

# 'We start a new beginning'



Officials and politicians on the dias and the crowd below all joined hands at the urging of Ford's executive Hal Hyde and said in unison, 'We start a new beginning.'

Mike McCollum

## Ford's celebrates the cash to rebuild

By SUSANNA HECKMAN  
STAFF WRITER

Ford's Department Store held a joyous, well-attended ceremony yesterday morning to unveil its plans for rebuilding in downtown Watsonville.

Ford's 110,000-square-foot store on the 400 block of Main Street, which was the main anchor store drawing shoppers to the downtown, had to be razed after the Oct. 17 earthquake.

Since then, Ford's and other downtown merchants have been anxiously awaiting a de-

cision on the store's application for federal earthquake relief loans.

Word came at the end of last week that the Small Business Administration has approved a \$24.1 million low-interest loan, the second-largest SBA disaster loan in history.

Calling the Ford's loan the start of a rebirth, U.S. Rep. Leon Panetta, D-Carmel Valley, said it was hard to believe that 10 months ago everyone was still in shock.

"As the shock wears off, everyone knows that you have to

roll up your sleeves and get to work," he said. "That's exactly what happened here, and it's a tribute to this community that you've been willing to roll up your sleeves and start this process."

Watsonville Mayor Todd McFarren said his wife, Yolanda, a Watsonville native, tells of going to Ford's with her family every Sunday after mass.

"Ford's is not only part of our collective history," he said. "It's a personal icon that transcends sales tax revenues."

State Assemblyman Sam Farr, D-Carmel, also spoke, as did several store officials. South County Supervisor Sherry Mehl attended but didn't speak.

Hal Hyde, Ford's senior vice president, closed the ceremony by asking everyone in the crowd of more than 100 store employees, city officials, City Council members, past mayors, merchants, property owners and TV news crews to hold hands and say, "We start a new beginning."

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Ford's stores in Santa Cruz and Hollister were also severely damaged in the earthquake.

The loan will cover four of the company's basic needs for recovery. It provides \$7.1 million to refinance the land on which the buildings stood; \$11.5 million for a new service center and a 75,000-square-foot store in Watsonville; and \$3.3 million to replace destroyed inventory, furniture, and fixtures.

The loan also includes \$2.2 million for rebuilding in downtown Santa Cruz, although store officials have not yet made a firm commitment to doing that, saying they first want to see Santa Cruz move forward on overall design plans.

Santa Cruz Mayor Mardi Wormhoudt spoke at the ceremony yesterday as well, assuring the crowd of that Santa Cruzans are "thrilled" about

their neighbor's progress.

"Your victories and your successes are ours," she said. "We're one county, we've suffered a lot, and we're going to come back together."

Hyde said that the new Watsonville store will be a two-story, modern affair with escalators and elevators. An architect has not yet been hired.

The service center, in the old theater and Eagles Hall that is still standing behind the Ford's lot, will be demolished, Hyde said. Ford's used it for offices, storage and processing inventory, and at one time operated a garden shop there.

The Charles Ford Co. Inc., is the state's oldest department store chain. It was founded in Watsonville in 1852, and now has stores in Pacific Grove, Salinas, Hollister, Gilroy, Morgan Hill, Half Moon Bay and King City.

After the earthquake, Ford's took over the former Dick Bruhn store on Rodriguez Street. Ford's also owns and operates Riley's stores in San Luis Obispo County.

## Chamber gets good money news, too

The Watsonville Area Chamber of Commerce and Agriculture also received good news from the federal government last week — \$27,000 had been released for the group to begin repairing its own building.

Stephen Weldon, a local attorney who volunteered to shepherd the chamber's application through the process, said first he had to persuade the Federal Emergency Management Agency to change its mind.

The chamber's office was across the street from Ford's Department Store on the 400 block of Main Street until the Oct. 17 earthquake made it unsafe to occupy.

FEMA at first turned down the chamber's request for a grant. Weldon said FEMA explained that it gave money to

non-profit agencies only when they provided services of a governmental nature, such as health services.

Weldon argued that the chamber provided public services — some on contract with the city, such as the Central Business Improvement District — which no one else would do.

The chamber's extensive use of volunteers makes the chamber a good deal for government, he said, and FEMA apparently recognized the need to take advantage of that.

The clincher, Weldon said, was a little help in Washington, D.C., from U.S. Rep. Leon Panetta, D-Carmel Valley, and even Marilyn Quayle.

The \$27,000 is part of a total grant from FEMA of \$80,000, chamber staff members said.

—Susanna Heckman