

# And the walls come tumbling down

Last remains of quake of '89 falling to the wrecking ball

## New housing ready for rent

SANTA CRUZ — Builders put the finishing touches on the Gularte building Tuesday, the latest affordable housing to be rebuilt on Pacific Avenue.

The four-story building, on the site of the old Colonial Hotel next to the Del Mar Theater, will be ready for tenants this week, owner John Gularte said.

On the ground floor, the Acapulco Restaurant — a downtown fixture for 26 years — will reopen in a few weeks, he said. Pizza My Heart is planning to move in next door.

"There's so few buildings being completed (downtown)," Gularte said Tuesday. "It's been a long time coming."

After the Loma Prieta earthquake irreparably damaged the 1908 hotel and restaurant, Gularte said it took more than three years of planning, land swaps, and wading through red tape to begin rebuilding last December.

The \$2-million stucco building offers 24 studio apartments, most renting for \$675, including utilities. The median rent in the city of Santa Cruz is \$707, according to the 1990 census.

Five apartments are reserved for low-income tenants and rent for \$438 including utilities. Two are equipped for disabled tenants.

Former Colonial Hotel residents will be given priority for the studios, Gularte said.

Katherine Edwards

By KATHERINE EDWARDS  
Sentinel staff writer

SANTA CRUZ — Downtown's last relics of the Loma Prieta earthquake, the Elks and Ferrari buildings, are coming down.

Wrecking crews took over Monday for what the 1989 temblor began, bringing the sagging masonry hulks to the ground piece by piece.

Demolition is expected to take about two weeks. Rebuilding, however, is months away.

The neighboring buildings have languished on Pacific Avenue between Soquel and Walnut avenues for almost four years, their ground-floor stores boarded up behind chain-link fences.

Linked by a common concrete wall, the buildings' demise have been held up by long delays sparked by debates over demolition costs and historical value.

"It's amazing how long it takes to clean up what 15 seconds can do," said Mayor Neal Coonerty.

Since the earthquake, 29 buildings have been demolished downtown, many with financial help from the Federal Emergency Management Agency, said City Manager Dick Wilson. Roughly half have been rebuilt.

But after months of wrangling over the Elks building's historic value, FEMA declined to pay for tearing it down, saying it wasn't mandatory that it be demolished.

While appealing the ruling, the City Council recently agreed to loan \$135,000 in redevelopment funds to the owners — heirs of Watsonville developer Stewart Kett — to get the demolition rolling.

Part of the council's motivation came from long-standing fears that the weakened structures were a public safety hazard that could easily fall or catch fire.

"It has been a real liability," agreed Ruben Fuentes, manager of the Elks property.

The Elks' other quake-damaged neighbor, the historic Trust building, was demolished last year after being ravaged by fire. No plans have been submitted to replace it.



Bill Lovell

Project foreman Mike Lane says Elks Building interior will be dismantled this week, paving way for total demolition next week.

Fuentes said plans for a new two-story building on the Elks property have been approved, but are on hold until enough of the proposed retail space is leased to secure a bank loan for rebuilding.

Owners of the Ferrari building hope to begin construction on their replacement project by the fall, said David Pera, whose family has owned the site since the 1950s.

The \$800,000 project will be a two-story, adobe-colored building, with retail space on both floors.

Rather than wait for tenants to lease, Pera said, his family is starting the project with private money. Work should be finished by next summer, he said.

Demolition crews cautiously picking their way through the rotting wood Tuesday said the two buildings would be taken down slowly. At least one stretch of wall that butts up against Palace Office Supply will be removed by hand, said John Ancic, city building inspector.

Several of the 83-year-old Elks building's notable pieces have been salvaged, including a stained-glass skylight and the decorative cornices that graced the top of the building, said Fuentes.

"It's always sad to see one of the nice buildings come down," noted Coonerty. "It's a chapter closed in downtown."

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