



Agenda Report

MEETING DATE: Tuesday, October 10, 2023

TO: City Council

FROM: COMMUNITY DEVELOPMENT DIRECTOR MERRIAM
ASSISTANT COMMUNITY DEVELOPMENT DIRECTOR MEEK

THROUGH: CITY MANAGER MENDEZ

SUBJECT: DOWNTOWN WATSONVILLE SPECIFIC PLAN

RECOMMENDED ACTION

The Planning Commission adopted Resolution Nos. 11-23 (PC), 12-23 (PC), 13-23 (PC) and 14-23 (PC), recommending that the City Council:

- (a) 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 (CEQA),
- (b) Adopt the proposed amendments to the *Watsonville 2005 General Plan*,
- (c) Adopt the Downtown Watsonville Specific Plan, and
- (d) Adopt proposed amendments to the Zoning Map to reflect the boundaries of the Downtown Watsonville Specific Plan and to amend Section 14-16.100 (Districts) and 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.

DISCUSSION

Planning Commission Meeting and Public Comment

On September 5, 2023, the Planning Commission considered all written and verbal evidence regarding the adoption of the Downtown Watsonville Specific Plan (DWSP) at a public hearing. Several members of the public spoke, generally in support of the DWSP, including Aurelio Gonzales (former Council member), Joanna Carman (from MidPen Housing), Lowell Hurst (former Council member), and Abe Novin (downtown property owner). In addition, a few individuals raised questions on a range of topics. Patricia Guilder, business owner of Watsonville Blueprint, inquired about emergency response times and noise along Main Street. (In response, staff noted that these issues were addressed in the EIR for the DWSP and explained that a “road diet” would both calm traffic along Main Street and not hinder emergency response operations because of the proposed center turning lane and parallel parking that can be used as a pullout to allow emergency vehicles to safely pass; in addition, Main Street has parallel streets, such as Rodriguez Street, that could be used for emergency vehicle travel and access.) Mauna Loa Morris, with Hope Services, inquired about whether there was a plan to modify Carr Street to make it one-way. (In response, staff clarified that the DWSP does not include any proposed changes to Carr Street.) Lupe Ortiz, resident of District 2, expressed concern about poor pavement conditions at two intersections downtown (Main Street at E/W Beach Street and E/W Lake Avenue) and how challenging it is to cross safely. (In response, staff noted that we would speak with Caltrans about improving the pavement conditions; following the meeting, City Engineer Murray Fontes shared Ms. Ortiz’s concerns with Caltrans District 5 staff and put in a request to improve the crossings at these two intersections.)

Planning Commission Deliberation and Action

The Planning Commission had a variety of comments and questions about the project, including the following:

- Information about public feedback throughout the development of the DWSP;
- Clarification about existing businesses that become “non-confirming” with the adoption of the DWSP being allowed to remain in business;
- Clarification about how the DWSP envisions an 18-hour (not a 24-hour) downtown;
- Information about Council support for the “road diet” (per Resolution No. 195-22 [CC]) as a Caltrans project (per SHOPP project no. 05-1P110);
- Clarification about the development potential of the parking lot behind the Gottschalks building;
- Confirmation that the City is operating under the *Watsonville 2005 General Plan* and not the *VISTA 2030 General Plan*; and
- Information about the environmental review conducted for the DWSP and how mitigation measures would be implemented over time.

Staff discussed these items with the Commission during the public hearing (Attachment 1). Following the discussion, individual motions were made (and seconded) to recommend that the City Council certify the EIR for the DWSP (Resolution No. 11-23 [PC]), amend the *Watsonville 2005 General Plan* (Resolution No. 12-23 [PC]), adopt the DWSP (Resolution No. 13-23 [PC]), and amend the Zoning Code and Map (Resolution No. 14-23 [PC]). In each instance, the Commission voted 7-0 in favor.

Project Information

The staff report to the Planning Commission (Attachment 2) includes detailed information on the following:

- The process for adopting a Specific Plan along with General Plan and Zoning amendments (see pages 2-3);
- The community engagement process to develop a Specific Plan for downtown Watsonville (see pages 3-5);
- The organization of the DWSP document (see pages 5-6);
- The setting of the DWSP plan area (see page 6);
- The vision themes, guiding principles, goals and policies of the DWSP (see page 7);
- The growth projections for anticipated development in the next 25 years (see page 8);
- The design framework for achieving the DWSP's goal of transforming the area into an active, vibrant downtown (see pages 8-9);
- The mobility strategies and recommendations for all modes of travel, including roadway, pedestrian and bicycle network improvements (see pages 9-13);
- The parking, curb management and transportation demand management strategies (see pages 13-14);
- The commitment of Caltrans to integrate complete streets infrastructure in the DWSP plan area (see page 14);
- The recommended public realm improvements that serve to fulfil the goal of enhancing the pedestrian experience (see pages 14-15);
- The standards and guidelines for regulating future development on privately-owned property in downtown Watsonville (see pages 15-18);
- The importance of historic resources downtown (see pages 18-19);
- The recommended improvements to infrastructure facilities (water, sanitary water, and stormwater) to accommodate future development (see pages 19-21);
- The key strategic early implementation actions identified in the DWSP (see pages 21-22);
- The proposed General Plan Amendments to ensure consistency between the DWSP and General Plan (see page 22-23);
- The proposed Zoning Amendments to reflect that the DWSP plan area on the Zoning Map and refer to the land use and development standards in the DWSP in the Zoning Code (see page 23);
- The way the DWSP has been developed in accordance with recent state law intended to streamline housing development—namely, Senate Bill 330;
- The consideration of regional traffic congestion through downtown that originates outside of Watsonville and planned projects that would help address regional traffic patterns (see page 24);
- The review of the DWSP by Caltrans Division of Aeronautics (see pages 24-25); and
- The environmental review conducted for the DWSP in accordance with CEQA, which includes substantial evidence to make findings in support of adopting feasible mitigation measures to reduce certain potentially significant impacts as well as making a statement of overriding considerations for those that cannot.

