Plan Amendment to add two new mixed-used land use designations and align the General Plan Land Use Diagram by changing the existing land use designations of the DWSP plan area to correspond with the zones shown on the Regulating Plan, Figure 6-1, of the DWSP. The two new mixed-use land use designations are described below:

DOWNTOWN MIXED USE

Mixed use development includes residential and commercial uses on a single parcel. Residential development density is described in units per new acre (Net acre is defined in the glossary). The total and commercial development is described as floor area ratio (FAR). The total FAR governs and includes both residential and commercial development on the parcel.

Downtown Central Core (Total FAR 3.0, Minimum Commercial FAR 0.15, Maximum Residential Density up to 125 du/acre)

This land use category provides an active and intense development pattern generally flanking Main Street in Downtown Watsonville. Active ground floor uses are required. Upper floors may contain residential units or office space.

Downtown Mixed Use (Total FAR 2.0, Maximum Residential Density up to 85 du/acre)

This land use category provides a similar mix of active and residential uses as the Downtown Central Core designation. The intensity of development is lower than the Downtown Central Core designation with residential uses permitted on the ground floor.

These land use designations would align with the desired development densities and intensities in the DWSP for the Downtown Core and Neighborhood Zones, respectively. As part of the

proposed General Plan Amendment, creating these new mixed-use land use designations for downtown Watsonville would have the effect of replacing the old Central Commercial designation.

In addition, the proposed General Plan Amendment involves amending the text to Implementation Measures 4.A.3 and 4.C.6 concerning downtown intensification and key elements of the DWSP. Since the DWSP involves prioritizing infill development in a walkable environment with access to transit, a text amendment to Implementation Measure 10.C.2 would allow projects in the DWSP plan area without having to address vehicular traffic. A new Implementation Measure 4.A.7 calls for the preparation of a specific plan for downtown Watsonville.

These changes, when adopted, would ensure consistency and are in harmony with the overall intent of the *Watsonville 2005 General Plan*, including existing goals and policies regarding land use, urban design, environmental resources, transportation and circulation, public facilities, and public safety.

Zoning Amendments

The land use and development standards in the DWSP, when adopted, shall supersede the land use and development standards in the Zoning Ordinance (Title 14 of the Watsonville Municipal Code) for properties within the DWSP plan area. Regulations not addressed in DWSP, such as standards for specific land uses, will still be regulated by the Zoning Ordinance.

As discussed in Chapter 6 (Land Use & Zoning) of the DWSP, the purpose of this chapter is to deliver the physical outcomes envisioned for downtown Watsonville, based on the community's Vision, Goals, and Policy Direction as described and illustrated in Chapter 2. Unless otherwise noted, the development standards, guidelines, and review processes within Chapter 6 replace existing zoning for all property within the DWSP plan area. This chapter contains both standards (which are mandatory) and guidelines (which are advisory). Where no clear label is present, the language shall suffice to communicate the intent: "shall" is always mandatory, "may" is permissive, and "should" is advisory, identifying guidance only.

As part of implementing the DWSP, the City would not only adopt Chapter 6 of the DWSP by ordinance, but also amend the Zoning Map to reflect the DWSP plan area and amend the Zoning Code to refer to the land use and development standards for properties within the DWSP plan area.

Senate Bill 330

Senate Bill 330 (Skinner, 2019)—the Housing Crisis Act of 2019—is a sweeping bill aimed at ensuring zoning-compliant housing projects are approved, by streamlining project approvals and preventing local actions that reduce housing capacity. Most of SB 330's provisions were set to expire on January 1, 2025, but were later extended to 2030 with the passage of Senate Bill 8 (Skinner, 2022).

Although SB 330 includes many provisions, the ones that are particularly relevant to the DWSP are that new zoning regulations may not:

- reduce the allowed intensity or number of units for residential land uses/parcels;
- impose or enforce a moratorium on housing development;
- impose any new non-objective design standards on proposed developments; or
- implement or enforce limits on the number of residential building permits issued.

The DWSP is consistent with the provisions of SB 330, in that it provides objective design standards and would result in an increase of the intensity and number of residential units allowed in the DWSP plan area. The DWSP does not represent a moratorium on housing nor set limits on building permits.

