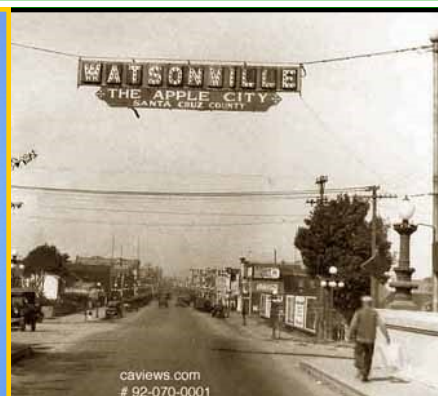
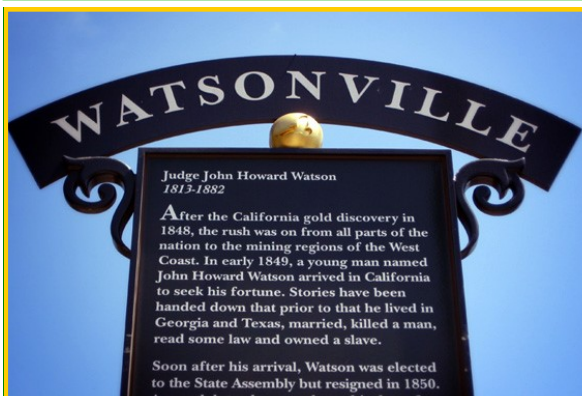


Public Review Draft

# City of Watsonville Service and Sphere of Influence Review



April 2018



Local Agency  
Formation Commission  
of Santa Cruz County  
701 Ocean Street, Room 318D  
Santa Cruz CA 95060

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View northeast from City Hall



**Watsonville**  
C A L I F O R N I A



**Project Name:** 2018 Service and Sphere Review for the City of Watsonville

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**Date: April 18, 2018** Public Review Draft

## EXECUTIVE SUMMARY

LAFCO periodically performs municipal service reviews<sup>1</sup> and updates, as necessary, the sphere of influence of each agency subject to LAFCO's boundary regulation. A "sphere of influence" is defined as a plan for the probable physical boundaries and service area of a local agency. This report has been prepared to analyze the City of Watsonville. The main conclusions of this report are:

**1. RESPONSIBLE SERVICE PROVIDER**

The City of Watsonville is operating in a responsible manner to provide municipal services to its residents.

**2. SLOW ECONOMIC RECOVERY**

The City has slowly recovered from the financial downturn that occurred during the Great Recession that started in 2007.

**3. PENSION CHALLENGE**

Like most public agencies in California, the City of Watsonville will be challenged over the next 5 – 10 years to meet its pension and other post-employment benefit liabilities. The challenge will be to make increased pension and benefit contributions, raise revenue, and control costs so that public services will not be significantly reduced.

<sup>1</sup> The last service review for the City of Watsonville was prepared by LAFCO in 2005:  
<http://www.santacruzlafco.org/wp-content/uploads/2016/02/Whole-Public-Review-Draft.pdf>

**4. GROUNDWATER OVERDRAFT**

The City of Watsonville is co-operating with the Pajaro Valley Water Management Agency in treating municipal wastewater through the Water Recycle Plant. The treated water is mixed with well water, delivered through the PVWMA's coastal distribution system, and used for crop irrigation. This is an important component in the effort to reduce the long-term groundwater overdraft and salt water intrusion in the Pajaro Valley.

**5. GOOD SERVICES TO DISADVANTAGED AREAS**

There are many areas within and adjacent to the City that meet the definition of disadvantaged areas based upon income levels defined in State law. These disadvantaged areas receive adequate water, sanitary sewer, fire protection services, and other services at the same level of service as non-disadvantaged areas within the City of Watsonville, the unincorporated territory of the City water service area, the Freedom County Sanitation District, the Salsipuedes Sanitary District, the Pajaro-Sunny Mesa Community Services District, the Pajaro Valley Fire Protection District, and the other agencies that provide public services.

**6. CONTINUE TO EVALUATE SERVICE NEEDS**

If, as part of their housing element updates, the City of Watsonville or the County of Santa Cruz identify an unincorporated disadvantaged area that has inadequate water, wastewater, stormwater drainage, or structural fire protection services; LAFCO should work with the planning agencies to identify financial funding alternatives for the extension of services.

**7. POTENTIAL ANNEXATION OF SMALL URBANIZED AREAS TO PROMOTE SERVICE EFFICIENCY**

The Atkinson Lane and Stewart/Pajaro Lane areas are urbanized and abut the city limits. The City and LAFCO should consider city annexation of these areas in the short term to promote efficient services and allow the residents of the areas to participate in city elections and advisory bodies.

**8. NO SPHERE AMENDMENTS PROPOSED**

Neither the City nor the LAFCO staff are recommending any changes to the adopted Sphere of Influence for the City of Watsonville. The City may propose amendments at a later date when it has a certified Environmental Impact Report for the Watsonville Vista 2030 General Plan.



Dancers at Watsonville Campus of Cabrillo College

## **PURPOSE OF SERVICE REVIEW**

The purpose of a service review, sometimes called a “municipal service review” or “MSR”, is to provide an inventory and analysis for improving efficiency, cost-effectiveness, accountability, and reliability of public services provided by cities, districts, and service areas. A service review evaluates the structure and operation of an agency and discusses possible areas for improvement and coordination. A service review is used by LAFCO when updating a sphere of influence, and it can be used by the subject agencies when considering changes in their operations. In accordance with Government Code section 56430, a written statement of determinations must be made addressing the following subjects:

1. Growth and population projections for the affected area.
2. The location and characteristics of any disadvantaged communities within or contiguous to the agency’s sphere of influence.
3. The present and planned capacity of public facilities, adequacy of public services, and infrastructure needs or deficiencies including need or deficiencies related to sewers, municipal and industrial water, and structural fire protection in any disadvantaged, unincorporated communities within or contiguous to the agency’s sphere of influence.
4. The financial ability of agencies to provide services.
5. The status of, and opportunities for, shared facilities.
6. Accountability for community service needs, including governmental structure and operational efficiencies.
7. Any other matter related to effective or efficient service delivery, as required by commission policy

## **PURPOSE OF SPHERE OF INFLUENCE**

A “sphere of influence” is defined in state law to be a plan for the probable physical boundaries and service area of a local agency, as determined by the LAFCO in county where the agency is based. The sphere of influence is adopted and amended by LAFCO following a public hearing. The sphere action includes a map, determinations, and a resolution, which may contain recommendations and implementation steps specific to the agency. Government Code section 56425 requires LAFCO to make determinations upon the following subjects:

1. The present and planned land uses in the area, including agricultural and open-space lands.
2. The present and probable need for public facilities and services in the area.
3. The present capacity of public facilities and adequacy of public services that the agency provides or is authorized to provide.
4. The existence of any social or economic communities of interest in the area if the commission determines that they are relevant to the agency.
5. For a city that provides sewers, water, or structural fire protection, the present and probable need for those services in any disadvantaged unincorporated communities within the existing sphere of influence.



In this report, the sphere analysis follows the service review analysis. State law requires that all boundary changes (annexation, detachment, consolidation, dissolution, etc.) be consistent with LAFCO's policies and the adopted sphere of influence of the subject agency.

## AGENCY PROFILE

**Regular Meetings:** City Council meetings are held on the second and fourth Tuesday of the month at 6:30 p.m. in the City Council Chambers, 275 Main Street, Watsonville.

**Website:** [www.cityofwatsonville.org/](http://www.cityofwatsonville.org/)

**City Manager:** Charles A. Montoya

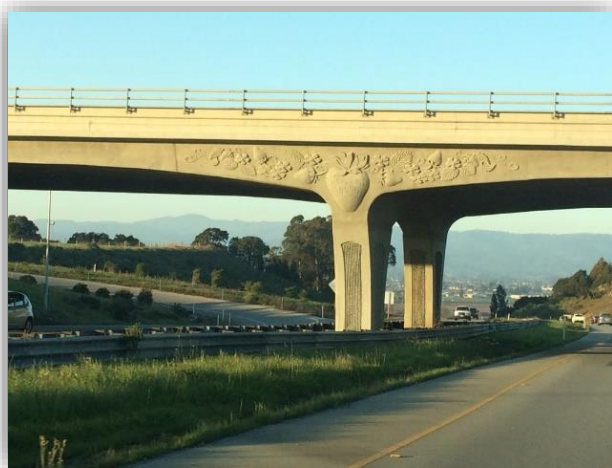
**Address:** 275 Main Street, Suite 400

**Phone:** 831-768-3010

**Fax:** 831-761-073

**Email:** citymanager@cityofwatsonville.org

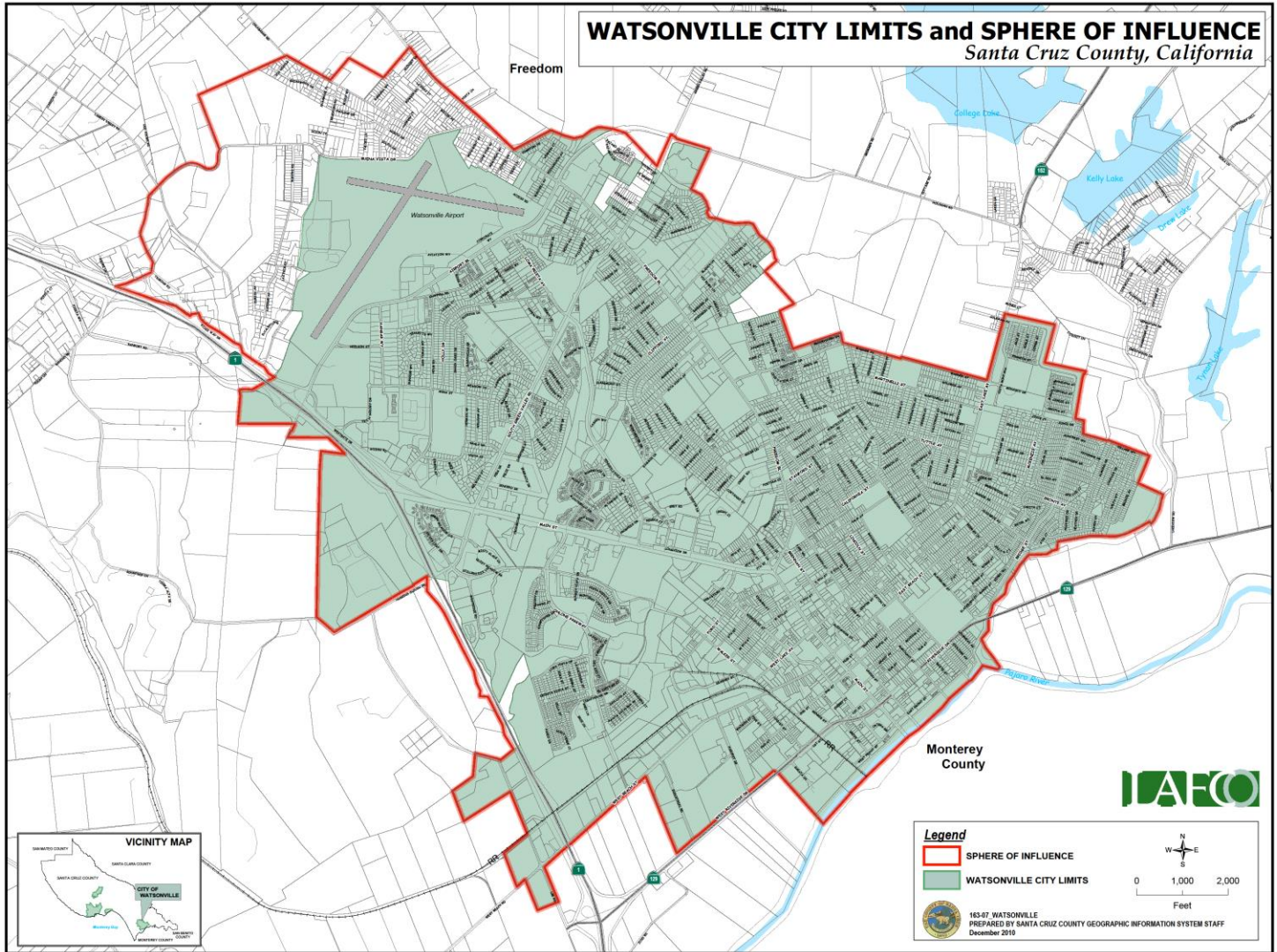
Watsonville City Council			
City Council Members	Title	1st Year of Service on the Council	Date of Term Expiration
Felipe Hernandez	District 1, Council Member	2012	2020
Vacant	District 2		2020
Lowell Hurst	District 3, Mayor	1989	2018
Jimmy Dutra	District 4, Council Member, Mayor Pro Tempore	2014	2018
Rebecca J. Garcia	District 5, Council Member	2014	2018
Trina Coffman-Gomez	District 6, Council Member	2012	2020
Dr. Nancy A. Bilicich	District 7, Council Member	2009	2018



Entry to Pajaro Valley Heading North on Highway 1

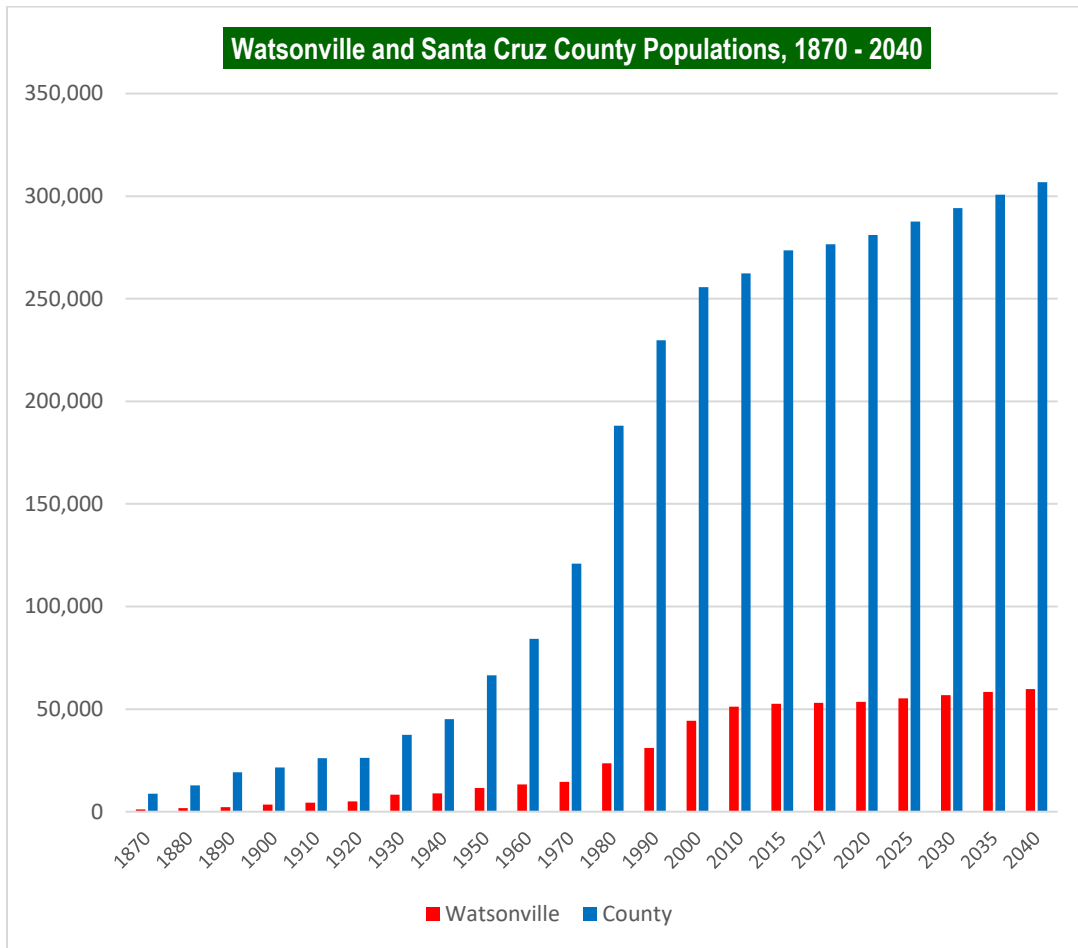
## APRIL 2018 CITY BOUNDARIES AND ADOPTED SPHERE OF INFLUENCE

LAFCO adopted the first Sphere of Influence for the City of Watsonville in 1977. A list of the boundary changes and sphere amendments can be found in Appendix A. The current boundary and sphere are as shown on the following map.



