

Shopping centers thriving on Watsonville's north side

By Bob Johnson
Special to the Mercury News

While downtown Watsonville continues to stagger from the devastation of the Loma Prieta earthquake, retailers in the expanding cluster of shopping centers on the north end of town are prospering.

The Pajaro Hill and Crossroads shopping centers both opened in the past year near the intersection of Main Street and Green Valley Road, an area that already housed the Orchard Supply and Watsonville Square centers.

Both of the new centers are already nearly three-fourths full. And merchants there say they are able to attract shoppers from the Aptos-La Selva Beach coastal area of Santa Cruz County and even from the Monterey Peninsula.

"We had two stores downtown, and this store is doing better than both of them combined," said Steve Miller, manager of Burdick's stereo and television store, which moved from lower Main Street to the Pajaro Hill Center a few weeks after the earthquake.

The downtown stores were near a string of restaurants and bars that attracted workers from the fields and canneries of the Pajaro Valley. The franchise steakhouse in the store's new neighborhood, however, is proving to be a better draw of potential consumers of new stereos and VCRs.

"When Sizzler has a busy Friday night we get a lot of traffic," Miller said. "We get people from the Aptos area and even from Monte-

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Watsonville merchants looking northward

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rey who would never go to downtown Watsonville. We'll stay here for sure."

Controversial decision

The decision to allow construction of the largest shopping center in the city, Watsonville Square, came amid considerable controversy in the early 1980s over whether retail expansion on the outskirts of town would further damage the struggling downtown. The controversy continued as the city later approved two expansions of Washington Square and, more recently, the construction of three shopping centers nearby

The centers have proved to be the salvation of the city's earthquake-battered treasury. Taxable sales throughout the city are as high today as they were a year ago, despite the staggering loss of downtown retail space, Assistant Finance Director Linda Nelson said.

But the cushion provided by the centers in the short run could come at the cost of the permanent departure from the downtown of numerous local retailers.

Decision before quake

Even before the earthquake, Dick Bruhn Clothing, Jolly Jewelers and Bridal Veil had decided to move from downtown to Cross-

roads Center, Crossroads marketing manager Cynthia Mount said.

And when Burdick's moved to Pajaro Hill, it was joined by its old neighbor Farrar Jeweler and by a chiropractor whose downtown office was also damaged in the earthquake.

Supporters of the suburban shopping centers have long contended that they would bring a new class of customers to shop in agricultural Watsonville and they can now fortify that argument with success stories.

From larger area

"Because we are next to the freeway off-ramp. We draw from

a much larger area than just Watsonville — our market includes La Selva Beach and the surrounding area," said Leonard McVicar, president of the Los Gatos-based J. Paul Co., developer and owner of Pajaro Hill. McVicar, Mount and retailers at the new centers estimate that 25 to 35 percent of the customers are from outside Watsonville.

At least one-third of the businesses in the new centers are old Watsonville firms that appear to have permanently moved from the downtown. "Because they all have five-year leases with options," said McVicar, "I imagine they intend to stay."