Regional Traffic Congestion

A transportation impact analysis was prepared for the DWSP. This report includes an assessment of existing and future traffic patterns along with the effect the roundabout and “road diet” concepts may have on Main Street and adjoining streets through downtown. As noted in sections 5, 6 and 7 of this report, the intersection of Riverside Drive and Main Street is currently impacted by regional traffic that originates outside of Watsonville and additional growth will likely result in further congestion during peak hour travel times. The queuing analysis indicates that traffic would continue to move, just more slowly, and that implementation of the road diet on Main Street improves pedestrian safety. In addition, the installation of a roundabout at the intersection of Freedom Boulevard and Main Street would have the added benefit of improving vehicle safety and traffic flow through this intersection.

The transportation impact analysis does not, however, account for planned projects that address regional traffic patterns. For example, the Transportation Agency of Monterey County (TAMC) prepared a study in 2019 that, once implemented, will improve traffic patterns along the G12 corridor in northern Monterey County between Pajaro/Watsonville and Prunedale. As noted in this study, improved connections between Highway 1 (to the northwest) and US 101 (to the south) has resulted in the G12 corridor in becoming a viable alternative for regional north-south travel between population centers in Santa Cruz County and Monterey County.¹ TAMC’s study proposes a number of improvements, including a road diet project for Porter Drive/Salinas Road through Pajaro and a new roundabout at the intersection of Salinas Road and Werner Road. These projects would improve regional traffic flow and align with the City’s plans to reduce the number of through lanes on Main Street at the intersection with SR 129/Riverside Drive.

Airport Land Use Compatibility Review

The California Airport Land Use Planning Handbook (Caltrans, 2011) provides guidance for airport land use compatibility planning. The Handbook is intended to guide compatible on- and off-airport land uses to ensure the safe and efficient operation of airports and the safety of people living and/or working near airports. The Handbook provides appropriate height, use, noise, safety, density, and intensity criteria to ensure future development would be compatible with the airport.

¹ TAMC website, Pajaro to Prunedale Study, <https://www.tamcmonterey.org/pajaro-to-prunedale-g12-study>. (Accessed on July 20, 2023).

Since the western portion of the DWSP plan boundary is within the Watsonville Municipal Airport Influence Area, the DWSP was referred to Caltrans' Division of Aeronautics for review and comment. One of the goals of Caltrans' Division of Aeronautics is to assist cities, counties, and Airport Land Use Commissions² in the development and implementation of policies that protect the safety and general welfare of the communities in which aeronautical activities take place. As noted in their response letter, since the DWSP is outside all of the Watsonville Municipal Airport Safety Zones and also outside the airport noise contours, they do not have any comments at this time. Caltrans Division of Aeronautics staff further noted that since the DWSP is within the Airport Influence Area, a notification to the FAA may be required for proposed new buildings and their construction equipment (e.g., cranes) that could pose a hazard to navigable airspace, as defined by FAA Federal Aviation Regulations Part 77 ("Part 77 Surfaces"). The City maintains a website on the subject, including instructions for submitting a request to the FAA for making a "no hazard determination" at <https://www.cityofwatsonville.org/2279/Construction-or-Cranes-near-the-Airport>.

Environmental Review

A Draft EIR was prepared for the DWSP ("project") in accordance with the California Environmental Quality Act (CEQA). This EIR incorporates by reference the Initial Study prepared for the project in 2022, which determined there is no substantial evidence that significant impacts would occur to the following issue areas: agriculture/forestry resources, energy, geology and soils, greenhouse gas emissions, hydrology and water quality, land use/planning, minerals, public services, recreation, utilities and service systems, and wildfire (Appendix A to the EIR). The Draft EIR addresses the potential physical environmental effects of the proposed project for each of the remaining environmental topics outlined in Appendix G of the State CEQA Guidelines. The Draft EIR also addresses the cumulative impacts resulting from other past, present and reasonably foreseeable future projects. The project was found to have significant and unavoidable impacts with respect to air quality, cultural resources, noise, and transportation. Impacts to biological resources, hazards and hazardous materials, and tribal cultural resources were found to be potentially significant but mitigable to less than significant. Impacts to other resource areas and environmental topics were found to be less than significant without mitigation.