Link to [Watsonville City Map](#):

The City of Watsonville was incorporated on March 30, 1868 and operates as a charter city. The City's estimated population on January 1, 2017 was 54,592. The City contains 6.7 square miles of land area.



Sources: US Census 1870-2010, Calif. Department of Finance 2015-2017, AMBAG Projections 2020-2040

The City provides the following services:

- General local governmental administration (council, manager, attorney, city clerk, finance, etc.)
- Police
- Fire
- Utilities (water and sanitary sewer)
- Garbage, landfill, and recycling
- Roads
- Stormwater management
- Parks, recreation, and community services
- Neighborhood services
- Community development, planning, and building regulation
- Airport



Watsonville's staffing level dropped after the 2007-09 recession, but it has increased in the last several years to approximately 413 employees.

#### 2014-2019 Budgeted Positions by Fund

<b>GENERAL FUND:</b>	<b>14-15</b>	<b>15-16</b>	<b>16-17</b>	<b>17-18</b>	<b>18-19</b>
General Government	7.00	7.00	14.57	16.40	16.40
City Clerk	2.80	2.80	2.98	3.07	3.07
Community Development	13.25	11.50	13.95	14.95	13.95
Finance	15.75	15.75	8.00	8.00	8.00
Fire	34.75	34.00	34.00	34.00	35.00
Library	29.35	27.41	24.80	24.80	24.80
Parks & Community Services	27.33	25.88	27.75	31.25	32.25
Police	86.00	86.00	86.00	87.00	87.00
Public Work	16.00	14.00	14.00	13.00	13.00
<b>TOTAL GENERAL FUND</b>	<b>232.23</b>	<b>224.34</b>	<b>226.05</b>	<b>232.47</b>	<b>233.47</b>
<b>OTHER FUNDS:</b>					
Airport	9.10	9.10	9.10	10.00	10.00
LLMAD –Vista Montana	1.00	0.62	0.62	0.62	0.62
Gas Tx	0.00	0.00	0.00	2.00	2.00
Measure G	13.00	14.50	15.00	18.00	19.00
PEG Cable TV	0.00	0.00	0.25	0.25	0.25
Redevelopment & Housing	4.20	5.20	2.90	3.40	3.40
Solid Waste	36.10	44.10	45.06	48.06	48.06
Waste Water	46.60	49.10	52.89	54.72	54.72
Water	34.10	35.10	38.05	40.05	41.05
<b>TOTAL OTHER FUNDS</b>	<b>144.10</b>	<b>157.72</b>	<b>163.87</b>	<b>177.10</b>	<b>179.10</b>
<b>GRAND TOTAL</b>	<b>376.33</b>	<b>382.06</b>	<b>389.92</b>	<b>409.57</b>	<b>412.57</b>

Source: City of Watsonville, Final Biennial Budget, Fiscal Years 2017-18 and 2018-19

#### 10-Year Operating Indicators

Function	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
<b>General Government</b>										
City Council meetings	21	27	23	24	25	24	22	27	19	21
Resolutions processed	243	232	186	209	158	169	153	181	199	187
Recruitments	29	25	12	21	36	29	52	46	59	66
<b>Community Development</b>										
Planning application reviews	543	451	373	341	289	332	259	393	361	369
Construction inspections	4,361	3,344	2,470	1,508	1,459	1,784	1,851	1,725	1,165	2,933
Building Permits	727	1032	1,757	1,175	766	852	625	768	817	862
<b>Finance:</b>										
Payroll checks issued	13,477	13,446	13,344	13,575	12,784	12,336	12,203	12,327	12,511	12,547
Utility accounts	15,541	14,546	15,980	14,833	14,684	14,618	14,685	15,023	15,024	14,985
A/P checks issued	9,054	8,697	8,859	7,879	7,634	7,484	7,460	7,313	7,517	7,644
<b>Fire:</b>										
Field incidents dispatched	3,889	3,552	3,896	4,590	4,734	4,092	4,123	4,282	4,282	4,997
<b>Library:</b>										
Items used/checked out	395,000	397,428	257,195	327,961	231,384	259,986	262,929	411,234	411,234	439,234
<b>Parks &amp; Community Services:</b>										
Facility Drop In Totals	1,824	2,671	1,386	1,315	919	848	857	743	588	562
<b>Police:</b>										
Moving and Parking Citations	14,854	15,807	16,709	10,599	12,161	11,204	9,876	10,524	11,105	12,747
Service Calls Dispatch	81,281	81,303	61,643	57,651	62,047	62,126	61,239	65,288	69,668	67,632
URC Crime Rate (# crimes/1,000 population, calendar years)	52	43	42	32	32	27	25	39	40	43
<b>Wastewater:</b>										
Annual volume of septage treated (in million gallons)	7.11	7.17	7.45	7.12	6.65	6.98	7.70	7.81	3.39	3.49
<b>Water:</b>										
Water production (acre feet)	8,634	8,806	8,834	7,300	7,758	7,761	8,133	7,163	6,597	6,648
<b>Solid Waste:</b>										
Refuse handled (tons)	36,539	31,484	35,179	32,936	32,812	32,995	32,607	40,204	41,389	36,028
Recycled material (tons)	5,913	6,016	6,023	4,006	6,258	5,847	6,041	4,946	7,466	7,081

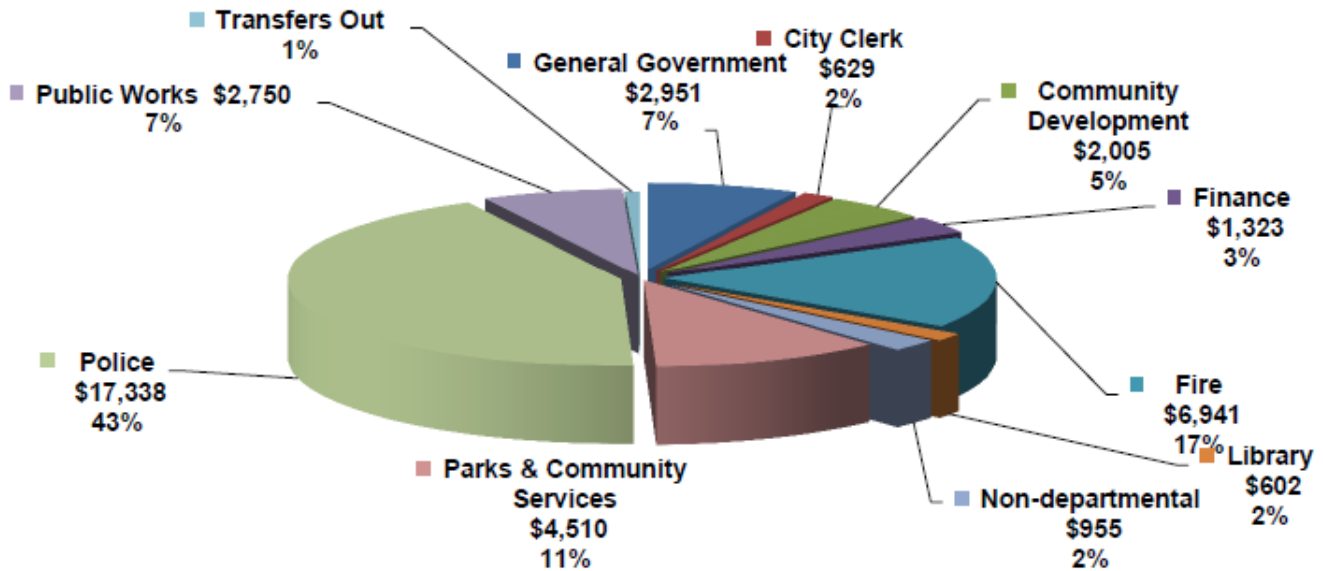
Source: Comprehensive Annual Fiscal Report, Fiscal Year Ended June 30, 2017, City of Watsonville, CA

Available at: <https://www.cityofwatsonville.org/1494/Comprehensive-Annual-Financial-Report-CA>

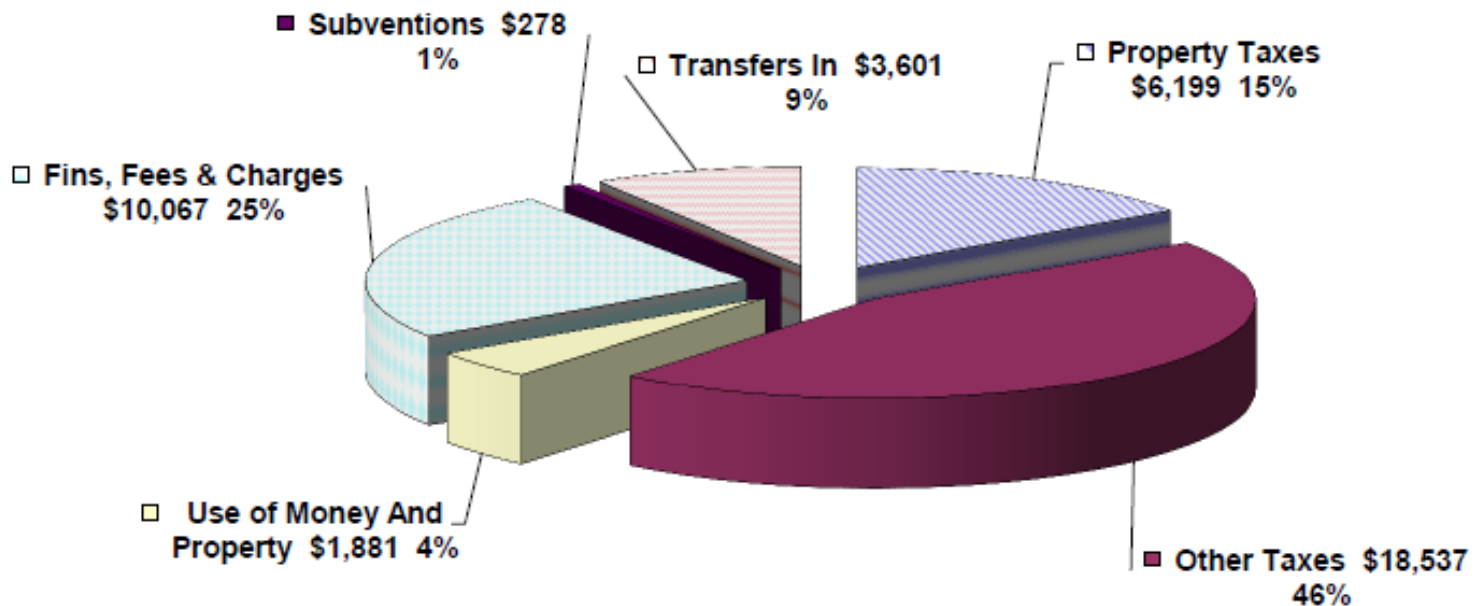
## General Fund

In FY 17-18, the General Fund is approximately \$40 million out of a total budget of \$143 million.

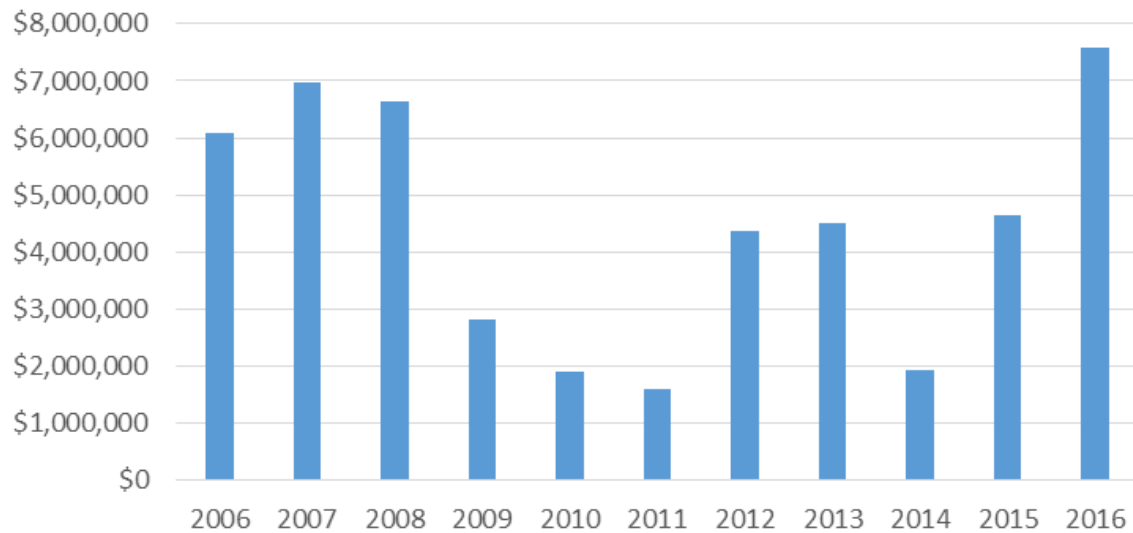
### GENERAL FUND - FISCAL YEAR 2017-18 EXPENDITURES - (IN THOUSANDS)



### GENERAL FUND - FISCAL YEAR 2017-18 REVENUES - (IN THOUSANDS)



### City Of Watsonville General Fund Balance Trend



### CAPITAL IMPROVEMENT PROGRAM 2017 - 2019

During and following the recent recession, the City deferred capital projects funded through the General Fund, but continued projects that had proprietary funding (such as the water fund) and special revenue funding (such as state gas tax subventions). In its current Biennial Budget, the City identifies over \$8 million dollars in desired general fund capital projects for which there is no committed funding. The budget includes over \$40 million dollars of capital projects using proprietary and special revenue capital projects.

