



CITY COUNCIL AGENDA REPORT

MEETING DATE: Tuesday, April 14, 2026
TO: CITY COUNCIL
WRITTEN BY: COMMUNITY DEVELOPMENT DIRECTOR ORBACH
RECOMMENDED BY: COMMUNITY DEVELOPMENT DIRECTOR ORBACH
APPROVED BY: TAMARA VIDES, CITY MANAGER

SUBJECT: ORDINANCE AMENDING CHAPTER 14-16 (DISTRICT REGULATIONS) OF THE WATSONVILLE MUNICIPAL CODE TO CONDITIONALLY PERMIT COMMERCIAL USES ON PARCELS ZONED PUBLIC FACILITIES (PF) AND LOCATED IN THE DOWNTOWN WATSONVILLE SPECIFIC PLAN AREA

RECOMMENDATION:

City Staff recommends the City Council introduce, for first reading only, waiving full reading of the text, an Ordinance amending Chapter 14-16 (District Regulations) of Title 14 (Zoning) of the Watsonville Municipal Code to conditionally permit commercial uses on parcels zoned Public Facilities (PF) and located in the Downtown Watsonville Specific Plan area.

BACKGROUND:

On April 22, 2003, the Watsonville City Council adopted Ordinance No. 1156-03, which amended Title 9 (Planning and Zoning) and Title 14 (Zoning) of the Watsonville Municipal Code relating to Public Facilities and Institutional zoning districts.

On September 11, 2018, the Watsonville City Council adopted Ordinance No. 1373-18, which amended Section 14-16.802 (Permitted, Development Permitted, and Special Use Permit Uses (Table)) and Section 14-16.803 (Use Regulations) of Part 8: PF – Public Facilities and N – Institutional Districts of Chapter 14-16 (District Regulations) of Title 14 (Zoning) of the Watsonville Municipal Code to allow emergency shelters by right in the PF – Public Facilities and N – Institutional Districts within the city.

On September 9, 2025, the Watsonville City Council adopted Ordinance No. 1481-25, which amended multiple chapters within Title 14 (Zoning) of the Watsonville Municipal Code related to implementation

of programs within the City's 6th Cycle 2023-2031 Housing Element, including updates to the use table in Section 14-16.802 and the addition of Section 14-16.802.1 Accessory Uses.

On April 7, 2026, the Planning Commission adopted Resolution No. 03-26 (PC) recommending that the City Council adopt an ordinance amending Chapter 14-16 (District Regulations) within Title 14 (Zoning) of the Watsonville Municipal Code (Attachment 2).

PROCESS:

Pursuant to [WMC Section 14-12.801](#), the text of the adopted Zoning Code may be amended in a manner identical to [WMC Section 14-12.701](#), which outlines the process for General Plan amendments. Any proposed zoning code text amendment shall be reviewed by the Planning Commission at a public hearing for recommendation to the City Council. At the conclusion of the public hearing, the Commission shall adopt a resolution, recommending approval or denial of the proposed amendment, by the affirmative vote of the majority of the Commission members, subject to findings required by [WMC Section 14-12.708](#).

Upon receipt of the Commission's recommendation, and before adopting any amendment, the Council shall review the matter at a public hearing noticed in accordance with Part 9 of Chapter 14-10 and conducted in accordance with Part 10 of Chapter 14-10.

To approve the Zoning Code Text Amendments, the City Council must make the findings in [WMC Section 14-12.708](#).

STANDARD OF REVIEW:

The approval of Zoning Code text amendments by the City Council is legislative and requires environmental review. For more information on standard of review and process, see the [Standard of Review and Process Overview](#) on the City website.

DISCUSSION:

