

Auto Plaza-Capitola

Capitola dealership wins OK

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CAPITOLA — The final spoke in Capitola's new Auto Plaza will apparently be a dealership from local automobile entrepreneur Steve Bergstrom. What dealership that will be, however, is another question.

Bergstrom has received approval from the City Council to construct a 14,010-square-foot building on the last remaining vacant parcel in the Plaza. Located off 41st Avenue adjacent to Highway 1, the Plaza opened six months ago featuring three Santa Cruz-area auto dealerships. Bergstrom's parcel, however, has remained vacant while he debated what to build there.

At one point, Bergstrom proposed a controversial auto brokerage business. That plan was shot down after owners of the other dealerships protested.

Now, Bergstrom says he will move the Subaru of Santa Cruz dealership to Capitola. The only problem is that Bergstrom does not own that franchise.

Phil Schwartz, Subaru franchisee, has already said his dealership is "staying put" in Santa Cruz. Bergstrom maintains he's given Schwartz a \$100,000 deposit as part of a deal to acquire the franchise. The issue presently is in the hands of attorneys.

Whatever the case, Bergstrom is now set to build a 14,010-square-foot building to house an auto showroom, parts department and repair service. The approved plan is similar to Bergstrom's earlier version of a 17,000-square-foot dealership.

That plan was later pared to the 4,500-square-foot auto brokerage business. That plan was then withdrawn after the three other dealers at the Plaza complained that the smaller building would not fit in architecturally with theirs, which average 18,000 square feet.

As it is, Bergstrom's new building will still be smaller than the others. Architecturally, however, the council made sure it will fit in — matching the exterior style and color to the existing dealerships.

Council members also required Bergstrom to make a \$15,000 deposit before being issued a building permit. That deposit will be returned upon completion of landscaping.

Bergstrom is hopeful construction could begin soon, with completion targeted for spring.