	17/18			FY 18/19			Total FY's	
	Projects	Equipment/ Maintenance	Total	Projects	Equipment/ Maintenance	Total	2017/18	2018/19
<b>GENERAL FUND:</b>								
Proposed but unfunded	\$ -	\$ 5,152,220	\$ 5,152,220	\$ 500,000	\$ 3,094,600	\$ 3,594,600	\$ 8,746,820	\$ 11,341,260
CANNABIS FUNDING	-	255,750	255,750	-	338,910	338,910	-	193,292
Total General Fund	\$ -	\$ 5,407,970	\$ 5,407,970	\$ 500,000	\$ 3,433,510	\$ 3,933,510	\$ 8,746,820	\$ 11,534,552
<b>SPECIAL REVENUE FUNDS:</b>								
CDBG	\$ 322,006	\$ -	\$ 322,006	\$ 250,000	\$ -	\$ 250,000	\$ 572,006	\$ -
PARKS DEVELOPMENT	-	-	-	1,487,000	-	1,487,000	1,487,000	-
GAS TAX	3,320,000	400,000	3,720,000	-	655,000	655,000	4,375,000	7,515,000
MEASURE G	477,044	-	477,044	-	-	-	477,044	-
MEASURE D-TRANSPORTATION	100,000	50,000	150,000	500,000	545,000	1,045,000	1,195,000	3,235,000
IMPACT FEE FUND	-	145,000	145,000	-	200,000	200,000	345,000	350,000
NARCOTICS FORFEITURE	130,000	-	130,000	-	-	-	130,000	-
TOTAL SPECIAL REVENUE FUNDS	\$ 4,349,050	\$ 595,000	\$ 4,944,050	\$ 2,237,000	\$ 1,400,000	\$ 3,637,000	\$ 8,581,050	\$ 11,100,000
<b>PROPRIETARY FUNDS:</b>								
AIRPORT FUND	\$ 328,000	\$ 2,259	\$ 330,259	\$ 1,650,000	\$ -	\$ 1,650,000	\$ 1,980,259	\$ 3,065,000
SEWER FUND	-	1,870,703	1,870,703	4,000,000	1,160,000	5,160,000	7,030,703	8,254,750
WATER FUND	5,500,000	1,315,339	6,815,339	17,100,000	1,151,950	18,251,950	25,067,289	15,504,650
SOLID WASTE FUND	3,500,000	1,576,163	5,076,163	-	1,555,000	1,555,000	6,631,163	11,915,000
RISK MANAGEMENT FUND	-	26,000	26,000	-	31,000	31,000	57,000	78,000
	\$ 9,328,000	\$ 4,790,464	\$ 14,118,464	\$ 22,750,000	\$ 3,897,950	\$ 26,647,950	\$ 40,766,414	\$ 38,817,400

Source: City of Watsonville, Biennial Budget 2017-2018, 2018-2019, page xxvi

## MAJOR DEPARTMENT PROFILES

This report includes major department profiles. Departments with more than 5% of the city's employees were considered major.

## POLICE DEPARTMENT PROFILE

Using data from a previous service review prepared for Santa Cruz LAFCO for comparison, the Watsonville Police Department has less staffing per 1,000 city residents than it did in 2003. Watsonville has the lowest staffing ratios of the four cities in Santa Cruz County.

Law Enforcement Staff per 1000 Residents 2015 and 2003							
City	2015 Population	2015 Total	2015 Total per 1000	2003 Total per 1000	2015 Officers	2015 Officers per 1000	2003 Officers per 1000
Capitola	10,201	29	2.8	2.9	21	2.1	1.9
Santa Cruz	64,076	111	1.7	2.3	91	1.4	1.7
Scotts Valley	11,926	28	2.3	2.4	20	1.7	1.7
<b>Watsonville</b>	<b>53,581</b>	<b>88</b>	<b>1.6</b>	<b>1.8</b>	<b>66</b>	<b>1.2</b>	<b>1.3</b>

Source: FBI Unified Crime Reporting for 2003 and 2015, Table 78, at <https://ucr.fbi.gov/>

The number of reported crimes has mostly gone down since 2004:

Crimes Reported in Watsonville 2004 and 2016			
Type	2004	2016	Change 2004 to 2016
Homicide	2	0	-2
Rape	25	26	1
Robbery	76	46	-30
Aggravated Assault	180	166	-14
Burglary	236	214	-22
Larceny	1,377	1,018	-359
Auto Theft	176	506	330
Arson	10	8	-2
Total	2,082	1,984	-98

Source: 2004 and 2016 Uniform Crime Reports, FBI.

## FIRE DEPARTMENT PROFILE

Station No. 1 is located at 115 Second Street, and Station No. 2 is located at 370 Airport Blvd. In addition a series of standard mutual aid agreement with nearby departments, the City has a service contract to provide fire and emergency response to the areas of the Pajaro Valley Fire Protection District located in the Freedom area close to Watsonville St. 2.

### SERVICE LEVEL MEASURES:

			2013/14	2014/15	2015/16	2016/17 Projected	2017/18 Estimated
1	Output	Provided public education through school tours and community events	8,300	8,500	8,325	8,500	8,325
2	Output	Firefighters maintained training requirements- hours per year	240	240	240	240	240
3	Output	Number of annual fire inspections completed (Self-Inspections / On-site Inspections)	1,027 /275	1,000 /746	1,000 /828	1,000 /700	1,000 /788
4	Service Quality	Maintain 80% reliability at Station 2-percent of calls handled by Station 2	83%	80%	80%	80%	80%
5	Output	Emergency incident responses- total call volume	4,607	4,600	4,600	4,600	4,600
<b>Department Demographics</b>							
Number of allocated sworn positions			33	33	33	33	33
Number of non-sworn personnel			2.5	1	1	2	2
Number of front line fire engines			2	2	2	2	2
Number of reserve fire engines			2	2	2	2	2
Number of front line trucks			1	1	1	1	1
Number of reserve trucks			1	1	1	1	1
Percent of apparatus within 20 year service life			100%	100%	100%	100%	100%



Fire Station No. 1 on Second Street



## PUBLIC WORKS AND UTILITIES DEPARTMENT PROFILE

The Public Works and Utilities Department is the City's second largest department. Its divisions are water, wastewater, solid waste, and streets.

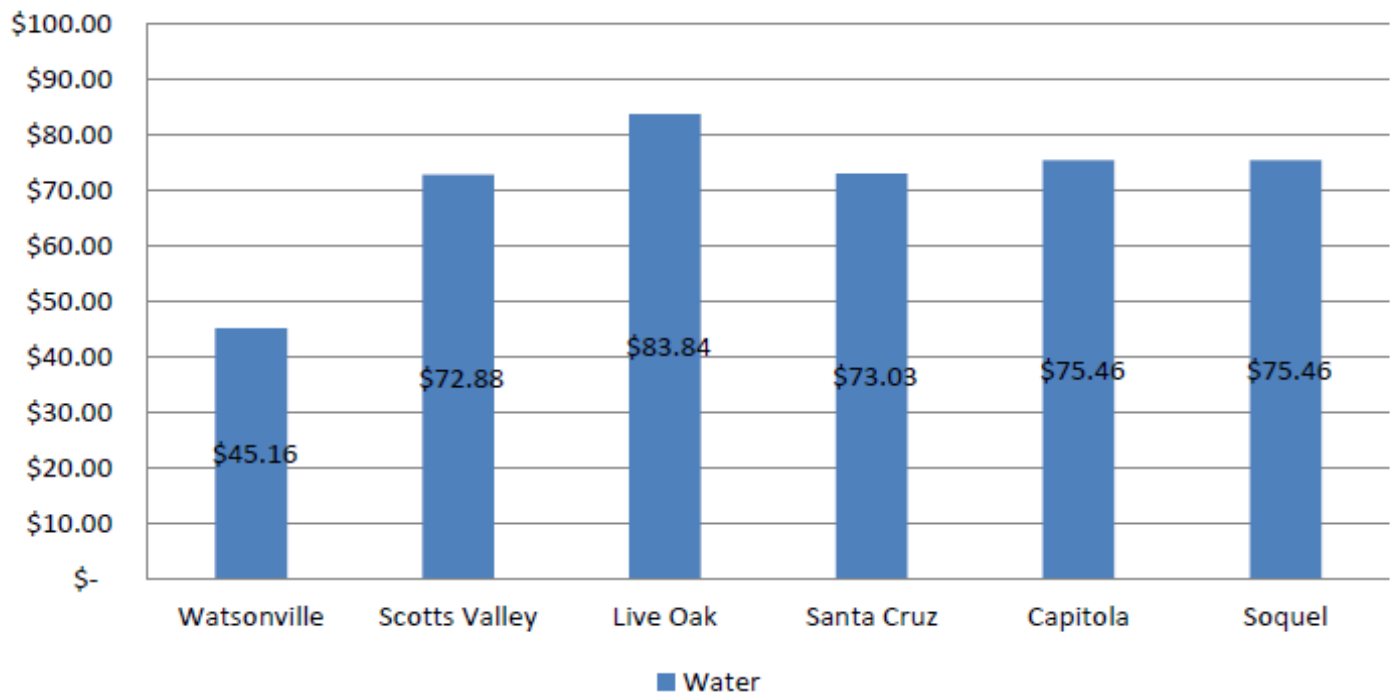
### UTILITIES—WATER

The City provides water service to approximately 53,000 residents of the City and 13,000 residents outside the city limits from Corralitos to Pajaro Dunes.

#### Service Level Measures -- Water

		2014	2015	2016
1	Water service area production (acre feet)	7,504	6,861	6,638
2	Total number of wells maintained and operated	14	14	14
3	Total number of surface water sources maintained and operated	1	1	1
4	Number of reservoirs	8	8	8
5	Total reservoir capacity (million gallons)	10.6	10.6	10.6
6	Number of booster pump stations	8	8	8
7	Service area population	65,179	65,179	65,966

#### Single Family Rate Comparison



Water rates based on 5/8" meter / 8 Ccf water usage  
10/1/2016

### Water Program Goals for 2017-2019

1	Complete the Watsonville Square Water Main Replacement Project started in 2016.
2	Complete the Crescent Drive Water Main Replacement Project.
3	Complete the Green Valley Road Water Main Replacement Project.
4	Complete the Clifford Drive (Main to Pennsylvania) Water Main Replacement Project.
5	Complete the Beach Road (Main to Lincoln) Water Main Replacement Project.
6	Initiate the New Valve Exercising & Hydrant Flushing Program
7	Implement Cityworks and new maintenance management software system.

Source: City of Watsonville, Final Biennial Budget, Fiscal Years 2017-18 and 2018-19, page 291.

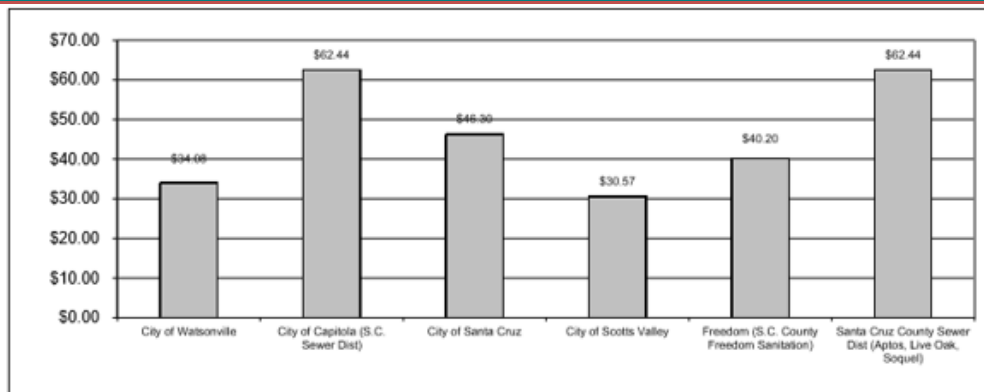
### UTILITIES ---WASTEWATER COLLECTION

The City maintains 125 miles of sanitary sewers and 18 pump stations.

#### Service Level Measures – Wastewater

1	Average wastewater treatment plant flow.	5.2 million gallons per day
2	Level of wastewater treatment	Tertiary
3	Service area population	66,000
4	Number of significant industrial dischargers	10
5	Annual volume of septage and other special wastes treated	8,492,144 gallons
6	Percentage compliance with Discharge Permit Requirements	99.999%
7	Percentage compliance with airborne requirements related to co-generation facilities	100%
8	Odor complaints from property owners of neighboring parcels	0
9	Percent compliance with state and federal mandated certification	100%

### Comparison of Residential Sewer Charges



### Wastewater Program Goals for 2017-2019

1	Continue the implementation of bio-solids managements, disposal and contingency plans to maintain cost-effective disposal/reuse projects.
2	Evaluate alternative methods of sludge de-watering in an attempt to identify more effective methods that would reduce bio-solids mass and disposal costs.
3	Increase cogeneration output from 600kw to 800kw CIP
4	Produce at least 3,500 acre feet of recycled water per year, at a cost less than \$550/acre foot.
5	Design and construct structural improvements to headworks CIP
6	Continue employee development and training to ensure that all Division employees maintain certification.
7	Design and construct the Digester #1 Mixing Improvement Project. CIP
8	Replace roughing filter fan frames CIP

In 2017, the City self-reported three sewer spills to the State reporting system:

<u>Spill Date</u>	<u>Site Name</u>	<u>Volume (gallons)</u>	<u>Recovered (gallons)</u>	<u>Reason</u>
Jan. 9, 2017	Portola Heights M.H.P.	900	0	
Aug. 17, 2017	Main St. Pump Station	80	60	Pump Station Failure--Controls
Nov. 18, 2017	700 S. Green Valley Rd.	7,609	6,707	Pipe Structural Problem/Failure
<b>TOTAL</b>		<b>8,589</b>	<b>6,767</b>	

Source: State of California Sanitary Sewer Overflow Reports, accessed on April 3, 2018 at:

[https://ciwqs.waterboards.ca.gov/ciwqs/readOnly/PublicReportSSOServlet?reportAction=criteria&reportId=sso\\_main](https://ciwqs.waterboards.ca.gov/ciwqs/readOnly/PublicReportSSOServlet?reportAction=criteria&reportId=sso_main)



Watsonville Slough

## UTILITIES ---SOLID WASTE

The City collects solid waste, sorts out recyclables, and operates a landfill on San Andreas Road. The City is preparing to close the landfill and transport recyclables and solid waste to the Monterey Regional Environmental Park operated by the Monterey Regional Waste Management District in Marina.

### Solid Waste Program Service Level Measures and Goals for 2017-2019

		2012/13	13/14	14/15	15/16
1	Tons of refuse collected*	32,800	32,602	35,325	36,869
2	Tons of recycling materials collected*	6,250	5,877	6,085	8,070
3	Total number of collection vehicles	20	20	20	20
4	Miles of street swept	10,000	10,000	10,000	10,000
5	Graffiti abatement work-orders	1,056	1,098	1,096	1,685

\*Figures shown for calendar year.

#### PRIOR FISCAL YEARS ACCOMPLISHMENTS 2015-2017:

Continued participation Santa Cruz County Integrated Waste Management Task Force.

Initiated implementation of mandated commercial organics collection.

#### PROGRAM GOALS AND OBJECTIVES FOR 2017-2019:

1	Complete implementation of mandated commercial organics collection
2	Implement mandated construction and demolition diversion mandate in coordination with Community Development Department.
3	Evaluate options for organics processing at landfill and/or at the Waste Water Treatment Plant
4	Evaluate and initiate energy generation projects at closed landfill
5	Maximize remaining airspace in City Landfill with April 2019 end date
6	Initiate mandated landfill closure process
7	Develop landfill closure financing plan
8	Develop medium and long-term agreements for landfill & organics services with regional agencies
9	Redesign Public Drop Off center to improve safety and meet stormwater regulations
10	Complete implementation of street sweeping parking restriction signage
11	Evaluate collection routes to manage customer service, parking, increased traffic and improve safety

Source: City of Watsonville, Final Biennial Budget, Fiscal Years 2017-18 and 2018-19, page 298.

