

Mansion House on solid footing

By KEN McLAUGHLIN

Stories about the demise of the Mansion House rehabilitation project are as exaggerated as the premature reports of Mark Twain's death, according to the project's developers.

"The Mansion House is definitely NOT on the verge of bankruptcy as some rumors indicate," says Roger Hoffman, of Hoffman and Associates, in a letter to Community Development Coordinator Melanie Freitas. "We are not behind on any payments to any contractor, supplier, etc., and would welcome any city representative to review our books if they so desire."

Rumors about the project going bankrupt have been circulating in town for several months.

Asked this morning why the rumors had started, Hoffman said: "I think they come from people who subconsciously would like to see it (the project) fail, so they could say 'I told you so'."

Hoffman was obviously referring to local cynics who feel downtown revitalization is a dream that will never materialize.

Hoffman points out in the letter that the Mansion House is 90 percent leased and that tenants will be moving in next Monday.

One part of the project that has apparently gone down the drain, however, is the new building that was to have been constructed behind the rehabilitated structure. It would have housed Jack Novcich and his cigar store, as well as several other shops.

The building was the target of a lawsuit by three doctors who own the Lettunich Building at Main and Beach streets. The doctors claimed in their suit that the building would "deny access" to their building.

Hoffman said this morning that the suit has been settled out of court; and that Hoffman and Associates has agreed not to construct the building, meaning that Novcich now has no place to put his shop. (The Hoffmans have saved the woodwork and many furnishings of the old shop, which was forced to close down when construction started on the Mansion House last year.)

The Mansion House is one of hundreds being picketed by carpenters.

But Hoffman said that the pickets have not stopped work on the project.

The picketing is being done in the front and the subcontractors are entering through the back, he explained.

After SBA approval is given, Hoffman said, construction on the restaurant will start immediately, assuming that the carpenters' strike is over.

Meanwhile, Hoffman will appear before the City Council Tuesday night to once again request a \$40,000 loan from the city's federal community development funds.

The loan has twice been rejected on a 3-3 vote, but Councilman Ann Soldo has asked that the matter be brought back.

Hoffman said that the loan now is the same one that had been given preliminary approval in September.

Hoffman said the owners of the Mansion House restaurant, to be located on the first floor of the building, have obtained a bank loan needed to finance the restaurant, which should be processed within 100 days after the U.S. Small Business Administration approves the financing package. (The SBA is guaranteeing the loan, which was arranged by the Watsonville Area Development Corp.)

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