

# 200-block disputes continue

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The city of Watsonville avoided one legal clash last night and stepped into two others to speed up its \$6 million effort to redevelop the 200 block of Main Street.

City Council members, acting as the city's Redevelopment Agency, ironed out a dispute with the owners of Freedom Tire Service and agreed to have a judge decide the selling price of the properties owned by Pete Sanchez and John Mullin.

Sanchez, who owns the site of the Pasa Tiempo Club, Mi Casita Restaurant and Playas Novillero, and Mullin, owner of the now-demolished Centre Theater, are the only two property owners who have not agreed to the price the city has offered.

The Sanchez property is the only one on the block that the city does not own. By virtue of its powers of condemnation, the Redevelopment Agency has taken possession of the Mullin property and plans to do the

same with the Sanchez property. However, the city cannot collect the deeds of trust until a final price is agreed to by a judge.

A deposit for the appraised value of each property — about \$310,000 for the Sanchez property and \$265,000 for the Mullin property — will be placed with a state agency until a judge decides on a fair sale price.

Neither dispute is expected to delay the city's efforts to get a post office built at one end of the block and a commercial development on the other.

But the city almost found itself in court over another dispute until it agreed to a compromise.

The agency agreed to return \$15,000 of the \$23,000 that City Manager John Radin removed from an escrow account during a dispute with Dennis and Eugene O'Rourke, whose family owned the tire business.

The O'Rourkes had agreed to sell their land and business to the city for \$565,000 last year. But there was apparently a misunderstanding over whether

all the equipment was included in the sale.

The O'Rourkes sold 10 of the items to someone else for about \$4,500 after the city declared those and several other items useless. They said they understood the city didn't want to buy anything that wasn't practical to move, and therefore such property still belonged to the O'Rourkes.

When Radin found out about the sale, he withheld from the \$565,000 escrow account \$23,000, the equivalent of the appraised value of the items the O'Rourkes sold.

Last night, Eugene O'Rourke offered to return the \$4,500 in exchange for the \$23,000, saying the items sold were "simply not worth that, and he (Radin) knows it."

Radin refused to release the funds, saying the city had purchased everything from the O'Rourkes and that they had no right to sell the property.

But the council elected to accept a compromise and returned \$15,000 to the account.