## UTILITIES --- STREETS

The City maintains 85 miles of streets. In 2018, the Pavement Condition Index is 49 (poor), down from 60 (good) in 2005.

### Streets Program Service Level Measures and Goals for 2017-2019

1	Construction of Lee Road Rail Trail
2	Airport Boulevard Improvements from Freedom Boulevard to City limits
3	Construction of sidewalk infill at two locations: on Harkins Slough Rd and on Main St
4	Coordinate with Caltrans for design of improved pedestrian and bicycle access over Highway 1 / Harkins Slough Road Interchange and operational improvements along Green Valley Road
5	Complete Freedom Blvd. Underground Utilities District from East High Street to Main Street
6	Freedom Boulevard Plan Line from Green Valley Road to Buena Vista Drive (City Limits)
7	Coordination and support of Santa Cruz Metro project for improvements of Watsonville Transit Center
8	Install signal at West Beach and Ohlone Parkway
9	Improvements on Green Valley Road from Struve Slough to Freedom Boulevard
10	Construction of improvements on Airport Boulevard from Westgate/ Larkin Valley to Holm Road
11	Construct ramp improvements Citywide at approximately 75 locations
12	Coordination and support of pedestrian and bicycle projects and programs

## PARKS AND COMMUNITY SERVICES DEPARTMENT PROFILE

The City of Watsonville operates 26 parks totalling 143 acres:

- Arista Park
- Crestview Park
- Kearney Park
- Ramsey Park
- Atri Park
- Emmett
- Las Brisas Park
- River Park
- Brentwood Park
- Flodberg
- Marinovich Park
- Riverside Mini Park
- Bronte Park
- Franich
- Memorial Park
- Seaview Ranch Park
- Callahan Park
- Hazelwood
- Muzzio Park
- Victorian Park
- Cherry Blossom Park
- Hope Drive
- Peace Drive Park
- City Plaza Park
- Joyce-Mackenzie Park
- Pinto Lake Park

Facilities:

- Callaghan Park Cultural Center, 225 Sudden Street
- Civic Plaza Community Room, in City Hall at 275 Main Street
- Marinovich Community Center, 120 Second Street
- Muzzion Community Center, 26 W. Front Street
- Ramsay Park Family Center, 1301 Main Street
- Veterans Memorial Building, 215 East Beach Street



## AIRPORT DEPARTMENT PROFILE

The Airport has 10 employees. 350 aircraft are based at the airport. 55,000 flight operations occur annually at the airport. This department's accomplishments and goals are listed below.

### Airport Service Level Measures and Goals for 2017-2019

1	Develop Airport Capital Improvement Plan (ACIP) to obtain Federal and State grant funding for: a. Precision Approach Path Indicator (PAPI) lighting system b. Sealing cracks and remarking primary runway c. Airport drainage system improvement
2	Update the Airport Rules/Regulations and Rental agreements.
3	Continue to develop and implement the Airport Noise Abatement Policy

### PRIOR YEAR ACCOMPLISHMENTS 2015-2017

1. Municipal Airport elevated to Department level organization
2. Brought Parachute Landing area to the field, safely and with transparent process
3. Updated Airport Minimum Commercial Standards and Airport Rules and Regulations
4. Completed three year aircraft operations count, average 55,000 operations per year
5. Partnered with Santa Cruz County to top over thirty trees obstructing airspace surrounding airport
6. Continued restaurant facility improvements (awning, storage facility, solar energy planning)
7. Secured development of 3.0+ acres for industrial ground across from terminal
8. Watsonville Emergency Airlift Command Team (W.E.A.C.T) conducts aerial surveillance levy inspections
9. Hosted the second annual Wings Over Watsonville Fly-In
10. Hosted inaugural Wheels @Watsonville Car Show

### PROGRAM GOALS AND OBJECTIVES FOR 2017-2019:

1	Secure Federal and State Aviation Funding to implement ACIP objectives
2	Continue repayment plan schedule to reduce Airport debt service
3	Comply with FAA Land Use directives
4	Update Airport master plan and create Development strategy considering critical habitat

Source: City of Watsonville, Final Biennial Budget, Fiscal Years 2017-18 and 2018-19, page 79.

Tuttle Mansion



## LIBRARY PROFILE

The City operates the Main Library co-located with City Hall on Main Street, the Freedom Branch Library on Freedom Blvd, and a bookmobile.

### Library Service Level Measures

			2015/2016	2016/2017	Projected 2017-2019
1	output	Items Used/Checked Out	356,422	411,234	425,000
2	output	Homework Center – Student Sessions	3,498	3,233	3,500
3	output	Reference Questions Answered	79,282	74,328	75,000
4	output	Items Added	5,246	5,589	6,000
5	output	Registered Patrons	64,129	65,422	66,000
6	output	Computer Use/Internet	146,122	163,428	175,000
7	output	Program Attendance	7,396	10,612	11,000
8	output	Library Usage - Gate Count	498,900	532,210	550,000
9	output	Literacy Matches	90	92	95

Source: City of Watsonville, Final Biennial Budget, Fiscal Years 2017-18 and 2018-19, page 173.



Freedom Branch Library

## SERVICE REVIEW CHECKLIST

### SUMMARY OF POTENTIALLY SIGNIFICANT SERVICE REVIEW DETERMINATIONS

#### SUMMARY

- |  |  |
|--|--|
| <input checked="" type="checkbox"/> 1. Growth and Population                                   | <input checked="" type="checkbox"/> 5. Shared Services |
| <input checked="" type="checkbox"/> 2. Disadvantaged Unincorporated Communities                | <input checked="" type="checkbox"/> 6. Accountability  |
| <input checked="" type="checkbox"/> 3. Capacity, Adequacy & Infrastructure to Provide Services | <input type="checkbox"/> 7. Other                      |
| <input checked="" type="checkbox"/> 4. Financial Ability                                       |  |

#### 1. GROWTH AND POPULATION

Growth and population projections for the affected area.

	YES	MAYBE	NO
a) Is the agency's territory or surrounding area expected to experience any significant population change or development over the next 5-10 years?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
b) Will population changes have an impact on the agency's service needs and demands?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
c) Will projected growth require a change in the agency's sphere of influence boundary?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>

#### Discussion:

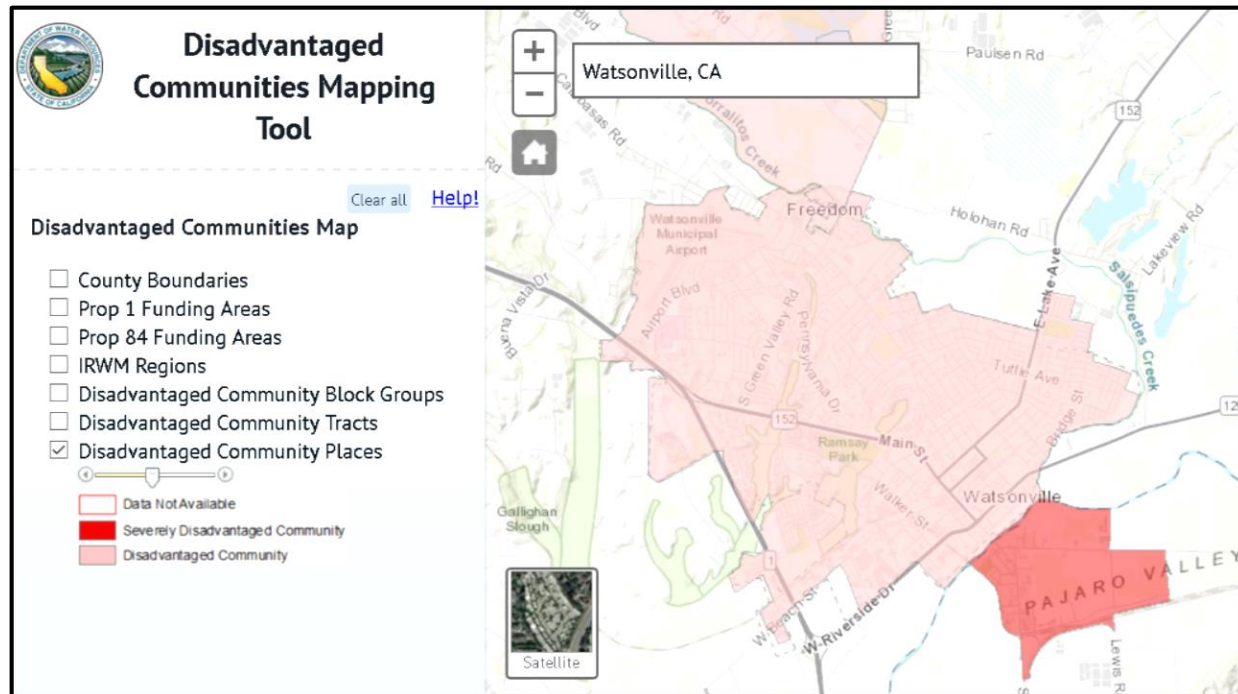
a) The Watsonville Vista 2030 General Plan has not yet been adopted due to protracted litigation. That plan included new housing in areas adjacent to Watsonville, consistent with Measure U approved by the city voters in 2002. The City is currently following the Watsonville 2005 General Plan. This service review is based upon the current General Plan. The AMBAG forecasts are based upon an assumption that the City will continue to grow. After the City adopts a new general plan, LAFCO will perform major service and sphere analyses to addressing the new plan.

Regional Population Forecast							
Public Agency	2010	2015	2020	2025	2030	2035	2040
City of Capitola	9,918	10,087	10,194	10,312	10,451	10,622	10,809
City of Santa Cruz	59,946	63,830	68,381	72,091	75,571	79,027	82,266
City of Scotts Valley	11,580	12,073	12,145	12,214	12,282	12,348	12,418
<b>City of Watsonville</b>	<b>51,199</b>	<b>52,562</b>	<b>53,536</b>	<b>55,187</b>	<b>56,829</b>	<b>58,332</b>	<b>59,743</b>
Santa Cruz County unincorporated	129,739	135,042	136,891	137,896	139,105	140,356	141,645
Santa Cruz County Total	262,382	273,594	281,147	287,700	294,238	300,685	306,881
AMBAG Region Total	732,708	762,676	791,600	816,900	840,100	862,200	883,300

2. DISADVANTAGED UNINCORPORATED COMMUNITIES			
The location and characteristics of any disadvantaged unincorporated communities within or contiguous to your agency's sphere of influence.			
	YES	MAYBE	NO
a) Does your agency provide water or sanitary sewer service? If no, skip questions b) and c).	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
b) Is your agency aware of any area(s) within or adjacent to your agency's sphere of influence that is considered "disadvantaged" (80% or less of the statewide median household income) that does not already have access to public water or sanitary sewer service?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
c) Is it is feasible for your agency to extend service to the disadvantaged unincorporated community?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>

Source: Draft 2018 Regional Growth Forecast, Association of Monterey Bay Area Governments:  
<http://www.ambag.org/programs-services/planning/regional-growth-forecast>

**Discussion:** There are many areas within and adjacent to the City that meet the definition of disadvantaged areas based upon income levels defined in State law. These disadvantaged areas receive adequate water, sanitary sewer, fire protection services, and other services at the same level of service as non-disadvantaged areas within the City of Watsonville, the unincorporated territory of the City water service area, the Freedom County Sanitation District, the Salsipuedes Sanitary District, the Pajaro-Sunny Mesa Community Services District, the Pajaro Valley Fire Protection District, and the other agencies that provide public services.



Watsonville Disadvantaged Areas						
Area	Population	Median Household Income	Outside City Limits?	Water Deficiency?	Sewer Deficiency?	Comments
East Riverside	2,993	\$42,978	No	No	No	
East Beach	1,281	\$24,286	No	No	No	
Atkinson Lane	1,506	\$48,068	Partially	No	No	City water, City sewer
East 5th	1,360	\$38,269	No	No	No	
Downtown	1,531	\$23,214	No	No	No	
St. Patrick's	1,635	\$43,993	No	No	No	
West Beach	2,253	\$33,377	No	No	No	
Riverside	1,370	\$37,788	No	No	No	
South Green Valley	1,286	\$45,484	No	No	No	
Freedom / Marin	2,696	\$28,073	No	No	No	
Hammer Drive	1,962	\$31,108	No	No	No	
Callahan	2,696	\$28,073	No	No	No	
Airport Road	1,042	\$32,234	No	No	No	
Ross / Lawrence	840	\$44,135	No	No	No	
Freedom / Bowker	1,635	\$45,156	Partially	No	No	City water, Freedom, sewer
Airport	970	\$45,060	Partially	No	No	City water, Freedom, sewer
Freedom / Stewart	2,338	\$23,438	Partially	No	No	City water, Freedom, sewer
San Andreas Road	842	\$42,000	Yes	No	No	Rural
Corralitos	790	\$44,630	Yes	No	No	City water service area
Amesti	1,406	\$49,185	Yes	No	No	City water, Freedom, sewer

Source: California Department of Water Resources, Disadvantaged Communities Mapping Tool, accessed January 3, 2018 at:

<https://gis.water.ca.gov/app/dacs/>



Disadvantaged Communities Places data is from the US Census American Community Survey 2010-2014 showing census places identified as disadvantaged communities (less than 80% of the State's median household income) or severely disadvantaged communities (less than 60% of the State's median household income). All of the City of Watsonville is classified as a disadvantaged community. Across the Pajaro River in Monterey County, the unincorporated community of Pajaro is classified as severely disadvantaged. Within Santa Cruz County, portions of the unincorporated Freedom and Green Valley Road communities are also classified as disadvantaged.

The City of Watsonville provides a high level of water and sanitary sewer services to all areas within City boundaries. The City's water system extends beyond the city limits in the Freedom and Green Valley Road disadvantaged communities. The City operates the regional wastewater treatment plant and contracts with the Pajaro/Sunny Mesa Community Services District and the Freedom County Sanitation District to treat the sewage generated in the disadvantaged communities outside the city limits. There are no nearby disadvantaged areas outside the city limits that are experiencing health problems due to a lack of water or sanitary sewers. As they update their general plans, the City of Watsonville and the County of Santa Cruz should evaluate whether there are any disadvantaged unincorporated areas smaller than census block groups that lack water or sanitary sewer services. LAFCO should then address the potential service extensions as part of its next sphere of service review.

<b>3. CAPACITY AND ADEQUACY OF PUBLIC FACILITIES AND SERVICES</b>			
Present and planned capacity of public facilities, adequacy of public services, and infrastructure needs or deficiencies including needs or deficiencies related to sewers, municipal and industrial water, and structural fire protection in any disadvantaged, unincorporated communities within or contiguous to the sphere of influence.			
	YES	MAYBE	NO
a) Are there any deficiencies in agency capacity to meet service needs of existing development within its existing territory?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
b) Are there any issues regarding your agency's capacity to meet the service demand of reasonably foreseeable future growth?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
c) Are there any concerns regarding public services provided by the agency being considered adequate?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
d) Are there any significant infrastructure needs or deficiencies to be addressed?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
e) Are there changes in state regulations on the horizon that will require significant facility and/or infrastructure upgrades?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>

**Discussion:** e) The City is focusing on replacing its aged distribution system. If the State ultimately reduces chromium-6 limits to 10 parts per billion, the City will then have costs to meet that new standard.