Actions

The actions for consideration by the City Council consist of first acting on the EIR prepared for the DWSP and then acting on the amending the general plan, adopting the DWSP, and amending the zoning code and map, as follows:

- (a) Adopt a Resolution adopting and certifying a Final Environmental Impact Report for the Downtown Watsonville Specific Plan; and adopting concurrently environmental findings of fact, a statement of overriding considerations, and approving a Mitigation Monitoring and Reporting Program in accordance with CEQA;
- (b) Adopt a Resolution approving the 29th Amendment to the *Watsonville 2005 General Plan*;
- (c) Introduce by title only and waive further reading of an Uncodified Ordinance Adopting the Downtown Watsonville Specific Plan, a Specific Plan pursuant to Government Code section 65460 *et seq.*;
- (d) Introduce by title only and waive further reading of an Uncodified Ordinance amending the City of Watsonville Zoning Map to reflect the boundaries of the Downtown Watsonville Specific Plan Area; and
- (e) Introduce by title only and waive further reading of an Ordinance Amending Section 14-16.100 (Districts) and adding a new Part 26 “DWSP DISTRICT” to Chapter 14-16 (District Regulations) of Title 14 (Zoning) of the Watsonville Municipal Code in order to refer to the permitted uses and development standards in Chapter 6 of the Downtown Watsonville Specific Plan.

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; increasing 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.

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 (economic development) and 3 (housing) .

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 City Council may choose to not certify the Final EIR, approve General Plan text amendments, adopt the Downtown Watsonville Specific Plan or amend the Zoning Map, so long as the Council can make findings to support the denial.

REFERENCES

City of Watsonville. 1994. Watsonville 2005 General Plan. Accessible at: <https://www.cityofwatsonville.org/160/2005-General-Plan>

_____. 2022. Downtown Watsonville Specific Plan. Prepared by the City of Watsonville with assistance of Raimi & Associates, Sargent Town Planning, EPS, Nelson Nygaard, Kimley-Horn, BKF Engineering, and Rincon Consultants, Inc. Accessible at: <https://www.watsonville.gov/DocumentCenter/View/19990/Draft-DWSP-October-2022>

_____. 2022. DWSP Initial Study. Prepared by the City of Watsonville with assistance of Rincon Consultants, Inc. Accessible at: <https://www.watsonville.gov/DocumentCenter/View/19988/DWSP-Initial-Study-10-27-22>

_____. 2023. DWSP Draft EIR. Prepared by the City of Watsonville with assistance of Rincon Consultants, Inc. Accessible at: <https://www.watsonville.gov/DocumentCenter/View/21323/DWSP-Draft-EIR-5-12-23>

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<https://www.watsonville.gov/DocumentCenter/View/21828/DWSP-Final-EIR-8-11-23>

_____. 2023. DWSP Mitigation Monitoring and Reporting Program. Prepared by the City of Watsonville with assistance of Rincon Consultants, Inc. Accessible at:

<https://www.watsonville.gov/DocumentCenter/View/21912/DWSP-Mitigation-Monitoring-and-Reporting-Program-MMRP>

_____. 2023. Transportation Impact Analysis. Prepared by the City of Watsonville with assistance of Kimley-Horn. Accessible at:

<https://www.watsonville.gov/DocumentCenter/View/21326/Appendix-E---Transportation-Analysis>

Caltrans. 2011. California Airport Land Use Planning Handbook. Accessible at:

<https://dot.ca.gov/programs/aeronautics/airport-land-use-planning>

_____. 2023. Email correspondence concerning airport land use compatibility review of the DWSP by Tony Sordello with Caltrans Division of Aeronautics, Office of Aviation Planning. Accessible at:

<https://www.watsonville.gov/DocumentCenter/View/21913/Caltrans-Division-of-Aeronautics-review-of-DWSP-2023>

TAMC. 2019. G12: Pajaro to Prunedale Corridor Study. Prepared by TAMC with assistance by GHD. Accessible at:

https://www.tamcmonterey.org/files/90ba39ab3/19_0618+G12+Corridor+Plan+FINAL.pdf

ATTACHMENTS

1. September 5, 2023 Planning Commission public hearing minutes
2. September 5, 2023 Planning Commission staff report & public comment letters
3. Downtown Watsonville Specific Plan
4. Resolution No. 11-23 (PC)
5. Resolution No. 12-23 (PC)
6. Resolution No. 13-23 (PC)
7. Resolution No. 14-23 (PC)