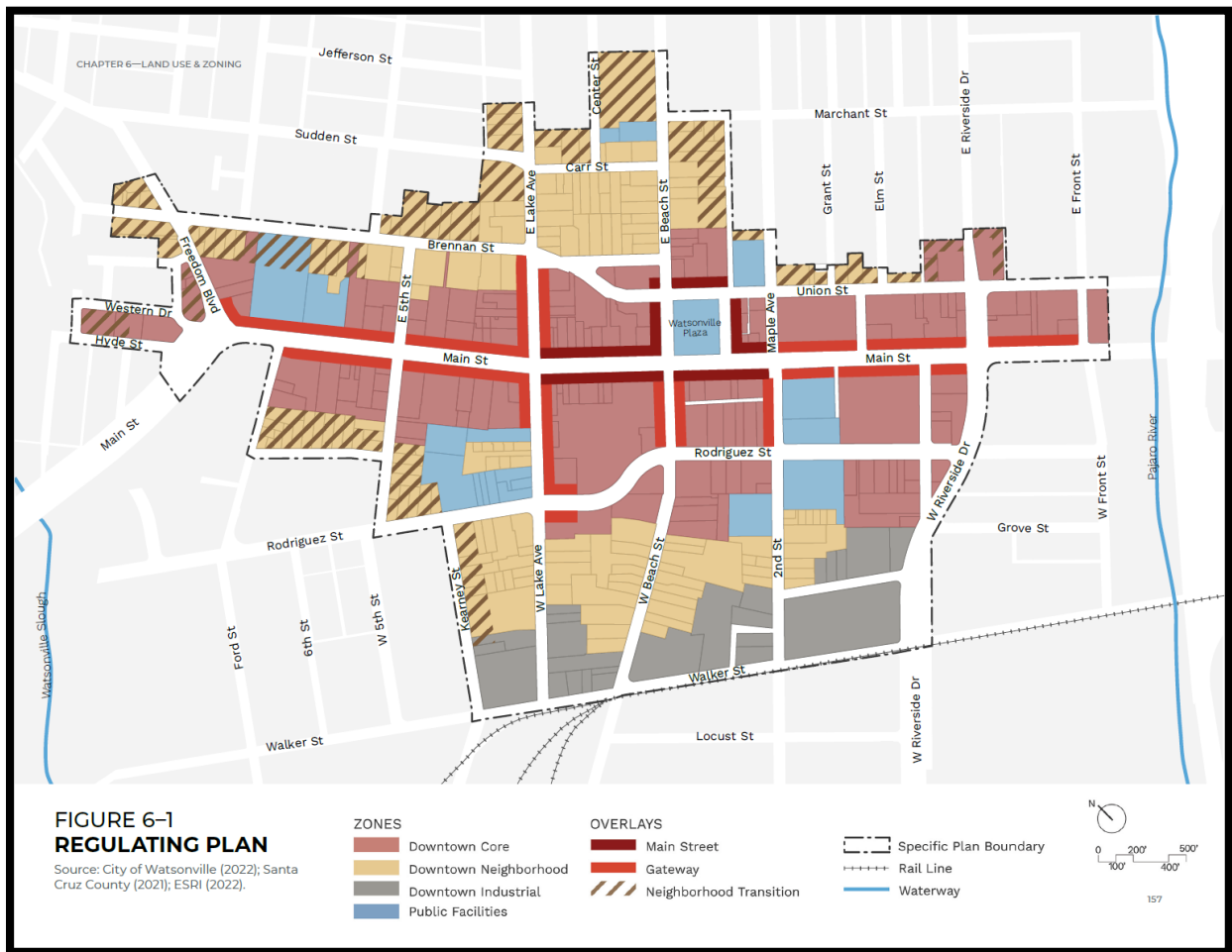
The Public Facilities (PF) zoning district, per the use table in [WMC Section 14-16.802](#), only permits aviation-related commercial uses on the Watsonville Municipal Airport property. No other commercial uses are permitted on parcels zoned PF in any other area of the city. In order to permit commercial tenants in both the existing and newly created commercial tenant spaces in City buildings located in the Downtown Watsonville Specific Plan (DWSP) area, such as the City Hall building at 275 Main Street, City staff is proposing the following amendments to WMC Title 14 Zoning:

1. [WMC Section 14-16.802](#) - Permitted, development permitted, Special Use Permit uses (Table)
 - a. Add subsection (j) DWSP Commercial Uses
 - i. AUP (in table for PF)
 1. Requires Administrative Use Permit and Design Review
 - ii. X (in table for Institutional)
2. [WMC Section 14-16.803](#) - Use Regulations

- a. Add subsection (j) DWSP Commercial Uses
 - i. (1) For parcels with the Public Facilities (PF) zoning designation located in the Downtown Watsonville Specific Plan area, any commercial use may be allowed with an Administrative Use Permit unless prohibited elsewhere in the Watsonville Municipal Code.

For parcels with the PF zoning designation that are located in the DWSP area, the proposed amendments would conditionally permit any commercial use with an Administrative Use Permit and a Design Review Permit approved by the Zoning Administrator as long as it is not illegal or prohibited elsewhere in the Watsonville Municipal Code. Parcels with the PF zoning designation within the DWSP area are identified in blue in Figure 1 below.

Figure 1: DWSP Figure 6-1 Regulating Plan



The parcels are listed by address in Table 1 below with the current use and owner listed.