#### 4. FINANCIAL ABILITY

Financial ability of agencies to provide services.

	YES	MAYBE	NO
a) In the last five years, has your agency failed to obtain an independent audit, or adopted its budget late?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
b) Is your agency lacking adequate reserves to protect against unexpected events or upcoming significant costs?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
c) Is your agency's rate/fee schedule insufficient to fund an adequate level of service, and/or is the fee inconsistent with the schedules of similar service organizations?	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
d) Is your agency unable to fund necessary infrastructure maintenance, replacement and/or any needed expansion?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
e) Is improvement needed in the organization's financial policies to ensure its continued financial accountability and stability?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
f) Is the organization's debt at an unmanageable level?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>

Source: City of Watsonville June 30, 2016 Audit

**Discussion:** As shown on the following table, the City's General Fund has budgeted expenditures of approximately \$143 million in FY 2017-18 and \$146 million in FY 2018-19. The City's revenues have generally recovered from the 2007-09 recession.

CONTINUES ON NEXT PAGE

**2017-2019 City of Watsonville Appropriations**

<b>FUNDS:</b>		<b>FISCAL</b>	<b>FISCAL</b>
		<b>YEAR</b>	<b>YEAR</b>
<b>NUMBER</b>	<b>DESCRIPTION</b>	<b>2017-18</b>	<b>2018-19</b>
150	GENERAL	40,455,939	42,358,826
160	RETIREMENT	3,251,800	4,137,119
204	HOUSING	703,611	462,332
205	CDBG	1,587,522	1,055,811
206	ENTERPRISE ZONE	17,000	-
207	ECONOMIC DEVELOPMENT	83,380	-
209/210	OTHER RAH GRANTS	633,903	479,665
215	RELOCATION	145,000	145,000
221	INCLUSIONARY HOUSING	669,006	550,314
225	BUSINESS DEVELOPMENT	89,900	89,900
245	ABANDONED VEHICLE AUTHORITY	82,912	82,912
246	CIVIC CENTER COMMON AREA MAINTENANCE	343,016	349,217
250	LIBRARY	3,668,751	3,631,047
265	PEG	33,037	34,412
281	PARKS DEVELOPMENT	319,729	1,487,000
305	GAS TAX	7,072,340	763,759
309	PARKING GARAGE	242,937	236,930
310	MEASURE G	3,986,905	2,983,798
312	TRANSPORTATION	200,000	1,045,000
338/352	IMPACT FEES	2,228,498	5,000
354	LLMAD	59,359	261,079
825	NARCOTICS FORFEITURE	130,000	-
510	DEBT SERVICE	621,080	613,353
710	WASTE WATER	17,409,447	21,114,786
720	WATER	24,057,509	31,228,379
730	AIRPORT	4,186,204	4,890,769
740	SOLID WASTE	17,088,977	14,242,118
741	LANDFILL CLOSURE	150,761	150,761
789	FIBER OPTIC	100,000	-
780/785	INTERNAL SERVICES	10,657,400	11,092,345
202	SUCCESSORY AGENCY	3,219,377	2,828,307
<b>TOTAL APPROPRIATIONS</b>		<b>143,495,301</b>	<b>146,319,939</b>
<b>City of Watsonville</b>		<b>139,572,313</b>	<b>143,029,300</b>
<b>Housing Successor Agency of the Former Redevelopment Agency</b>		<b>703,611</b>	<b>462,332</b>
<b>Successor Agency of the Former Redevelopment Agency</b>		<b>3,219,377</b>	<b>2,828,307</b>
<b>Total Appropriations</b>		<b>143,495,301</b>	<b>146,319,939</b>

Source: City of Watsonville, Final Biennial Budget, Fiscal Years 2017-18 and 2018-19, page 291.

The City's major revenue sources show that the City is still recovering from the recession of 2007-9.

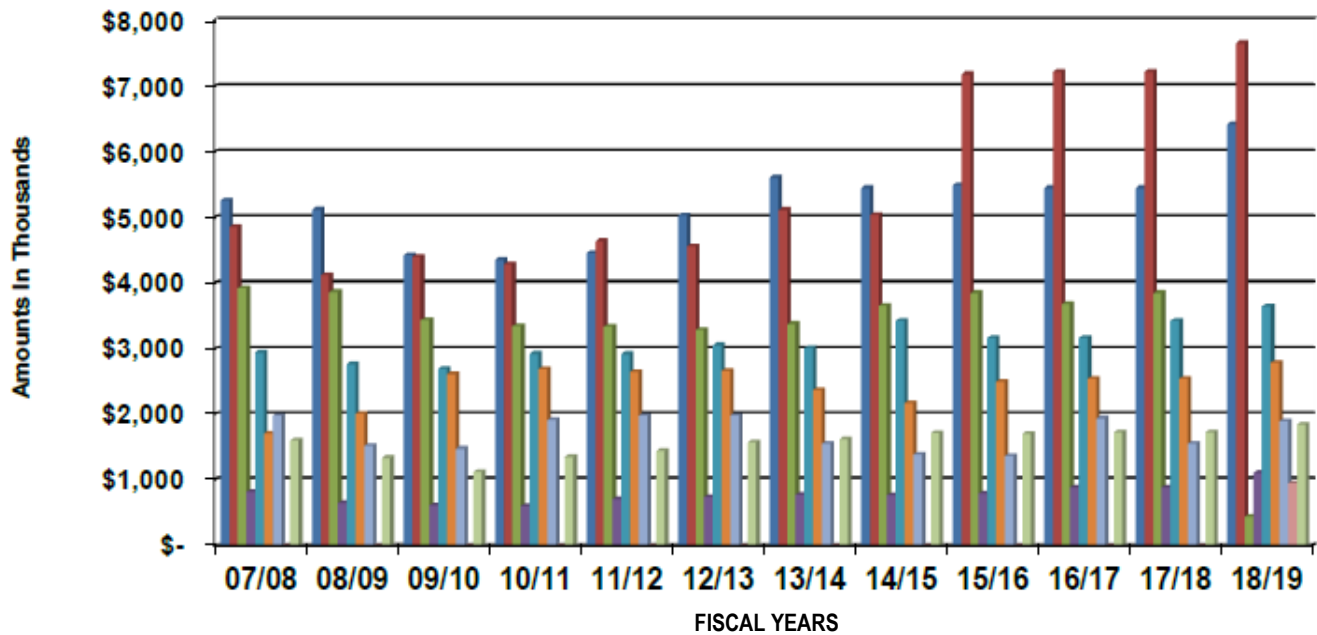
### City Actual and Budgeted Revenues 2007 – 2019

#### Major Revenue Analysis

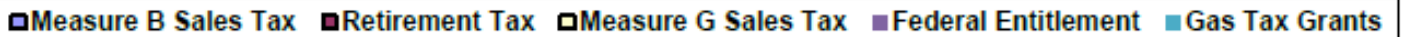
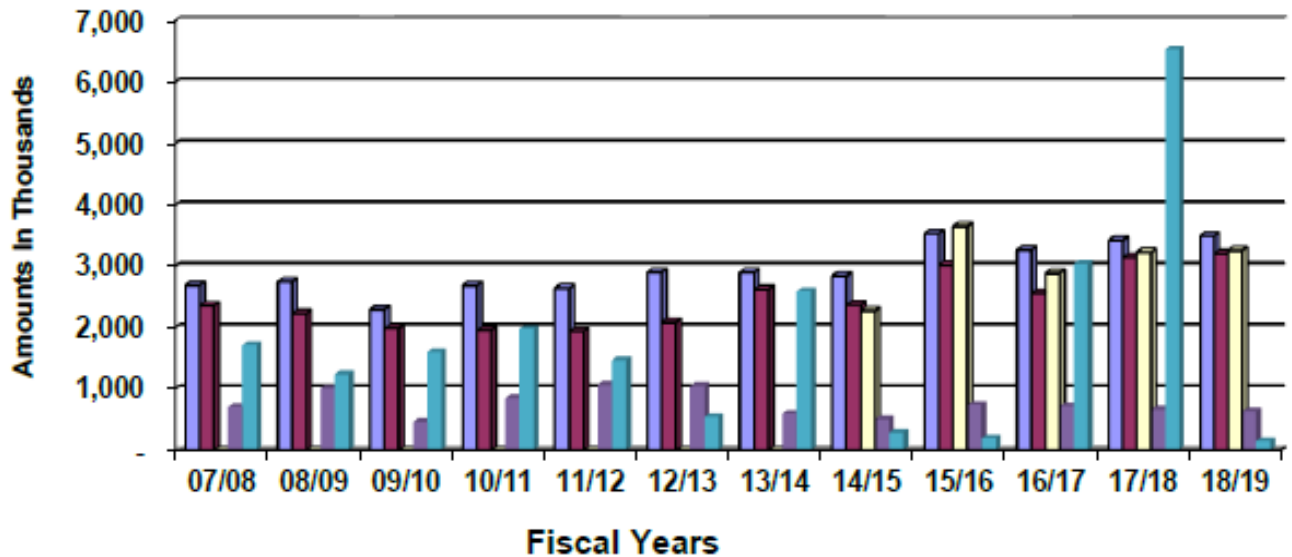
All Amount in Thousands

Description	A/C #	07/08 Actual	08/09 Actual	09/10 Actual	10/11 Actual	11/12 Actual	12/13 Actual	13/14 Actual	14/15 Actual	15/16 Actual	16/17 Budget	16/17 Projected	17/18 Budget	18/19 Budget
		\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
<b>General Fund</b>														
Current Property Tax	5016	5,276	5,131	4,436	4,363	4,475	5,039	5,617	5,459	5,498	5,459	5,459	5,888	6,424
Sales Tax	5061	4,864	4,136	4,414	4,302	4,650	4,570	5,125	5,047	7,189	7,221	7,221	7,438	7,661
Property Tax In-Lieu MVF	5012	3,933	3,877	3,449	3,363	3,354	3,299	3,391	3,671	3,880	3,700	3,880	3,961	441
Hotel Room Tax	5081	830	656	617	606	708	742	781	773	801	889	889	989	1,118
Utility User Tax	5082	2,956	2,775	2,711	2,938	2,934	3,068	3,029	3,437	3,183	3,183	3,435	3,502	3,661
Cost Allocation Reimbursement	5311	1,717	2,018	2,627	2,707	2,659	2,677	2,386	2,180	2,510	2,560	2,560	2,741	2,796
Muni Service Center	5247	1,987	1,524	1,485	1,927	1,987	1,989	1,560	1,394	1,368	1,949	1,562	1,862	1,907
Cannabis	5276	-	-	-	-	-	-	-	-	-	-	-	823	958
Special Sales Tax	5067	1,617	1,343	1,133	1,358	1,455	1,587	1,634	1,726	1,713	1,738	1,738	1,815	1,852
		23,180	21,460	20,872	21,564	22,222	22,971	23,523	23,687	26,122	26,699	26,724	28,999	26,818
<b>Enterprise Funds</b>														
Airport Fuel	5821	1,582	1,199	1,056	1,028	1,218	1,232	1,237	956	1,009	1,049	918	910	924
Airport Hangers	5459	716	742	750	751	800	834	885	959	1,025	1,029	1,047	1,108	1,108
Water Sales	5259	7,072	8,283	7,058	7,612	8,610	8,369	10,498	10,255	10,895	12,163	12,163	15,631	17,918
CWSRF Reimbursement	5890	-	-	-	-	-	-	-	-	-	1,800	420	6,566	24,108
Sewer Revenues	5237	5,186	4,842	5,005	4,947	4,556	5,128	5,633	5,924	6,545	7,596	7,433	8,087	8,784
Industrial Service Charges	5238	-	-	254	1,069	1,079	1,090	1,152	1,145	1,322	1,201	1,586	1,586	1,808
PVWMA Operational Reimb.	5801	-	-	-	2,747	1,694	1,245	1,454	1,133	2,076	1,827	1,806	1,830	1,833
Solid Waste Receipts	5864	7,499	7,054	7,169	7,715	7,980	8,304	8,866	9,439	10,188	10,779	10,606	11,697	12,693
		22,055	22,120	21,292	25,869	25,937	26,202	29,725	29,811	33,060	37,444	35,979	47,415	69,176
<b>Special Revenue Funds</b>														
Measure B Sales Tax	5062	2,697	2,754	2,299	2,693	2,649	2,902	2,904	2,846	3,541	3,274	3,428	3,430	3,499
Retirement Tax	5018	2,362	2,234	1,993	1,953	1,940	2,086	2,629	2,378	3,023	2,564	3,150	3,150	3,213
Measure G Sales Tax	5069	-	-	-	-	-	-	-	2,276	3,657	2,890	3,682	3,236	3,261
Federal Entitlement	5671	703	1,014	462	851	1,066	1,047	598	504	739	711	711	663	630
CDBG program Income	5883	502	146	167	98	167	88	295	166	302	915	915	925	426
Gas Taxes	Various	903	1,266	1,063	1,304	954	1,186	1,318	1,475	1,120	1,955	1,955	1,493	1,899
Gas Tax Grants	5890	1,714	1,237	1,606	1,989	1,469	542	2,603	279	197	3,046	3,046	6,540	145
Transportation Sales Tax	5070	-	-	-	-	-	-	-	-	-	-	-	750	750
		8,881	8,651	7,590	8,888	8,245	7,851	10,347	9,924	12,579	15,355	16,887	20,187	13,823
<b>Internal Service Funds</b>														
Health Premiums	5806	3,572	3,771	3,546	3,589	3,900	4,180	4,417	4,407	4,780	5,298	5,298	5,483	5,620
Workers' Comp	5807	1,300	1,382	1,428	1,488	1,548	1,595	1,306	1,553	1,870	1,909	1,909	2,008	2,068
Liability Premiums	5808	449	484	516	532	640	865	694	812	1,140	1,171	1,171	1,060	1,098
Self-ins-Health Employee Share	5810	449	484	516	532	640	865	1,230	1,319	1,552	1,489	1,489	1,541	1,580
		5,770	6,121	6,006	6,141	6,728	7,505	7,647	8,091	9,342	9,867	9,867	10,092	10,366
		59,886	58,352	55,760	62,462	63,132	64,529	71,242	71,513	81,103	89,365	89,457	106,693	120,183
<b>Percent of Total Revenue</b>													80%	83%

## General Fund, Major Revenues



## Special Revenue Funds, Major Revenues





**Measure B Sales Tax**—Adopted in 1996 and extended in June 2008, this 0.25% sales tax provides a substantial percentage of the operating budget for the Watsonville Public Library. There is no sunset date.

**Retirement Tax**—This is the pre-Proposition 13 property tax levy that is dedicated to the City's pension contributions to CalPERS. There is no sunset date.

**Measure G Sales Tax**—Adopted in June 2014, this is a 0.5% sales tax to support public safety services. It expires in 2021.

**Federal Entitlement**-- The City receives Community Development Block Grant Funds (CDBG) annually. These funds are used to support economic development and housing projects.

**Gas Tax Grants** – The City receives federal and state grants which are used with the City gas tax allocations for various street projects throughout the City. The large single-year amount in FY 17-18 is due to a convergence of multiple state and federal grants being reimbursed in one fiscal year.

