

# Despite worry, Mall merchants upbeat

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SANTA CRUZ — Some downtown merchants are putting their money on the Mall.

Down at the southern end of the Pacific Garden Mall, the Catalyst nightclub, bar and restaurant is undergoing a major facelift that will add lots of "quality space" to that venerable and venerated establishment, as well as prevent people from sleeping and making drug deals there, says its owner, Randall Kane.

Halfway up the Mall, across from a section of planters and sidewalk well-pa-

trolled by security guards and tie-dyed '60s throwbacks, the extensive renovation of the landmark Cooper House continues. Its new owner, Los Gatos developer Jay Paul, says he is concerned about the social situation along the city's premier shopping area, but he "believes in Santa Cruz."

And along Pacific Avenue, in a new store full of earth-toned tents, backpacks, and sleeping bags, Pacific Pack and Pants owner Kim Baskett says business is better than in her old location — one block off the Mall.

Catalyst owner Kane was busy Wednesday morning overseeing construction on upstairs and downstairs additions to the

club.

"I wanted to do it for a long time," says Kane. The place is getting a new entrance, a downstairs eating and drinking area that will be pushed out 20 feet or so to the sidewalk and a new glassed-in upstairs room, with planter boxes and an awning outside to mark the changes.

Kane says the renovation is costing him "at least" \$50,000, although it's too early to tell exactly how big the price tag will be.

He says the recent well-publicized machete attack at the other end of the Mall, plus reports of extensive "crack" cocaine dealing at nearby Laurel Park, haven't deterred him from upgrading his

business investment.

"I can't be worried about all this stuff. The Mall will do fine. The Catalyst always does OK," he says.

Nevertheless, Kane says one reason the Catalyst is getting a new look is because of people problems. Such as: Homeless persons sneaking onto the then-open second story and sleeping at night. Or, downstairs, where "a bunch of overgrown planters, bicycles ... and people (who) would come there to make (drug) deals" were not helping business any.

Please see MALL —A14

## Mall/ Optimism still present

Continued from Page A1

Kane, who has announced plans to run for a seat on the City Council in November, has spent 12 years in the current building. He's also watched the Mall change.

Kane worries that Leask's department store, across from the Cooper House, might leave after its new store in the Capitola Mall is finished. "It will be quite a blow" if Leask's leaves, he says. Department store owner Sam Leask IV has says he has no plans to move, but is concerned about the street scene in front of his store and what it is doing to business.

The current trend of "boutique" shops — selling ice cream, candy, T-shirts, teddy bears, socks — coming to the Mall and then leaving a relatively short time later bothers him, Kane says.

"There's no way you can make money here selling teddy bears," Kane says, adding that he suspects high rents are driving away traditional businesses.

Making money is something that Cooper House developer Paul plans to do. *Has to do* — after paying an estimated \$2 million for the historic structure a couple of months ago.

"We made a major investment. We're real concerned," says Paul. He has expressed his concern to city officials, he says, that "everyone's rights get respected ... including the people who come down(town) with their families."

Paul says bricks recently were thrown through the window of a new Cooper House tenant, the Double Rainbow ice cream shop. In addition, the sound of swearing emanating from some Mall inhabitants "disturbs customers," he says.

Some prospective tenants won't locate in downtown Santa Cruz "because of the publicity" about transients and street crime, he says.

But, that said, Paul is confident the Mall will thrive again. He envisions a downtown "with vitality" with the three-story Cooper House

shops and restaurants as the big draw.

He would like to see Santa Cruz "do things like Capitola does ... to respect everyone's rights."

Camping-gear store owner Baskett says, "It's like a little community downtown. It has the traditional flavor of old Santa Cruz." She has little use for comparisons with Capitola, where, she says, along 41st Avenue, "you close your eyes and you might as well be in San Jose."

"We've done well in Santa Cruz," says Baskett. She is bothered by some of the street scene — the parade of out-of-tune singers and the aggressive panhandlers — but has adopted a live-and-let-live attitude.

"I don't look at what the City Council is doing or not doing (about problems on the Mall)," says Baskett. "I look at how my sales are doing year to year and if I have customer loyalty. I can't complain."