Table 1: Parcels with PF Zoning Designation in DWSP Area

	Parcel Address	Parcel APN	Current Use	Parcel Owner
1	275 Main St.	017-781-07	Civic Plaza	City of Watsonville
2	-	017-781-06	Civic Plaza Parking Garage	City of Watsonville
3	105 2 nd St.	017-172-34	Watsonville Fire Department	City of Watsonville
4	350 Main St.	017-112-01	Watsonville Plaza	City of Watsonville
5	310 Union St.	017-122-20	Solari Green Technology Center	City of Watsonville
6	120 2 nd St.	017-101-47	Marinovich Park & Community Center	City of Watsonville
7	215 E. Beach St.	017-033-13	Watsonville Veterans Memorial Bldg.	County of Santa Cruz
8	214 Center St.	017-033-20	American Legion Post 121	American Legion
9	133 Brennan St.	018-151-14	Moreland Notre Dame School	Moreland Notre Dame
10	634 Main St.	018-151-41	Moreland Notre Dame School	Moreland Notre Dame
11	537 Main St.	018-231-48	Radcliff Elementary School	PVUSD
12	550 Rodriguez St.	018-231-49	Radcliff Elementary School	PVUSD
13	530 Rodriguez St.	018-231-28	Radcliff Elementary School	PVUSD
14	524 Rodriguez St.	018-231-27	Radcliff Elementary School	PVUSD
15	518 Rodriguez St.	018-231-26	Radcliff Elementary School	PVUSD
16	42 W. Lake Ave.	018-231-25	Radcliff Elementary School	PVUSD
17	40 W. Lake Ave.	018-231-24	Radcliff Elementary School	PVUSD
18	38 W. Lake Ave.	018-231-52	Radcliff Elementary School	PVUSD
19	26 W. Lake Ave.	018-231-21	Parking Lot	City of Watsonville

The list includes parcels occupied by both public facilities and institutional uses. However, for parcels zoned Public Facilities in the DWSP area, the DWSP defers to the development and use standards in [WMC Section 14-16.800-803](#). The development and use standards in those sections cover both the Public Facilities and Institutional zoning districts. The development and use standards are applied based on where the current ownership and use of the property fit under the PF or N zoning district in the use table in [WMC Section 14-16.802 Permitted, Development Permitted, and Special Use Permit Uses \(Table\)](#). Therefore, the proposed zoning code text amendments will only apply to the PF properties in Table 2 below.

Table 2: Parcels with Existing PF Uses and PF Zoning Designation in DWSP Area

	Parcel Address	Parcel APN	Current Use	Parcel Owner
1	275 Main St.	017-781-07	Civic Plaza	City of Watsonville
2	-	017-781-06	Civic Plaza Parking Garage	City of Watsonville
3	105 2 nd St.	017-172-34	Watsonville Fire Department	City of Watsonville
4	350 Main St.	017-112-01	Watsonville Plaza	City of Watsonville
5	310 Union St.	017-122-20	Solari Green Technology Center	City of Watsonville
6	120 2 nd St.	017-101-47	Marinovich Park & Community Center	City of Watsonville
7	215 E. Beach St.	017-033-13	Watsonville Veterans Memorial Bldg.	County of Santa Cruz
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The proposed permitting approach will provide applicants with certainty related to permitting timing and cost while also allowing the City staff to review and condition projects as needed to ensure that new

commercial uses comply with applicable regulations and standards and that any potential negative impacts are minimized.

A Specific Plan Amendment for the DWSP is not required because the DWSP defers to the development and use standards in [WMC Section 14-16.800-803](#) for parcels zoned Public Facilities.

The proposed amendments to WMC Title 14 Zoning are included as Attachment 1 and located in Exhibit A to the ordinance.

ZONING CODE TEXT AMENDMENT FINDINGS:

Pursuant to [WMC Section 14-12.807](#), the Planning Commission and the City Council shall, in approving a text amendment to the zoning code, make the findings in [WMC Section 14-12.708](#). Those findings with supportive evidence are below.

a) That the proposed amendment is consistent with the policies embodied in the General Plan.

Supportive Evidence: The proposed amendments are consistent with the following policies embodied in the General Plan as described below:

- **Goal 4.3 & Policy 4.C Commercial Land Use** – Revitalize the central business district and provide adequate neighborhood commercial services.

Supportive Evidence: The proposed zoning code text amendments would conditionally permit commercial uses on parcels zoned Public Facilities (PF) and located within the Downtown Watsonville Specific Plan (DWSP) area. Providing a permitting pathway for additional commercial uses in the downtown area will help revitalize the central business district.

