

Signs of recovery beginning to surface in Watsonville

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WATSONVILLE — Downtown merchants here say they're holding their own, despite the backdrop of demolished buildings and the usual business slowdown as the year begins.

On the down side, foot traffic has declined, merchants report, and everyone's anxious to see downtown rebuilt. If lots remain vacant for too long, merchants are worried people will get in the habit of shopping elsewhere.

On the plus side, all the streets are open to traffic, people are still buying, and signs of recovery are slowly beginning to emerge:

• A proposal to rebuild the 300 block of Main Street will go forward, despite the recent death of one of the property owners,

Stewart Kett.

• Ford's Department store, considered the anchor store of downtown, relocated to a 30,000 square-foot building off Main Street at West Beach and Rodriguez streets.

• Last week, the Planning Department approved the first permit to rebuild an earthquake-destroyed commercial property. The building at 202 East Lake Ave. will again hold Watsonville Cyclery, which moved temporarily to 15 Brennan St. after the Oct. 17 quake.

Craig Potter, owner of the bike shop, said his business during the Christmas season was about average, despite the new location and the earthquake.

"If people want a bike, they'll go around and shop," Potter said. "It's not like we're waiting for foot traffic for our sales."

Tony Campos, a Realtor and president of the Chamber of Commerce, said the key to keeping downtown viable is "trying to figure out a way to get these people back in business."

"The sad thing is people are in shock and they're finding out the money's not there to help them," Campos said.

Campos, who lost a bid a bid for re-election to the City Council, said he is concerned that too much time will be spent on more studies of downtown. "A lot of studies have been done. I have every one of them here in my office. They're good, but they're all gingerbread, and that's not what brings in business," he said.

The main issue is money, he said.

"I talked with several merchants and FEMA will lend them money,

but only for three years. Some people feel it's a waste of time to go through FEMA," Campos said.

"The private sector — that's the only way anything's going to be done fast."

Watsonville typically experiences a decline in population in winter, when hundreds of farm-worker families return to Mexico to visit relatives. Last year the migration began after the October quake.

Merchants catering to the largely Mexican-American population say they expect business to pick up again, come spring.

"This is a slow season, and I'd say we're doing a little slower than we would have at the store," said Stella Romo, owner of Watsonville Jeans and Jalisco Restaurant, both

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Prognosis not good for SC Trust Building

SANTA CRUZ — The fate of two earthquake-damaged buildings on the Pacific Garden Mall owned by a man recently lost at sea now rests with the man's family.

The late Stewart Kett owned the Trust and Elks buildings, and the buildings are now in the hands of his family, according to Kett's son-in-law, Ruben Fuentes.

The future of the buildings was thrown in doubt by the drowning of the 63-year-old Kett

on Jan. 27 in a boating accident.

But Fuentes said the family plans to restore the Elks Building, which housed several businesses including the Pacific Cookie Co. and Camouflage.

The fate of the Trust Building, at Pacific and Soquel avenues, hasn't been decided.

"We're going to hold onto the Trust Building, but no final decision has been made yet," Fuentes said Friday.

The engineer hired to evaluate
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Bill Lovejoy/Sentinel

Restaurant and store owner Stella Romo says she'll rebuild, but that government financing help isn't much help at all.

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of which were destroyed in the earthquake.

Romo has temporarily moved the jeans store into a modular trailer on the 300 block of Main Street, next to Discoteca Oti and Silvertree electronics.

She is anxious to rebuild her jeans store and Jalisco restaurant on the 300 block of Main Street. She's working with architect Robert Corbett on a joint master plan for the block, encompassing properties owned by Jim Petroutsas and the late Stewart Kett.

Kett died two weeks ago in a boating accident. His son-in-law, Ruben Fuentes, said Friday the family plans to move ahead with the 300-block plans, although there may be a short delay.

"We're planning on proceeding with the same project we discussed originally," Fuentes said. The plan is a mix of retail on the first floor and residential units on the second floor.

"We think the marriage of residential and commercial can work," Fuentes said.

Corbett, the architect, said he will present the plan informally to the Economic Development Committee of the Chamber of Commerce this week. "They will probably go forward as individual projects, under an overall design concept," Corbett said.

Romo is anxious to get going on

the project, because she wants to be in the new building in two years, when her lease on the trailer expires.

"I want the restaurant to be in downtown," Romo said. "I've been looking for somewhere else to locate in downtown, but there isn't much left. Since we do have the property, we might as well rebuild. Then we can do what we want with it."

Romo, like some other property owners, has found that assistance from the Federal Emergency Management Agency and Small Business Administration has been slow and inadequate.

"Right now we're waiting to hear from SBA and FEMA, but we're seeking financing somewhere else. It's hard to get loans from FEMA," she said.

The \$500,000 cap doesn't cover the cost of rebuilding, and SBA is very tight about its lending. "It's like they want your whole life's history," she said.

Steve Taylor, owner of Taylor's Office Supply at 440 Main St., said his family was recently told they qualified for a \$150,000 SBA loan — payable in three years, at 8-percent interest.

"Who can afford that?" he wondered. Like others, Taylor said he's looking for private financing to make the moderate repairs needed to restore his building. The busi-

Trust/ Building may be demolished

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what's needed to restore the Elks Building has been backed up with work in Watsonville, so Fuentes said he will look for another consultant to "complete what was started with the Elks Building."

Until the Elks Building is fixed, Ferrari Florists, which shares a common wall with the Elks Building, can't re-open.

City officials aren't requiring the Trust Building's demolition, but the prognosis is dim, Fuentes said.

"The general consensus is the building is damaged ... way beyond 50 percent," he said. "No one has assured me I can restore

it to a safe condition."

The main concern is safety, he said. The building is built of unreinforced masonry on the street side.

"The only reason the Trust Building didn't collapse is because of the configuration of the interior walls, which held it together. Now they've been compromised, I've been told," Fuentes said.

"It has a brick veneer and a brick wall, and although I know there are epoxies that can be used in order to tie it back, I'm not convinced it would be binding in the event of another big earthquake," Fuentes said.

— Jamie Marks

ness has remained open since a week after the quake.

Meanwhile, he said, business is better than last year.

"For office supply, the busiest time of year is January, when people close out their old accounts and buy new supplies. We had a real good month in January. We had a 20-percent increase over

1989," he said.

Like other merchants, Taylor said he's hoping the downtown is rebuilt soon.

"I'm anxious to get the downtown rebuilt. But if they put back what was here, it will die because it was dying before the earthquake," Taylor said.