

# Beltram gets financial help from public in wharf suit

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The former Capitola councilman who's suing the city over the Capitola Wharf concession lease says city residents and merchants are rallying behind him.

Dennis Beltram, who is also a Capitola attorney, said the \$25,000 bond he posted yesterday afternoon, to secure a preliminary injunction halting the city's plans until a trial can be held, was raised mainly through contributions from 20 to 30 local people.

The contributions were both solicited and unsolicited, he said. He said he's also received widespread verbal support.

"What's interesting to me," Beltram said, "is that the concern that has been expressed to me personally has crossed all political lines."

However, Councilman Michael Routh said he believed similar support could be garnered for the city's position.

"They're only hearing Dennis' side of the story ... I'm still confident we're going to win. I don't think we've done anything wrong."

A tentative trial date has been set for March 16.

Santa Cruz County Superior Court Judge Bill Kelsay on Feb. 9 granted Beltram's request for an injunction against the city, but ordered that he post a \$25,000 bond within seven days to cover any damages the city of Capitola might suffer as a result of the injunction.

Beltram said at the time he wasn't sure he could raise the money. The help he's received in doing so, he said, proves that people are concerned about where the city is spending their tax dollars.

"It's becoming a community issue, which is the way it should be because that's what it's all about," Beltram said of the lawsuit. "It's a taxpayer's issue."

Beltram and co-plaintiff Shirley Pereira filed suit against the city and four councilmen in December alleging misuse of public funds, after the council voted 4-1 in favor of buying the concession lease for \$290,000

City Manager Steve Burrell said in December the back rent totaled \$37,000. However, Beltram calculated it as probably close to \$50,000 by now, counting interest and additional rent accrued in recent months.

The suit against the councilmen has been put on hold, Beltram said, and he hasn't decided if he will pursue it.

"I think it depends on what happens," he said. "For

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from Old Capitola Wharf Inc., headed by Planning Commissioner Rick Karleen.

Councilwoman Stephanie Harlan voted against the plan and is not named in the suit.

Beltram charged Mayor Bob Bucher and Councilmen Routh, Ron Graves and Jerry Clarke with favoritism. He said the city should be foreclosing on Karleen for two years of back rent rather than assuming his corporation's debts.

Karleen obtained the 26-year concession lease from the city in 1978, in exchange for dedicating the wharf to the city because he could not afford to repair the wharf's structural damage. Covered under the lease are a restaurant, a bait-and-tackle shop and a mooring operation.

Karleen has been on the verge of selling the lease three times, but the deals failed to close escrow and rent owed on the lease accumulated.

instance, if the city comes to its senses and decides to forget the whole deal, my inclination would be to forget the whole thing."

Councilman Routh said Beltram will face countersuits if he pursues the case against the councilmen.

"I hope Dennis has got a good case," Routh said, "because if he doesn't, he's going to be sued for malicious prosecution; from this end, anyway."

Routh added, "He's made a lot of false accusations regarding my relationship with Rick Karleen."

The councilmen would have to prove there was "absolutely no substantiation whatsoever to the allegations," Beltram said.

The question has to be asked, he said, "Why are they so determined to expend the city's money to bail out Karleen instead of simply evicting him?"