The Draft EIR was made available for public review and comment from May 12, 2023, to June 26, 2023. Hardcopies of the Draft EIR were available for public review at the Community Development Department and Watsonville Public Library. Table 2 provides a list of the federal, state, regional and/or local agencies along with private organizations and individuals that commented on the Draft EIR.

Comments received from CDFW include the potential for the Santa Cruz Tarplant (*Holocarpha macradenia*) to occur in the DWSP plan area and the potential for impacting nesting birds. In response, clarifying language has been added to the mitigation measures concerning pre-

² As the County of Santa Cruz has been identified as being a "no procedures county" in which there is only one public use airport that is owned by a single city—the City of Watsonville—the County is exempt from having to form an Airport Land Use Commission (ALUC) and prepare an Airport Land Use Compatibility Plan (ALUCP), pursuant to section 21670.1(e) of the Public Utilities Code (PUC). The review of any general or specific plans falls to Caltrans Division of Aeronautics. PUC §§ 21670.1(d)(2), 21670.1(d)(1)(B)(ii).

construction surveys and avoidance measures in Mitigation Measures BIO-1 and BIO-2. These revisions are also included in an Errata to the Draft EIR.

TABLE 2 List of Commenters

Commenter	Agency/Group/Organization
Federal Agencies	
None	
State Agencies	
Erin Chappell, Regional Manager, Bay Delta Region	California Department of Fish and Wildlife (CDFW)
Chris Bjornstad, Associate Transportation Planner	California Department of Transportation (Caltrans)
Regional and Local Agencies	
None	
Individuals, Private Groups and Organizations	
Marven E. Norman	Bike Santa Cruz County
Steve Trujillo	

Comments received from Caltrans pertain to working collaboratively with the City on the feasibility of future transportation concepts and evaluating operational changes to the State Highway System—i.e., SR 152. In addition, the commenter expresses support for Mitigation Measure TRA-1, which requires each individual office and industrial development project in the study area to incorporate a TDM plan and monitoring program. The comments do not pertain to the adequacy of the environmental analysis in the Draft EIR and no revisions to the document are required.

Comments received from Marven E. Norman concern several topics in the DWSP, including converting portions of East Lake Avenue and East Beach Street from one a one-way couplet to two-way streets. In addition, the commenter raises questions concerning traffic and makes recommendations concerning downtown's bicycle network and the planned roundabout at the intersection of Main Street and Freedom Boulevard. The comments are addressed for informational purposes and do not require revisions to the Draft EIR.

Comments received from Steve Trujillo concern whether the EIR would (1) measure an effect on air quality from a lane reduction on Main Street, (2) examine the cooling effect of trees downtown, (3) address the increase in water demands, (4) address the increase in sewage generated, and (5) measure the increased need for parking. Detailed responses are provided in the Final EIR.

As previously noted, a few minor changes were made in response to the comments received from CDFW on the Draft EIR. Specific text changes are provided in an Errata to the Draft EIR. These revisions are not considered significant new information that would trigger Draft EIR recirculation pursuant to section 15088.5 of the *State CEQA Guidelines*. For example, they do not disclose a new or substantially worsened significant environmental impact, or a new feasible

mitigation measure or alternative not proposed for adoption. Rather, the revisions clarify information pertaining to Mitigation Measures BIO-1 and BIO-2.

A Resolution for recommending consideration by the City Council to certify the Final EIR includes required findings, in accordance with Public Resources Code section 21081 and CEQA Guidelines section 15091. The Findings adopt feasible mitigation measures to reduce the significant environmental impacts of the project. A Mitigation Monitoring and Reporting Program (MMRP) for the project would be adopted as part of the certification of the Final EIR.³ The purpose of the MMRP is to ensure the adopted mitigation measures adopted in the Findings for the project are implemented, in accordance with CEQA requirements.