- **Goal 4.6 Local Employment** – Promote a variety of employment opportunities within the city providing living wage jobs to Watsonville residents. Stimulate creation of 7,500 additional jobs by 2005. Pursue opportunities for job skill training.

Supportive Evidence: The proposed zoning code text amendments would conditionally permit commercial uses on parcels zoned Public Facilities (PF) and located within the Downtown Watsonville Specific Plan (DWSP) area. New commercial uses will provide additional employment opportunities for Watsonville residents within the downtown area.

- **Policy 4.C.4 Visitor Commercial** – The City shall plan for additional visitor-serving facilities within the central business district and in suitable locations in proximity to Highway 1.

Supportive Evidence: The proposed zoning code text amendments would conditionally permit commercial uses on parcels zoned Public Facilities (PF) and located within the Downtown Watsonville Specific Plan (DWSP) area. Buildings such as the City Hall building located at 275 Main Street are both centrally located and visitor-serving, with an attached parking structure (Civic Plaza Parking Garage) serving commercial uses on surrounding parcels as well as visitors to the Civic Plaza, Watsonville Public Library, and

Superior Court of Santa Cruz. Therefore, permitting commercial uses in these locations will provide additional visitor-serving facilities within the central business district.

- **Implementation Measure 4.G.2 Multiple Use** – Wherever feasible and appropriate, and where the potential impacts and mitigation measures associated with mixed use can be identified and fully considered through the CEQA process, the City shall support intensification of use by combining uses on one site, e.g. residential and commercial, institutional and recreational.

Supportive Evidence: The proposed zoning code text amendments would conditionally permit commercial uses on parcels zoned Public Facilities (PF) and located within the Downtown Watsonville Specific Plan (DWSP) area. Buildings such as the City Hall building located at 275 Main Street already include a mix of public uses, such as Watsonville Civic Plaza, Watsonville Public Library, the Superior Court of Santa Cruz, and the Civic Plaza Parking Garage. Adding commercial uses in these locations is feasible and appropriate because it will complement and support the existing uses.

- b) That the proposed amendment is compatible to the extent possible with the actual and general planned use of the adjacent properties.**

Supportive Evidence: The proposed amendments were modeled after the allowable commercial uses in the DWSP area. Therefore, they are consistent and compatible with the land use regulations identified in the DWSP, which was adopted in October 2023, and the General Plan as modified by the DWSP. Therefore, the proposed amendment is compatible with the actual and general planned use of the adjacent properties.

These findings are located in Exhibit B to the ordinance.

CALIFORNIA ENVIRONMENTAL QUALITY ACT (CEQA) DETERMINATION:

The proposed zoning code text amendment is categorically exempt from the California Environmental Quality Act under the common sense exemption in Section 15061(b)(3).

Cal. Code Regs. Title 14, §15061(b)(3) states that CEQA applies only to projects which have the potential for causing a significant effect on the environment. Where it can be seen with certainty that there is no possibility that the activity in question may have a significant effect on the environment, the activity is not subject to CEQA. There is no possibility that the amendments to the text of the Zoning Code would have significant effects on the environment because no actual physical project is being proposed at this time.

Accordingly, no further environmental review is required.

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 goals, concerning economic development, infrastructure and environment, housing,

fiscal health, public safety, community engagement and well-being, and efficient and well-performing government.

Conditionally permitting commercial uses on parcels zoned Public Facilities (PF) in Downtown Watsonville Specific Plan area, which will permit businesses to occupy new and currently vacant commercial tenant spaces in downtown Watsonville, the proposed Zoning Code Text Amendments support the City Council's economic development and fiscal health goals.

FINANCIAL IMPACT:

A fiscal impact analysis estimates the costs and revenues to a local government from new plans or development proposals. The proposed item involves amending the Watsonville Municipal Code to conditionally permit commercial uses on parcels zoned PF and located in the Downtown Watsonville Specific Plan area. New commercial uses would create additional sources of revenue for the City. Therefore, the proposed Zoning Code Text Amendments would have a positive financial impact on the City.

ALTERNATIVE ACTION:

The City Council may consider continuing the project and directing staff to return with additional information and/or revisions.

ATTACHMENTS AND/OR REFERENCES (IF ANY):

1. Proposed Zoning Code Text Amendments – WMC Sections 14-16.802 & 14-16.803
2. Planning Commission Staff Report – 04.07.2026