**Measure M Cannabis Tax** – Adopted in November 2016, this set of taxes does not show on the chart, but is being integrated into the budget. Its proceeds will be used to pay for law enforcement and crime prevention services 20%, fire services 15%, community development 20%, parks and community services 25%, libraries 8%, and 12% non-profit social and community services 12%.

#### Net Change in Fund Balances, Last Ten Fiscal Years

	Fiscal Year									
	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
<b>Revenues</b>										
Taxes	36,748	38,012	35,781	32,660	33,903	28,860	27,448	29,725	32,466	35,754
Licenses, permits, and fees	6,649	4,716	4,221	2,970	3,506	3,272	2,757	4,855	5,248	5,795
Intergovernmental	13,171	15,995	8,889	5,608	4,461	7,670	4,530	3,032	2,458	3,336
Charges for services	2,083	3,949	3,581	4,326	5,243	4,773	4,704	2,447	2,458	2,945
Fines	466	608	666	984	757	804	588	622	552	690
Interest	3,534	2,463	1,783	1,650	1,127	2,344	2,309	2,084	2,076	2,168
Special assessment	153	156	144	147	112	172	229	92	91	77
Miscellaneous	2,219	4,203	3,519	1,929	449	956	475	825	1,995	2,810
Total revenues	65,023	70,102	58,584	50,274	49,558	48,851	43,040	43,682	47,344	53,575
<b>Expenditures</b>										
Current:										
General government	10,298	8,937	10,924	7,567	6,021	5,594	6,407	10,831	6,211	7,024
Public safety	18,759	16,415	20,807	21,738	20,250	18,473	20,353	21,155	22,887	25,173
Housing	4,285	1,933	1,244	8,720	5,919	3,191	1,566	820	1,298	1,389
Streets	3,875	3,647	3,913	6,084	6,844	8,598	6,509	6,182	4,252	3,655
Culture and recreation	3,955	3,156	4,162	6,039	5,745	6,152	6,051	6,743	7,172	8,045
Capital outlay	33,143	37,607	8,997	417	1,877	3,929	1,134	-	-	-
Debt service:										
Principal	1,715	1,828	1,877	1,993	8,549	2,139	1,381	439	495	429
Interest and fiscal charges	3,543	3,602	3,436	3,259	3,086	1,267	299	195	159	183
Total expenditures	79,573	77,125	55,360	55,817	58,291	49,343	43,700	46,365	42,474	45,898
Excess (deficiency) of revenues over (under) expenditures	(14,550)	(7,023)	3,224	(5,543)	(8,733)	(492)	(660)	(2,683)	4,870	7,677
<b>Other financing sources (uses)</b>										
Bond/note proceeds	179	-	-	-	-	3,014	695	191	-	-
Transfers in	10,550	7,916	7,169	9,460	18,321	5,883	4,388	3,238	3,340	3,692
Transfers out	(10,550)	(7,916)	(7,169)	(9,460)	(18,321)	(5,883)	(4,217)	(3,309)	(3,150)	(3,496)
Total other financing sources (uses)	179	-	-	-	-	3,014	866	120	190	196
Net change in fund balances before extraordinary items	(14,371)	(7,023)	3,224	(5,543)	(8,733)	2,522	206	(2,563)	5,060	7,873
Extraordinary items	-	-	-	-	-	(228)	-	-	-	-
Net change in fund balances	(14,371)	(7,023)	3,224	(5,543)	(8,733)	2,294	206	(2,563)	5,060	7,873
Debt service as a percentage of noncapital expenditures	12.8%	15.9%	12.9%	10.5%	26.0%	8.1%	4.1%	1.4%	1.6%	1.4%

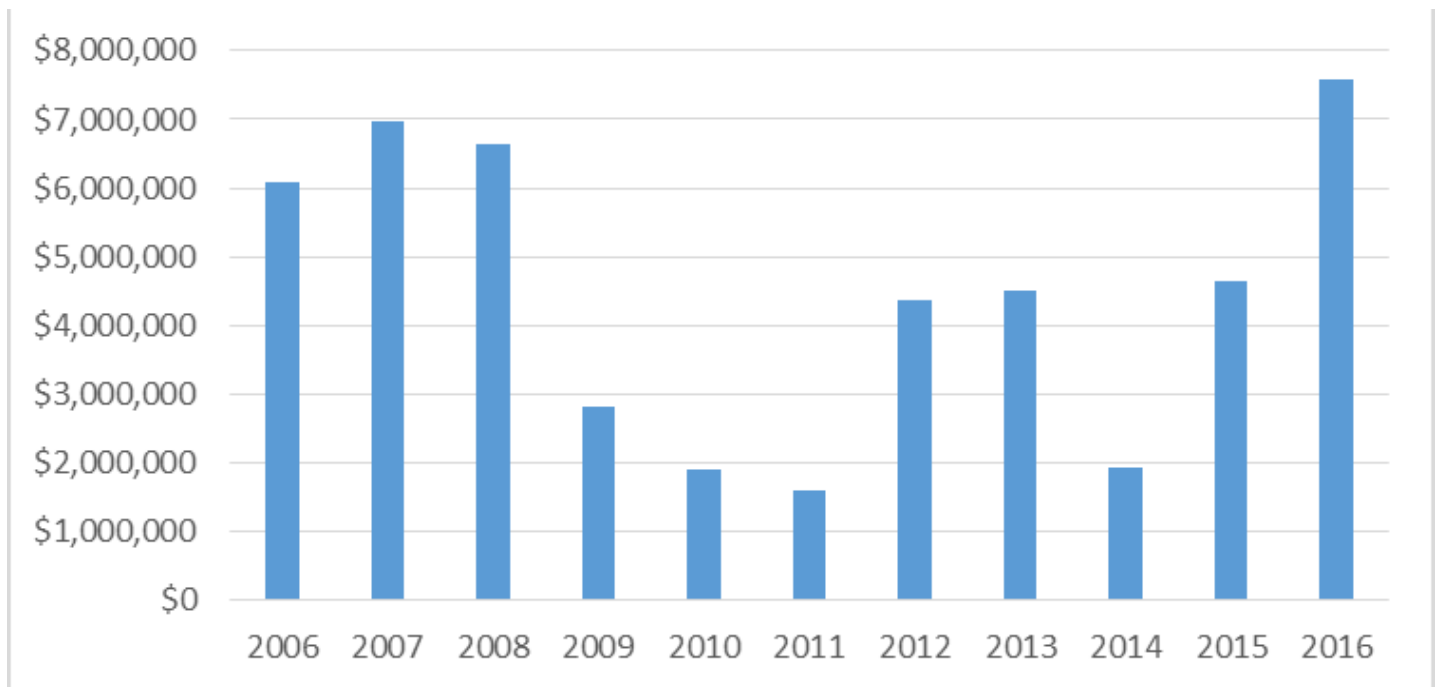
The City's 2015-17 Strategic Plan goals are aligned with the City of Watsonville's mission of "improving the economic vitality, safety and living environment for the culturally rich Watsonville community by providing leadership for the achievement of community goals and high quality, responsive public services." The goals, which drive the City's budget and operating decisions, are:

- Protect Public Safety
- Increase Opportunities to Promote Economic Development
- Reduce Reliance on Reserve Funds
- Improve Communications
- Enhance the Community's Image --Conserve Water.

### CITY OF WATSONVILLE FUNDS AND RESERVES

The City has general fund and special fund reserves. The General Fund was seriously depleted to pay for reduced services during the recent recession. In the last three years, it has been restored to pre-recession levels.

#### General Fund Balance Trend



Like the City of Salinas, the City of Watsonville has for many years utilized its annual General Fund revenues to fund the highest possible service levels in police, fire, and other critical services. Neither city has built up what would be considered a prudent reserve by more affluent cities. Watsonville is in a slightly better position with a higher fund balance per capita, more months in cash available, and a lower ration of liabilities to assets than Salinas.

**Watsonville vs. Comparable Cities FY 2015-16**  
(figures in thousands except population and general fund balance per capita)

	Salinas	Santa Cruz	Gilroy	Monterey	Morgan Hill	Median	Watsonville
Population	157,380	64,220	53,231	28,338	42,948	53,231	53,111
GF Revenues & Other Sources	\$92,867	\$91,092	\$46,190	\$64,423	\$34,140	\$64,423	\$39,373
GF Expenditures	86,271	86,766	45,294	67,916	32,293	67,916	35,616
GF Fund Balance	18,100	30,960	22,287	32,095	17,546	22,287	7,593
GF Fund Balance Per Capita	\$115	\$482	\$419	\$1,133	\$409	\$419	\$143
Fund Balance, % GF Expenditure	20.98%	35.68%	49.21%	47.26%	54.33%	32.82%	21.32%
General Fund Cash	19,825	16,226	17,893	14,613	13,349	16,226	8,419
Months Cash Available	2.76	2.24	4.74	2.58	4.96	2.87	2.84
GF Assets	42,826	35,713	24,963	43,565	19,054	35,713	22,547
GF Liabilities	24,726	4,685	2,352	11,469	1,508	4,685	10,486
Liabilities / Assets	57.7%	13.1%	9.4%	26.3%	7.9%	13.1%	46.5%

Sources: Original sources are the FY 2015-16 Comprehensive Annual Financial Reports for each City, if not available, FY 2014-15 data is used. This table is adapted by LAFCO staff from City of Watsonville, California Final Biennial Budget 2017-2018 / 2018-2019, page iv.

## PENSION COSTS

Watsonville contracts with the California Public Employees Retirement System (CalPERS) to provide pensions for its employees. In order to reduce the unfunded liabilities in the system, CalPERS is increasing the pension costs, as shown on the following table:

Pension Costs by Employee Group (figures in millions of dollars)					
Fiscal Year	17-18	18-19	19-20	20-21	21-22
Miscellaneous	3.0	3.5	4.2	4.9	5.3
Police	1.3	1.6	1.9	2.6	2.6
Fire	1.3	1.6	1.9	2.6	2.6
TOTAL	6.7	8.0	9.5	11.3	12.8
Property tax levy*	3.3	3.5	3.6	3.8	4.0
General and enterprise funds	3.4	4.5	5.9	7.5	8.8

\*Prior to the enactment of Proposition 13 in 1978, the City of Watsonville had a dedicated property tax levy, separate from its general fund levy, to use for pension payments. The pension property tax levy remains in place.

Source: City of Watsonville, California, Final Biennial Budget, 2017-19, page 399.

Growth in property tax levy is estimated by LAFCO staff at 5% per year.

Watsonville’s pension costs are expected to increase approximately \$5 million in the next four years. A recent study by the League of California Cities<sup>2</sup> estimates that the average California city will see its pension contributions increase from 11.2% of general fund budget in 2017-18 to 15.8 % of general fund budget in 2024-25. Watsonville looks to be facing a larger impact than the average California city. The League study identifies both statewide efforts to address pension system sustainability, and local efforts that cities can pursue to generate revenues and savings so that public services will not be seriously reduced.

<b>5. SHARED SERVICES AND FACILITIES</b>			
Status of, and opportunities for, shared facilities.			
	YES	MAYBE	NO
a) Are there any opportunities for your agency to share services or facilities with neighboring or overlapping organizations that are not currently being utilized?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
b) Are there any governance options that may produce economies of scale and/or improve buying power in order to reduce costs?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
c) Are there governance options to allow appropriate facilities and/or resources to be shared, or making excess capacity available to others, and avoid construction of extra or unnecessary infrastructure or eliminate duplicative resources?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>

**Discussion:** a) Watsonville’s water service area abuts two small districts—the Central Water District and the Salsipuedes Sanitary District. The Central Water District in Aptos operates as an independent entity. The Salsipuedes Sanitary District maintains its collection system, and pays the City of Watsonville for treatment at the regional plant. The 2015 Service Review for the Salsipuedes Sanitary District identified a potential to reorganize the Salsipuedes Sanitary District either by contracting for collection system maintenance from the City, or by annexing to the Santa Cruz County Sanitation District or a new regional sanitation district. The analysis should be performed in the next few years.

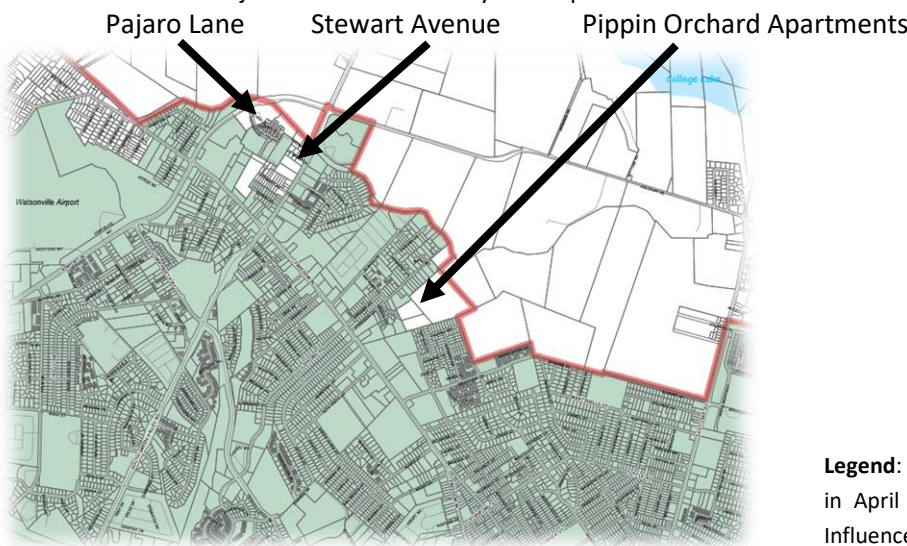
<sup>2</sup> League of California Cities Retirement System Sustainability Study and Findings, January 2018 at: [https://www.cacities.org/Resources-Documents/Policy-Advocacy-Section/Hot-Issues/Retirement-System-Sustainability/League-Pension-Survey-\(web\)-FINAL.aspx](https://www.cacities.org/Resources-Documents/Policy-Advocacy-Section/Hot-Issues/Retirement-System-Sustainability/League-Pension-Survey-(web)-FINAL.aspx)

## 6. ACCOUNTABILITY, STRUCTURE AND EFFICIENCIES

Accountability for community service needs, including governmental structure and operational efficiencies.

	YES	MAYBE	NO
a) Are there any issues with your agency's meetings being accessible and well publicized? Are there any issues with your agency failing to comply with financial disclosure laws and the Brown Act?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
b) Are there any issues with filling board vacancies and maintaining board members?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
c) Are there any issues with staff turnover or operational efficiencies?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
d) Is your agency's budget unavailable to the public via the internet?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
e) Are there any recommended changes to your agency's structure that will increase accountability and efficiency?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
f) Are there any governance restructure options to enhance services and/or eliminate deficiencies or redundancies?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
g) Are there any opportunities to eliminate overlapping boundaries that confuse the public, cause service inefficiencies, increase the cost of infrastructure, exacerbate rate issues and/or undermine good planning practices?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>

**Discussion:** Two small urbanized pockets are located within the City's Sphere of Influence and are candidates for potential annexation to improve service efficiencies and promote good planning. These are the Atkinson Lane area, where the Pippin Orchard Apartments are currently under construction, and the Stewart Avenue/Pajaro Lane area. The Stewart area includes developed housing and a few businesses along Green Valley Road, such as the Freedom Meat Market. The Pajaro Lane area is totally developed with residential uses.