Significant and Unavoidable Impacts. As discussed in Section 4 of the EIR, implementation of the DWSP would result in the following significant unavoidable adverse impacts:

- Impact AQ-1: The proposed project would introduce additional housing to the area and contribute to population growth that conflicts with the growth assumptions in the Air Quality Management Plan. Impacts would be significant and unavoidable.
- Impact AQ-2: Construction and operation of development envisioned by the DWSP would result in the temporary and long-term generation of air pollutants, which would affect local air quality and exceed MBARD thresholds. Therefore, this impact is significant and unavoidable.
- Impact AQ-C1: The DWSP would have a cumulatively considerable contribution to a significant cumulative impact related to emissions of air pollution and conflicts with an applicable air quality management plan.
- Impact CUL-1: Development envisioned in the DWSP could adversely affect known and previously unidentified historical resources. Impacts to historical resources would be significant and unavoidable.
- Impact CUL-C1: The DWSP would have a cumulatively considerable contribution to a significant cumulative impact on historic-era cultural resources.
- Impact NOI-1: Construction of development envisioned by the DWSP would temporarily increase noise levels at nearby noise-sensitive receptors. Operation of development envisioned by the DWSP would introduce new on-site noise sources and contribute to increases in traffic noise. Construction and on-site operational noise could exceed standards. This impact would be significant and unavoidable even with mitigation.
- Impact NOI-2: Construction of development envisioned by the DWSP would temporarily generate groundborne vibration. If required for construction, pile driving or use of a

³ The MMRP provides summary of the environmental issues evaluated in the EIR, the identified environmental impacts, proposed mitigation measures, and residual impacts (i.e., the impact after application of mitigation, if required).

vibratory roller could potentially exceed FTA vibration thresholds and impact people or buildings. This impact would be significant and unavoidable even with mitigation.

- Impact NOI-C1: The construction activities for the development envisioned in the DWSP would have a cumulatively considerable contribution toward a significant cumulative impact on noise.
- Impact TRA-2: Development envisioned in the DWSP would conflict with or be inconsistent with CEQA Guidelines section 15064.3, subdivision (b). Impacts would be significant and unavoidable.
- Impact TRA-C1: The DWSP would have a cumulatively considerable contribution to a significant cumulative VMT impact related to a conflict or inconsistency with CEQA Guidelines section 15064.3, subdivision (b).

Some of these impacts do have mitigation measures which would reduce impacts. For instance, Mitigation Measure NOI-1(a) would reduce noise impacts associated with future development; however, as exact details of future project-specific construction activities and stationary noise sources are unknown at this time, it is uncertain whether or not noise standards would be exceeded. Therefore, the impact analysis in the EIR took a conservative approach and determined that as City noise standards could be exceeded, the project's construction and operational noise impacts from development facilitated by the DWSP would be "significant and unavoidable."

Surprisingly, the EIR determined that development envisioned in the DWSP would result in significant and unavoidable transportation-related impacts (i.e., VMT impacts), even though the DWSP strives to create walkable neighborhoods and foster higher-intensity, mixed-use development. In addition, development in a downtown environment near transit typically results in decreased automobile dependency and TDM strategies in the DWSP would reduce single-occupant travel, minimize peak period vehicle trips, and shift trips to transit, biking, walking, or shared rides. However, if the VMT associated with the DWSP were to exceed the 15 percent below the regional average VMT, this would be considered a significant transportation-related impact under CEQA.

