

CITY COUNCIL AGENDA REPORT

MEETING DATE: Tuesday, May 13, 2025

TO: City Council

RECOMMENDED BY: PUBLIC WORKS & UTILITIES DIRECTOR LINDBERG
ASSISTANT PUBLIC WORKS & UTILITIES DIRECTOR FONTES

APPROVED BY: TAMARA VIDES, CITY MANAGER

SUBJECT: Hillcrest Estates Subdivision Final Map and Public and On-Site Improvement Agreement

RECOMMENDATION:

Staff recommends that the City Council adopt resolutions approving:

- 1) Public and On-Site Improvement Agreement; and
- 2) Final Map for the Hillcrest Stage 2 Tract Number 1607.

BACKGROUND:

On June 15, 2017, an application for a Major Subdivision (Tentative Map) to allow construction of 150 dwelling units on individual parcels on a 13± acre site located at 511 Ohlone Parkway, Watsonville, California, was filed by California Sunshine Development LLC, the applicant. On August 28, 2018, the Council adopted Resolution No. 141-18 (CM) approving a Tentative Map for Tract No. 1607.

On August 25, 2020, the Council adopted Resolution No. 161-20 (CM) approving a two-year time extension of the Tentative Map.

On July 6, 2021, the Council adopted Resolution No. 210-21 (CM) approving a First Amended Tentative Map for the Hillcrest Estates Subdivision. The amended Tentative Map included 144 lots with 5 single-family detached units, 60 duplex townhouse units and 76 row townhouse units.

On May 10, 2022, the Council adopted Ordinance No. 1431-22 (CM) approving a Development Agreement between Hillcrest Watsonville, LLC and the City.

On December 5, 2023, the Council adopted Resolution No. 241-22 (CM) approving a Public and On-Site Improvement Agreement between the City and Landco Hillcrest, LLC and Council Resolution No. 242-22 (CM) approving the Final Subdivision Map for Hillcrest Subdivision Stage 1, Tract 607 to develop 27 lots.

DISCUSSION:

Landco Hillcrest, LLC prepared and submitted a Final Map and Public and On-Site Improvement Agreement for approval for Hillcrest Stage 2 Tract 1607 to develop the remaining 114 lots within the subdivision. The Improvement Agreement provides for constructing infrastructure improvements such as grading, drainage, and utilities within one year of agreement approval and provides financial guarantees to complete the work in the event of default.

CALIFORNIA ENVIRONMENTAL QUALITY ACT (CEQA) DETERMINATION:

This action implements the approvals analyzed and considered by the Sunshine Vista Environmental Impact Report and its associated Addendums (State Clearinghouse Number: 2017032041). Any potentially significant effects have been adequately analyzed and have been avoided or mitigated pursuant to that earlier EIR and Addendums, including revisions or mitigation measures that are imposed upon the proposed project. In addition, none of the conditions described in California Code of Regulations, Section 15162, exist. Therefore, no further action is required under the California Environmental Quality Act (CEQA).

STRATEGIC PLAN:

This project is consistent with Strategic Plan Priority:

2-Infrastructure & Environment

3-Housing

FINANCIAL IMPACT:

The project will pay the fees identified in the Improvement Agreement, which include fees for reviewing the Improvement Plans, processing the Improvement Agreement, reviewing and processing the Final Map as well as utility connection fees and impact fees.

ALTERNATIVE ACTION:

Not approving the Improvement Agreement and/or the Final Map is inconsistent with City Council's previous approval of the Amended Tentative Map and would violate provisions of the State Map Act.

ATTACHMENTS AND/OR REFERENCES (IF ANY):

None.