**Legend:** Shaded areas are inside city limits in April 2018. Red line is the Sphere of Influence adopted for the City of Watsonville.



## 7. OTHER ISSUES

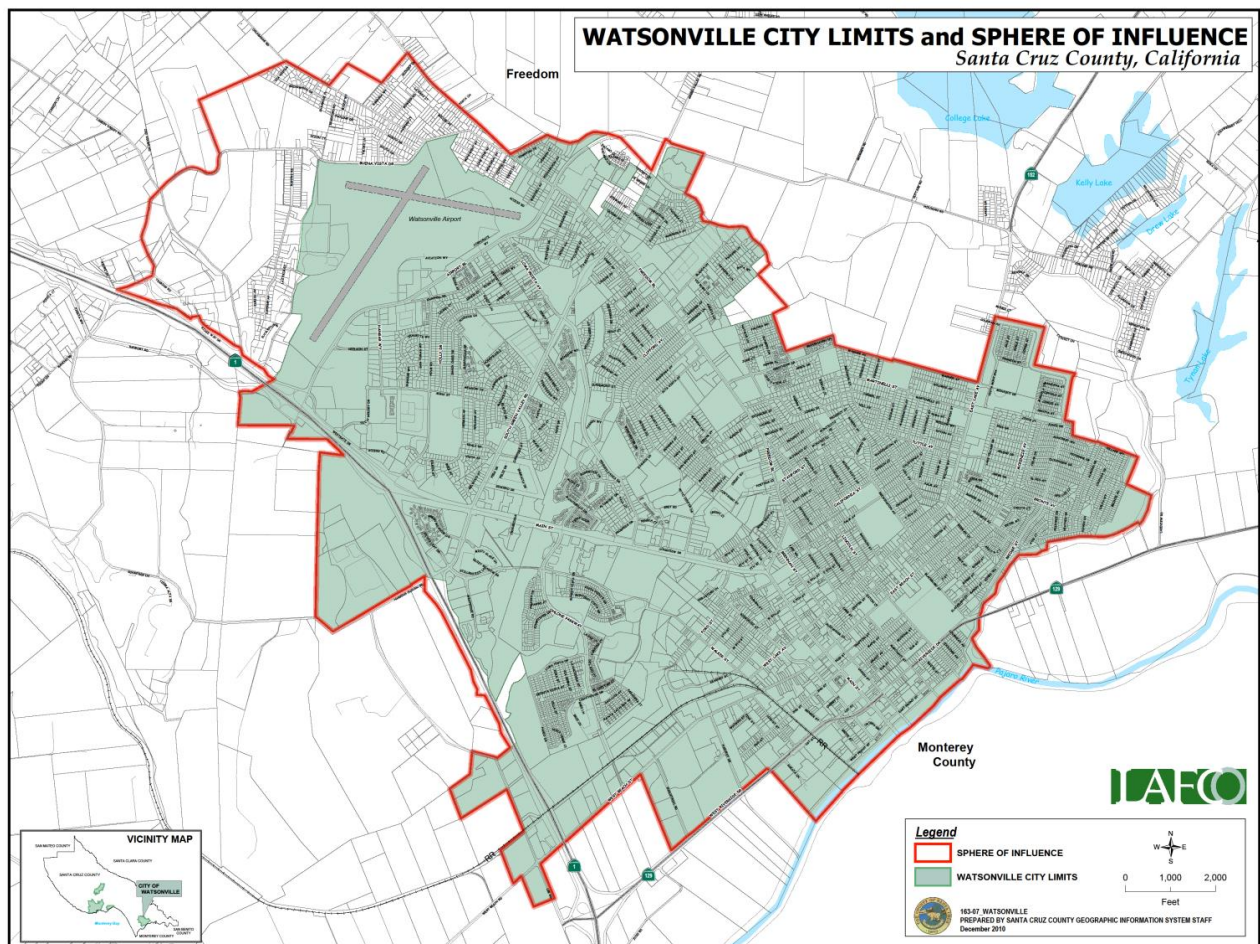
Any other matter related to effective or efficient service delivery, as required by commission policy.

	YES	MAYBE	NO
a) Are there any other service delivery issues that the agency wants addressed in the service and sphere review process?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>

END OF SERVICE REVIEW

## SPHERE OF INFLUENCE STUDY FOR THE CITY OF WATSONVILLE

- ☒ Neither the City of Watsonville nor the LAFCO staff is proposing any changes in the adopted Sphere of Influence map. The Sphere was last reviewed in 2008.



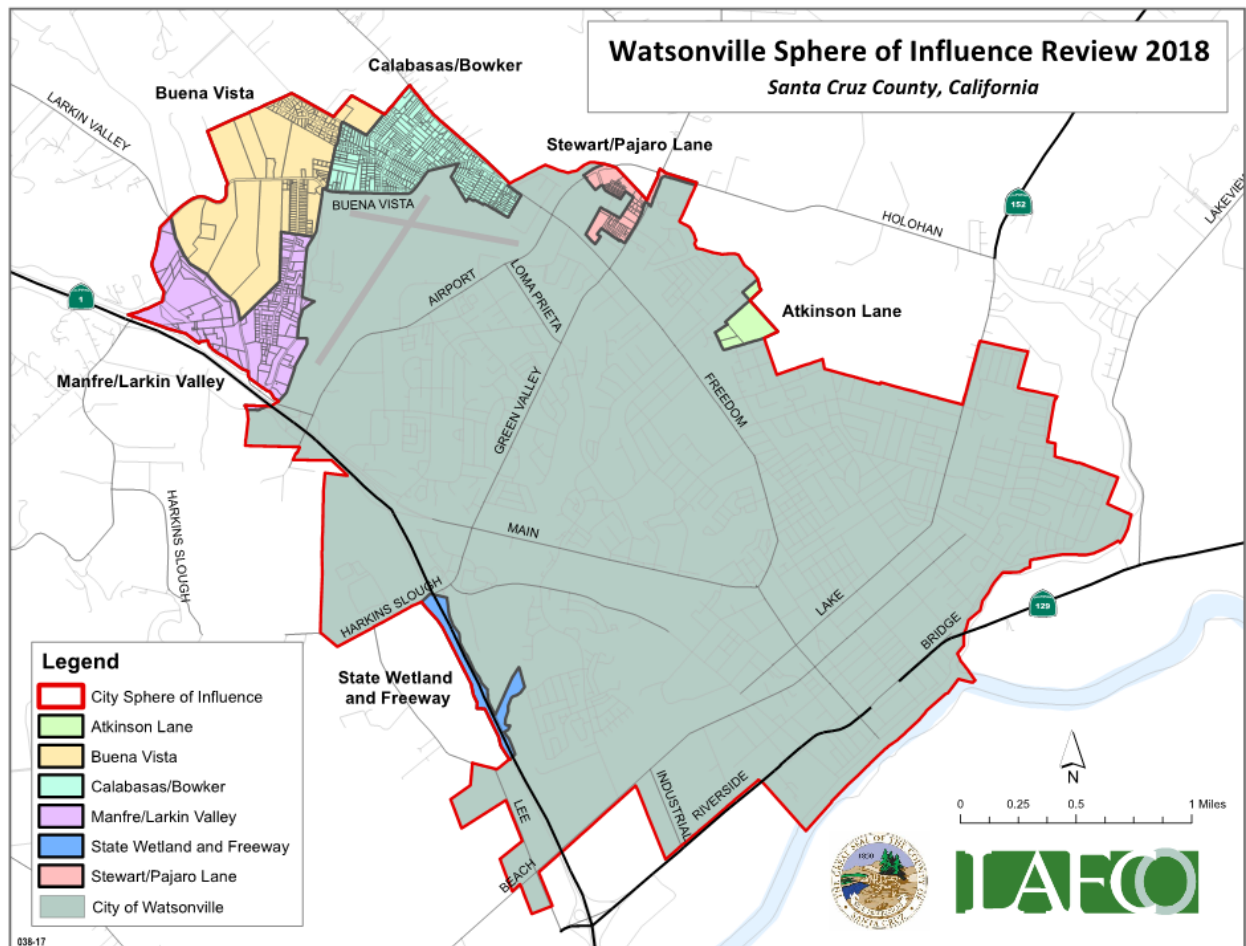
Link to map: [Watsonville City Sphere of Influence](#)

Watsonville is currently operating under the “old” general plan that was adopted in 1994 with a horizon year of 2005. This plan was subsequently amended to incorporate the growth plan adopted by the city voters in Measure U of 2002. The City prepared a Watsonville Vista 2030 General Plan in 2006; however, it has been in constant litigation and has not been implemented.

In the future, when the City has adopted an updated General Plan and has a certified environmental impact report for its General Plan, it may propose conforming amendments to the adopted Sphere of Influence. Until then, the adopted Sphere of Influence allows annexation applications in six areas.

The adopted Sphere of Influence contains 855 parcels in six unincorporated areas around Watsonville:

<u>Study Area</u>	<u>Parcels</u>	<u>Parcel Acres</u>	<u>Right-of-Way Acres</u>	<u>Total Acres</u>
Manfre/Larkin Valley	163	140.5	21.6	162.1
Buena Vista	154	248.7	12.8	261.5
Atkinson Lane	4	21.3	0.0	21.3
Stewart/Pajaro Lane	98	26.1	5.7	31.8
State Wetland and Freeway	1	7.4	23.4	30.8
Calabasas/Bowker	435	113.3	21.8	135.1
<b>Total Unincorporated Sphere 2018</b>	<b>855</b>	<b>557.3</b>	<b>85.3</b>	<b>642.6</b>



## SUMMARY OF POTENTIALLY SIGNIFICANT SPHERE DETERMINATIONS

The sphere determinations below are potentially significant, as indicated by “yes” or “maybe” answers to the key policy questions in the checklist and corresponding discussion on the following pages. Since neither the City of Watsonville nor the LAFCO staff are proposing any changes to the City’s sphere of influence map, no evaluation topics were selected for further analysis.

- ☐ 1. Present and Planned Land Uses
- ☐ 2. Need for Public Facilities and Services
- ☐ 3. Capacity and Adequacy of Provide Services
- ☐ 4. Social or Economic Communities of Interest
- ☐ 5. Disadvantaged Unincorporated Communities

1. PRESENT AND PLANNED LAND USES			
The present and planned land uses in the area, including agricultural and open-space lands.			
	YES	MAYBE	NO
a) Are there any present or planned land uses in the area that would create the need for an expanded service area?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
b) Would the amended sphere conflict with planned, orderly and efficient patterns of urban development?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
c) Would the amended sphere result in the loss of prime agricultural land or open space?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
d) Would the amended sphere impact the identity of any existing communities; e.g. would it conflict with existing postal zones, school, library, sewer, water, census, fire, parks and recreation boundaries?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
e) Are there any natural or made-made obstructions that would impact where services can reasonably be extended or should otherwise be used as a logical sphere boundary?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>

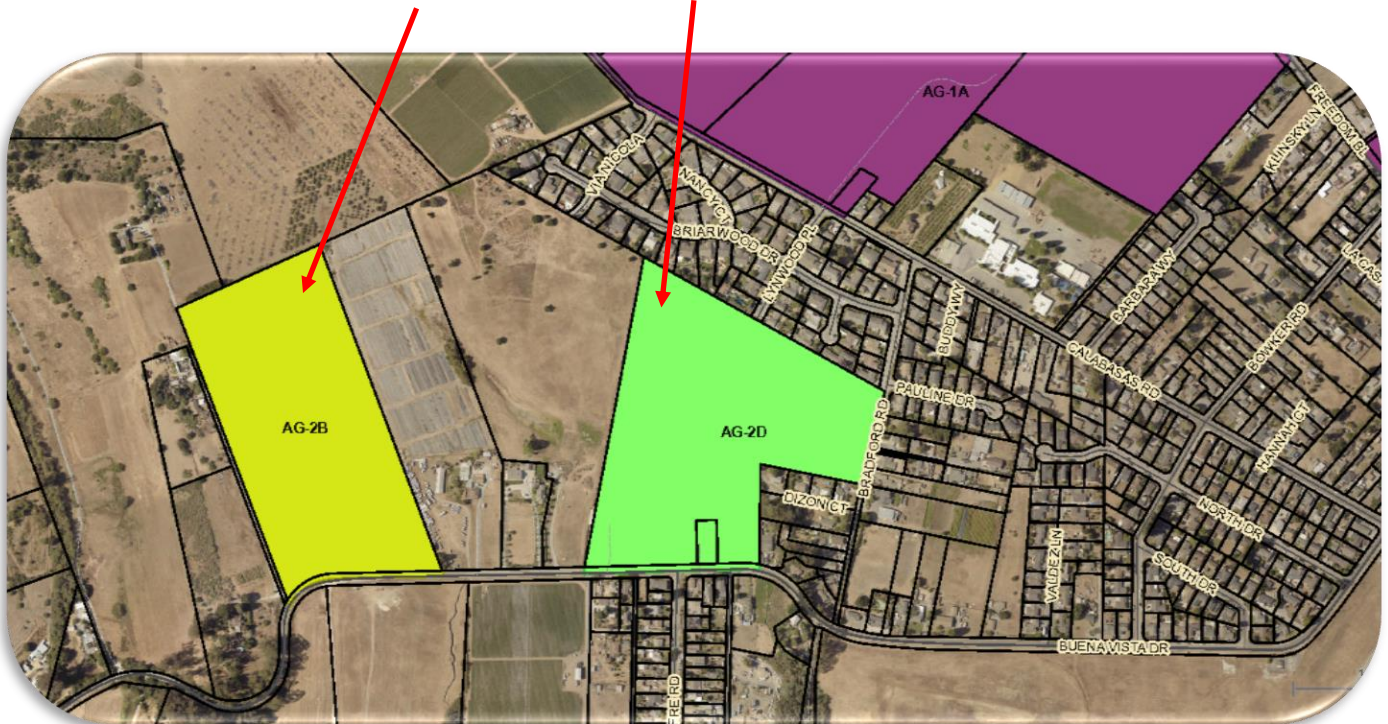
**Discussion:** The current sphere review does not propose to amend the currently adopted Sphere of Influence. Within the adopted Sphere of Influence, there are two parcels designated as Agricultural Resource by the County of Santa Cruz. Both parcels are located on the north side of Buena Vista Drive. APN 049-521-01 at 612 Buena Vista Drive contains 22 acres. APN 049-171-02 at 646 Buena Vista Drive contains 20 acres. These parcels are isolated from larger agricultural areas, are close to urbanized neighborhoods, and are needed to form a contiguous planning area along Buena Vista Drive.





646 Buena Vista Drive

612 Buena Vista Drive



County Agricultural Resource Map Legend:

- AG-1A Viable Agricultural Land
- AG-2B Limited Agricultural Land – Geographically Isolated
- AG-2D Limited Agricultural Land Experiencing Use Conflicts

## 2. NEED FOR PUBLIC FACILITIES AND SERVICES

The present and probable need for public facilities and services in the area.