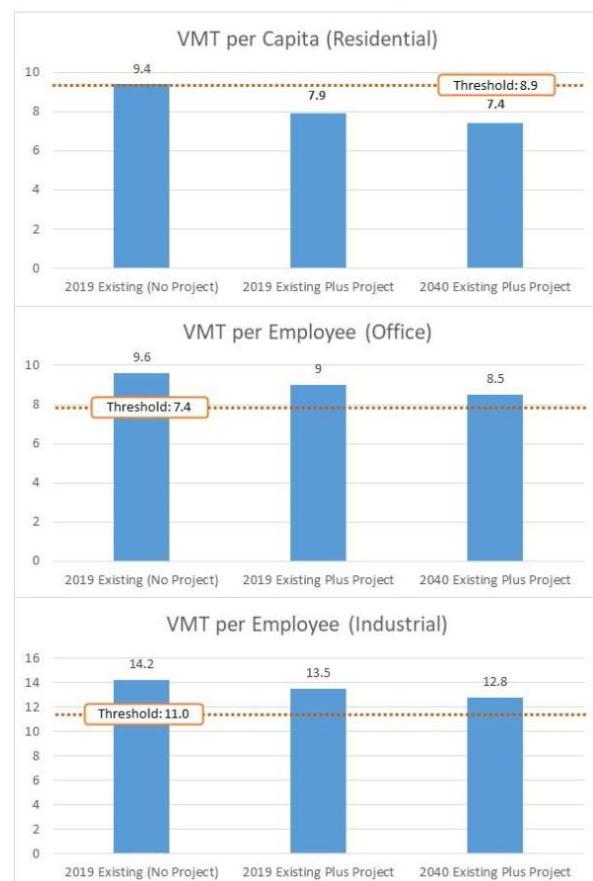
As shown in Tables 4.8-2 and 4.8-3 in the EIR and Figure 6 in the Transportation Impact Analysis (Appendix E to the EIR), development envisioned in the DWSP would result in a reduction of VMT per capita and per employee (office and industrial) compared to existing conditions. In other words, the analysis shows that people would likely drive less and/or shorter distances. While the amount of this reduction is below the City's threshold of significance for residential development, it is not for future office and industrial development. Therefore, as the reduction in VMT per employee is not below the City's threshold of significance—i.e., 15 percent below the regional average VMT—the DWSP was determined to have significant and unavoidable transportation-related impacts under existing + project and cumulative conditions.

When an agency approves a project with unavoidable significant environmental effects, it must prepare a written Statement of Overriding Considerations that sets forth the specific social, economic, or other reasons supporting the agency's decision and explains why the project's benefits outweigh the significant environmental effects. Guidelines § 15093.

Project Alternatives. As required by Section 15126.6 of the *State CEQA Guidelines*, the Draft EIR examines a range of reasonable alternatives to the proposed project that would attain most of the basic project objectives but would avoid or substantially lessen the significant adverse impacts.

The *State CEQA Guidelines* advise that an alternatives discussion in an EIR should be limited to alternatives that would avoid or substantially lessen any of the significant effects of the project and would achieve most of the project objectives. As noted above and in Section 6 of the EIR, the DWSP would result in significant unavoidable impacts related to air quality, cultural

Figure 6: Project Vehicle Miles Traveled (VMT) by Land Use - Graph



resources, noise, and transportation. These impacts are primarily due to the increased density envisioned in the DWSP. As discussed in the respective sections of the EIR, with implementation of mitigation measures, the proposed project would not result in other significant and unavoidable impacts.

The following alternatives are evaluated in the EIR:

- Alternative 1: No Project
- Alternative 2: Repurposed Walker Street Industrial Uses
- Alternative 3: Reduced Density Alternative

Detailed descriptions and potential environmental impacts of each alternative are analyzed in Sections 5.2 through 5.4 of the Draft EIR.

Environmentally Superior Alternative. As discussed in Section 5.6 of the Draft EIR, Alternative 3 would reduce or slightly reduce impacts to air quality, cultural resources, and noise, compared to the DWSP. However, compared with the DWSP, Alternative 3 would result in a slightly more severe impact related to transportation. Nonetheless, Alternative 3 would be the most effective alternative to reduce the potentially significant impacts of the DWSP. For this reason, Alternative 3 is identified as the environmentally superior alternative among the other alternatives. While it could be implemented, Alternative 3 would fulfill several objectives of the DWSP to a lesser extent. For example, Alternative 3 would not fulfill to the same or better objectives related to creating inclusive housing opportunities, promoting local economic prosperity, or innovate mobility options and connections. Therefore, Alternative 3 cannot both feasibly advance the objectives of the DWSP and reduce impacts to air quality, cultural resources, and noise, as compared with those identified with implementing the DWSP. Additionally, lowered density housing may be less financially feasible for developers trying to develop housing projects.

