

Cooper House developer optimistic

By KAREN CLARK
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SANTA CRUZ — Developer Jay Paul said Tuesday that he plans to begin construction on the old Cooper House site in July.

This isn't the first time Paul has announced similar intentions in the nearly six years since he submitted plans for an \$8 million, five-story building on the corner of Pacific Avenue and Cooper Street.

But the City Council has given Paul until September to start construction or face losing \$1.3 million in financial assistance from the Redevelopment Agency. In addition, Paul's design permit for the building expires in December.

Paul's optimism for a July start date comes despite the fact that talks fizzled with computer networking giant Cisco Systems to lease space in the Cooper House.

"Their plans changed," said Paul outside the council chamber on Tuesday afternoon.

Adam Stein, manager of corporate relations at Cisco Systems, said the company has talked with a number of developers in the Santa Cruz area about expansion plans, including Paul.

"But we're not planning on proceeding with anything at this point," said Stein.

Paul has tried for years to lease enough space in the 100,000-square-foot building to entice lenders to support the project. That has not happened.

But the local economic picture has changed for the better, said Paul, and he now believes that with a little risk on his part he can get the financing first, and then successfully lease the Cooper House after it's

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built.

Paul said he believes there are many companies that are not in a position to make commitments on a building that hasn't been built yet.

"I think there's enough vitality in this economy ... that many companies, if they see a build up there, they will come," said Paul.

The developer also praised the Redevelopment Agency and the City Council for doing a number of things right in rebuilding downtown, which makes it an attractive place for developers like him to take a gamble.

"We believe we can do it," said Paul. "It's well designed, and it's a good location. ... This site is a key place in Santa Cruz. So, consequently, we're going to take the risk and step on out and do it."

Cecil Cirillo, director of the Redevelopment Agency, agreed with Paul that if the Cooper House is built, there will be tenants vying for space.

She said what makes the building particularly attractive is the fact that the Redevelopment Agency

has committed \$1.3 million over 10 years to offset parking fees that downtown tenants normally would have to pay.

On Tuesday, the council agreed to extend that commitment until September. Only Vice Mayor Celia Scott opposed the extension, noting that she continues to believe it's too large a financial commitment.

Cirillo said if Paul is successful in his plan to begin building in July, then downtown could be the site of four major construction projects by the end of fall.

In addition to the Cooper House, other key earthquake-ravaged sites that could begin reconstruction are the Flatiron at the head of the mall, Ford's on Pacific and Cathcart Street, and the old Trust building on Pacific and Soquel avenues.

The Cooper House, however, is considered one of the most important, both because of its size and the fact it is replacing a beloved old building that nearly tore the heart out of the community when it was razed.

"Many people see this site as a symbolic ... site to rebuilding downtown after the earthquake," said Councilman Mike Rotkin.