	YES	MAYBE	NO
a) Would the amended sphere conflict with the Commission's goal to increase efficiency and conservation of resources by providing essential services within a framework of controlled growth?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
b) Would the amended sphere expand services that could be better provided by a city or another agency?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
c) Would the amended sphere represent premature inducement of growth or facilitate conversion of agriculture or open space lands?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
d) Would the amended sphere conflict with the Regional Housing Needs Allocation Plan adopted by the Association of Monterey Bay Governments (RHNA)?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
e) Are there any areas that should be removed from the sphere because existing circumstances make development unlikely, there is not sufficient demand to support it or important open space/prime agricultural land should be removed from urbanization?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
f) Have any agency commitments been predicated on expanding the agency's sphere such as roadway projects, shopping centers, educational facilities, economic development or acquisition of parks and open space?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>

**Discussion:** The current sphere review does not propose to amend the currently adopted Sphere of Influence.

## 3. CAPACITY AND ADEQUACY OF PROVIDED SERVICES

The present capacity of public facilities and adequacy of public services that the agency provides or is authorized to provide.

	YES	MAYBE	NO
a) Are there any issues regarding the agency's capacity to provide services in the proposed sphere territory?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
b) Are there any issues regarding the agency's willingness and ability to extend services?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>

**Discussion:** The current sphere review does not propose to amend the currently adopted Sphere of Influence.

#### 4. SOCIAL OR ECONOMIC COMMUNITIES OF INTEREST

The existence of any social or economic communities of interest in the area if the commission determines that they are relevant to the agency.

	YES	MAYBE	NO
a) Are there particular neighborhoods or areas that should be added or excluded from your agency's sphere because those areas function as part of your community or another community socially or economically?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>

**Discussion:** The current sphere review does not propose to amend the currently adopted Sphere of Influence.

#### 5. DISADVANTAGED UNINCORPORATED COMMUNITIES

For an update of an sphere of influence of a city or special district that provides public facilities or services related to sewers, municipal and industrial water, or structural fire protection, the present and probable need for those public facilities and services of any disadvantaged unincorporated communities within the existing sphere of influence. Additional smaller areas may be identified by LAFCO, the County, or a City in the future.

	YES	MAYBE	NO
a) Does the subject agency provide public services related to water, sanitary sewers, or structural fire protection?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
b) If yes, does the proposed sphere exclude any nearby disadvantaged unincorporated community (80% or less of the statewide median household income) that does not already have access to public water or sanitary sewer service?	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>

**Discussion:** See the discussion of disadvantaged communities on pages 22-24 of this report.

#### ENVIRONMENTAL REVIEW

Pursuant to the California Environmental Quality Act, LAFCO is lead agency for the 2018 City of Watsonville Sphere of Influence Review. In a separate document, LAFCO is circulating an Initial Study. Agency and public comments are welcome. The Initial Study can be accessed at:  
<http://www.santacruzlafco.org/notices/>

#### LINKS TO CITY DOCUMENTS CITED IN THIS REVIEW

Biennial Budget	<a href="http://www.cityofwatsonville.org/ArchiveCenter/ViewFile/Item/561">www.cityofwatsonville.org/ArchiveCenter/ViewFile/Item/561</a>
Strategic Plan	<a href="http://www.cityofwatsonville.org/documentcenter/view/1266">www.cityofwatsonville.org/documentcenter/view/1266</a>
June 30, 2016 Audit (CAFR)	<a href="http://www.cityofwatsonville.org/DocumentCenter/View/6269">www.cityofwatsonville.org/DocumentCenter/View/6269</a>

END OF SPHERE REVIEW



**APPENDIX A, BOUNDARY CHANGE APPLICATIONS AND SPHERE ACTIONS 1964 - 2018**

<b>LAFCO TITLE</b>	<b>LAFCO ACTION DATE</b>	<b>ACTION</b>
Manabe/Burgstrom Reorganization	10/19/2005	Approved
Village Associates/Delta Way Reorganization	3/6/2002	Approved
Village Associates III Reorganization	9/1/1999	Denied
Freedom/Carey Reorganization	3/1/2000	Approved
Village Associates II Reorganization		Withdrawn
Change Conditions of Sphere of Influence	6/3/1998	Approved
Amend Sphere of Influence (Buena Vista, Manabe/Burgstrom)	10/29/1997	Approved
Hospital Reorganization	1/8/1997	Approved
Village Associates Reorganization	5/7/1997	Denied
Clifford/Arthur Reorganization	6/5/1996	Approved
Riverside Dr. Reorganization Manabe/Burgstrom	9/1/1999	Denied
Monument Lumber/Burchell Ave. Reorganization	2/7/1996	Approved
Freedom School/Green Valley Reorganization	2/7/1996	Approved
Green Valley Rd./Carnation Reorganization	6/7/1995	Approved
Freedom Blvd./Foster's Freeze Reorganization	6/9/1993	Approved
Airport Blvd./Graybeal Reorganization	11/6/1991	Approved
Freedom School Reorganization		Terminated by City
East Lake Ave./Franich Reorganization	4/14/1994	Approved
Rescind East Lake Ave./Franich Reorganization	10/7/1987	Approved
East Lake Ave./Franich Reorganization	9/1/1982	Approved
Watsonville Sphere of Influence	1/12/1983	Approved
Panabaker Lane Reorganization	4/1/1981	Approved
Graybeal Reorganization	12/3/1980	Approved
Crestview Reorganization	11/7/1979	Approved
Green Valley Rd./Pennsylvania Dr. 2 Reorganization	9/5/1979	Approved
Green Valley Rd./Pennsylvania Dr. Reorganization	9/5/1979	Approved
Westside 2 Reorganization (Westridge, Lee)	4/4/1979	Approved
Amend Interim Sphere of Influence for Westside (Westridge, Lee)	4/4/1979	Approved
Westside Reorganization (Landmark, Lee)	2/7/1979	Approved
Erta et al. Reorganization	7/12/1978	Approved
Sanitary Landfill Reorganization	4/5/1978	Approved
Beach Rd. (Area No. 61) Reorganization	3/1/1978	Denied
Crestview Dr. Reorganization	4/5/1978	Approved
Freedom Reorganization	12/6/1978	Failed by landowner petition
Adopt Interim Sphere of Influence for Westside (Landmark, Lee)	9/7/1977	Approved
Westside Reorganization (Errington Road)	9/7/1977	Approved
Crestview Dr. Reorganization	7/6/1977	Approved
Westside Reorganization (Landmark, Mine, Lee Road)	5/4/1977	Denied
Pajaro Village (Unit 3) Reorganization	4/6/1976	Denied
Watsonville Reorganization 1975 (various districts)	11/5/1975	Approved

<b>LAFCO TITLE</b>	<b>LAFCO ACTION DATE</b>	<b>ACTION</b>
KOMY Radio Annexation	9/3/1975	Approved
Airport Blvd Annexation	8/6/1975	Approved
Beach Rd. Annexation	9/3/1975	Approved
Industrial Annexation	3/5/1975	Approved
Crestview Annexation	8/14/1974	Time expired
La Bella Vista Annexation	6/12/1974	Approved
Change Area of Freedom Blvd. 383-B Annexation	10/9/1974	Approved
Designate Area of Freedom Blvd. 383-B Annexation	8/14/1974	Approved
Designate Area of Freedom Blvd. 383-A Annexation	8/14/1974	Approved
Freedom Blvd. Annexation	7/10/1974	Approved
Riverside Annexation	7/18/1973	Approved
Green Valley Annexation	11/15/1972	Petition withdrawn
Levee Two Annexation	3/15/1972	Approved
Airport Blvd. Detachment	5/19/1971	Approved
Airport No. 4 (Area No. 40) Annexation	4/21/1971	Approved
Airport No. 3 (Area 39) Annexation	1/20/1971	Approved
Alden (Area 38) Annexation	6/17/1970	Approved
Holm Rd. Annexation	3/18/1970	Approved
Pinto Lake Annexation # 2	11/19/1969	Approved
United Foods Annexation (Area No. 35)	6/18/1969	Approved
Pacific Extrusions (Area No. 34) Annexation	5/21/1969	Approved
Airport (Area No. 33) Annexation	5/21/1969	Approved
Levee Annexation (Area No. 32)	4/17/1968	Approved
Pinto Annexation (Area No. 31)	1/17/1968	Approved
United Annexation (Area No. 30)	11/15/1967	Approved
Alta Annexation (Area No. 29)	11/15/1967	Approved
Roach Annexation (Area No. 28)	11/15/1967	Approved
Highway Annexation (Area No. 27)	8/16/1967	Approved
East Lake Ave. Annexation (Area 25)	9/21/1966	Approved
West Side Annexation (Area 24)	9/21/1966	Approved
All Saints Parish Church (Area 23) Annexation	2/16/1966	Approved
East Lake Village (Area 22)	9/15/1965	Approved
Crestview (Area No. 20) Annexation	10/20/1964	Approved
Rodgers Addition (Area No. 21) Annexation	10/20/1964	Approved
Beach Rd. (Area No. 16) Annexation	10/20/1964	Approved
Wells Fargo Property (Area 19) Annexation	1/21/1964	Approved

# APPENDIX B, WATSONVILLE AND SANTA CRUZ COUNTY POPULATIONS, 1870 - 2040

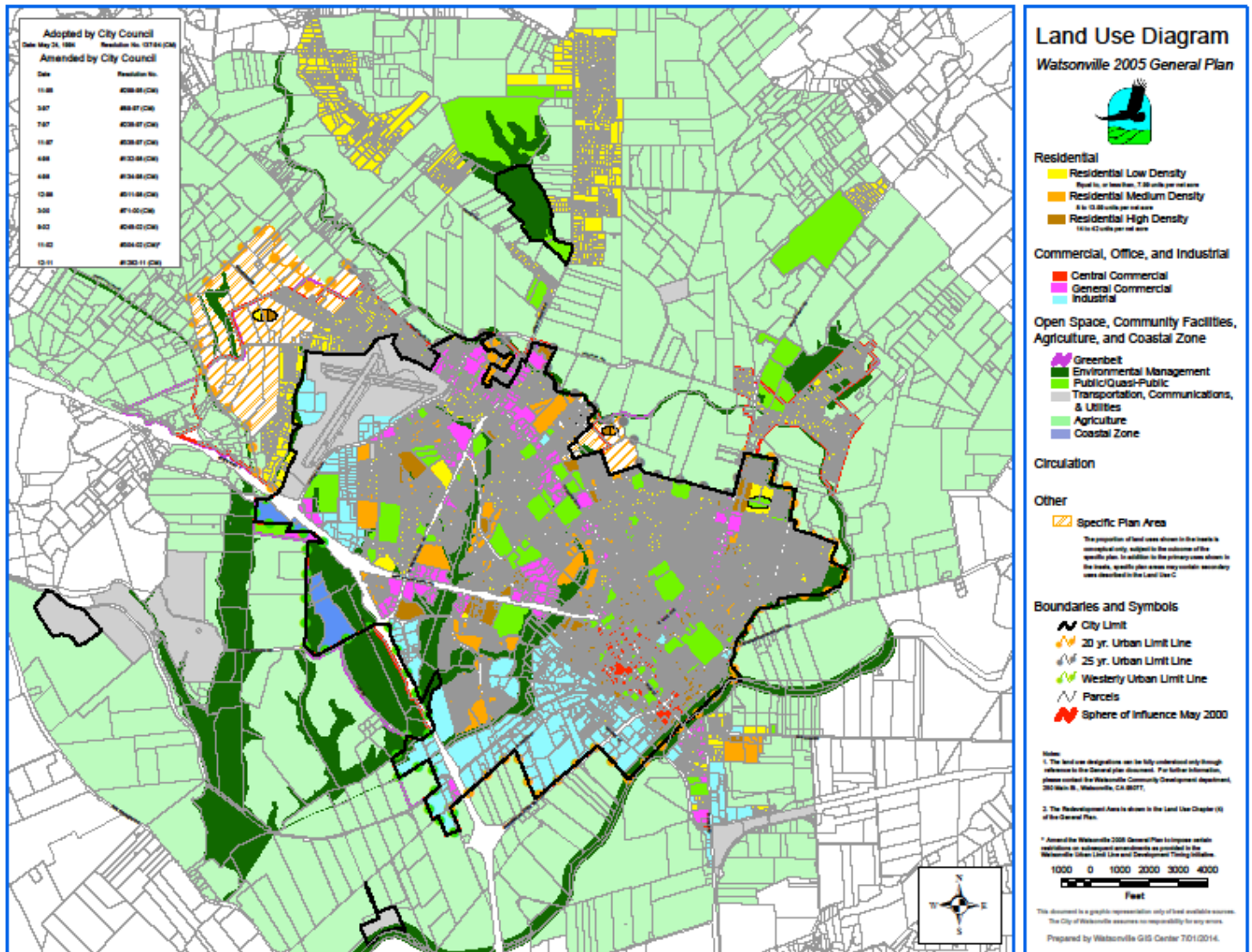
Year	Watsonville	County	Watsonville % of County	Source
1870	1,151	8,743	13.2	US Census
1880	1,799	12,802	14.1	"
1890	2,149	19,270	11.2	"
1900	3,528	21,512	16.4	"
1910	4,446	26,140	17.0	"
1920	5,013	26,269	19.1	"
1930	8,344	37,433	22.3	"
1940	8,937	45,057	19.8	"
1950	11,572	66,534	17.4	"
1960	13,293	84,219	15.8	"
1970	14,569	120,882	12.1	"
1980	23,543	188,141	12.5	"
1990	31,099	229,734	13.5	"
2000	44,265	255,602	17.3	"
2010	51,199	262,382	19.5	"
2015	52,562	273,594	19.2	California Dept. of Finance, E-1
2017	53,015	276,603	19.2	"
2020	53,536	281,147	19.0	AMBAG Draft 2018 Forecast
2025	55,187	287,700	19.2	"
2030	56,829	294,238	19.3	"
2035	58,332	300,685	19.4	"
2040	59,743	306,881	19.5	"

Sources: US Census 187 –2010, California Department of Finance 2015-2017, AMBAG Draft 2018 Forecast 2020-2040

## APPENDIX C, CITY PLANNING ACTIVITIES SINCE 1994 THAT RELATE TO SPHERE OF INFLUENCE

<b><u>Year</u></b>	<b><u>Activity</u></b>
1994	Adoption of General Plan for 2005
2000	High School Agreement with Coastal Commission
2002	Passage of Measure U Growth Initiative
2002	Approval of Villages Annexation
2005	Approval of Manabe/Burgstrom Annexation
2006	Completion of Watsonville Vista 2030 General Plan
2006	Litigation Filed Challenging EIR for Watsonville Vista 2030 General Plan around Airport
2008	LAFCO's Most Recent Review of City's Sphere of Influence
2009	Adoption of City/County Atkinson Lane Specific Plan
2010	Court Finds EIR Inadequate and Invalidates Watsonville Vista 2030 General Plan
2013	Defeat of Measure T Initiative to Add Lands Between W. Beach St. and Riverside Drive to Growth Plan
2013	City Revises Draft Watsonville Vista 2030 General Plan and EIR
2014	Court Finds that Watsonville Vista 2030 General Plan Is Still Inadequate
2014	Settlement Agreement Greatly Limiting Development in the Atkinson Lane Specific Plan Area
2018	Atkinson Lane/Pippin Orchard Apartments Annexation with LAFCO

## APPENDIX D, WATSONVILLE 2005 GENERAL PLAN LAND USE MAP



Watsonville 2005 General Plan Map Link: <https://www.cityofwatsonville.org/DocumentCenter/View/189>