Statement of Overriding Considerations. CEQA allows agencies to approve projects that could damage the environment. If economic, social, or other considerations make it infeasible to mitigate the significant effects of a project on the environment, the project nevertheless may be carried out. Pub. Res. Code § 21002; Guidelines § 15091. In that case, however, the decision-making body must adopt a Statement of Overriding Considerations to the effect that, although adverse impacts may result, specific overriding economic, legal, social, technological, or other considerations outweigh the project's significant, unmitigated impacts. Pub. Res. Code § 21081; Guidelines § 15093.

In accordance with CEQA Guidelines section 15093, a Statement of Overriding Considerations with appropriate findings has been drafted to approve the project.

CONCLUSION

The DWSP is intended to be a tool for developers, property owners, City staff and decision makers by providing strong and clear policies, development standards, and a vision that guides land use decisions, infrastructure improvements, design, and economic development activities in the project area. The DWSP would help revitalize downtown by facilitating housing production and preservation; increase retail-entertainment activity; encouraging higher-density mixed-use

residential projects; adding visitor-oriented uses; supporting a greater range of civic and cultural activities; improving the safety and comfort of pedestrians; enhancing bicycle infrastructure and connections; and targeting uses and activities that appeal to a wide range of Watsonville's residents and employees. An EIR has been prepared for the DWSP in accordance with the provisions of CEQA. Therefore, staff recommends that the Planning Commission (a) adopt a Resolution recommending that the City Council certify an EIR for the DWSP, (b) adopt a Resolution recommending that the City Council adopt the proposed amendments to the *Watsonville 2005 General Plan*, (c) adopt a Resolution recommending that the City Council adopt the DWSP, and (d) adopt a Resolution recommending that the City Council adopt the proposed Zoning Map and Zoning Code amendment.

FINANCIAL IMPACT

The adoption of the DWSP involves setting the framework for realizing the vision for downtown Watsonville. As a planning document, the DWSP would guide the City's decision making and provide direction for the future. The DWSP does not involve the approval of any development or capital improvement projects and, therefore, would have no direct fiscal implications for the City at this time.

The preparation of the DWSP was funded, in part, through a grant awarded by State of California Department of Transportation (Caltrans), FHWA and FTA. In 2019, the City was a recipient of a Sustainable Transportation Grant administered by Caltrans. Additionally, the City used SB2 funds to cover most of the EIR-related costs.

STRATEGIC PLAN

The purpose of the City of Watsonville's 2023-2025 Strategic Plan is to help the City prioritize its efforts, allocating both fiscal and human resources to achieve a shared vision and goals. The 2023-2025 Strategic Plan identifies seven long-range priorities concerning housing, fiscal health, infrastructure and environment, economic development, engagement and well-being, public safety, and efficient and well-performing government.

The DWSP is consistent with goals and strategies in the 2023-2025 Strategic Plan, in particular concerning increasing housing options, allowing mixed-use developments, helping to revitalize downtown, calming traffic, and making a safer and more inviting place for pedestrians. The adoption of the DWSP is called for in the 2023-2025 Strategic Plan under priorities 1 (housing) and 4 (economic development).

The 2023-2025 Strategic Plan also calls for adopting the 6th Cycle Housing Element. The DWSP is a key component of the draft Housing Element Update. The DWSP plays an important role in accommodating the City's fair share of the region's housing needs for the 2024-2031 planning period, as obligated by State law. Adoption of the DWSP allows the City to demonstrate adequate infill sites to the California Department of Housing and Community Development (HCD); no additional rezoning of land in the City would be needed.

If the City did not adopt the DWSP, additional sites must be identified and requisite rezoning would be required to accommodate the need for more housing. Given the infill potential identified in the DWSP area, additional analysis required by State law would not need to be completed as

part of the Housing Element Update to demonstrate how the City could overcome impediments to housing production.

ALTERNATIVE ACTION

The Planning Commission may choose whether or not to adopt resolutions recommending that the City Council:

1. Approve and certify the Final EIR prepared for the DWSP, including CEQA Findings;
2. Approve a General Plan text amendment creating two new mixed-use land use designations for downtown Watsonville and amending the General Plan Land Use Diagram to reflect the new land use designations in the DWSP plan area; and
3. Adopt the DWSP;
4. Amend the Zoning Map to reflect the boundaries of the DWSP plan area and amend the Zoning Code to refer to the land use and development standards for properties in the DWSP plan area.

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