

Norcal now owns plant and property

By GUY LASNIER
STAFF WRITER

Norcal Frozen Foods Inc. now legally owns all the real property once owned by Watsonville Canning and Frozen Food Co.

In a flurry of official filings yesterday, Watsonville Canning, its parent The Conco Corporation, and Struve-Console Farms Inc., a separate corporation owned by Mort Console, formally turned over deeds to Norcal, the company headed by Salinas grower David Gill.

Fifteen parcels of land and the buildings on them were deeded to Norcal.

Four parcels, including the former Console family home at 39 Gonzales St. in Watsonville, were not transferred to the new company.

The filings at 8 a.m. yesterday with the Santa Cruz County Recorder's Office follow several others late Friday in which Console and his mother turned over their personal claims on property to family-controlled corporations.

Also Friday, Wells Fargo Bank filed notices of default and announcements of foreclosure on the land. Various Console corporate entities used the

property to secure loans from the bank last October. Wells Fargo stated in its notices of default that the corporations owed the bank \$19 million as of Feb. 9.

The loans, which included an \$18 million line of credit issued a month before the strike by Teamsters union employees began 18 months ago, and two new loans Sept. 30, 1986, were due Jan. 9 and 30, 1987, the bank stated.

The bank still has a claim on the land used to secure the debt, although now the land is owned by Norcal. The new company has an agreement with the bank to begin production at the frozen-food plant at Ford and Walker streets and has bid approximately \$15 million for it.

As legal owner, Norcal has greater opportunities to hold onto to the land during a foreclosure auction. Norcal will get the chance to top other bids submitted to the bank.

Besides the Gonzales Street home, Mort Console has retained control of 35 acres north of Ramsay Park, between Main Street and Harkins Slough Road in Watsonville, where he wants to build homes and commercial buildings. The City Council, which once turned down his proposal, reconsidered and will take it up again next week.

The land is officially owned by California Freezing and Cold Storage Co., a company Console owns with his mother Kathryn. California Freezing was granted title yesterday in a transfer from Struve-Console Farms.

On Friday, Console transferred ownership of the Gonzales Street home and a parcel he owns on Amesti Road to California Freezing. That company in turn transferred control to Struve-Console Farms, Inc. yesterday.

Thus, the remaining Console holdings are held by corporations, and are likely shielded from his personal liabilities.

Wells Fargo still holds deeds of trust, however, and what the ultimate resolution will be is not known.

The corporate ownership may also protect Console from claims by his former wife, Melinda, in the settlement of community property still unresolved from the couple's 1985 divorce. Santa Cruz County Superior Court Judge Tom Black is scheduled to hear a request by Melinda Console that a receiver be appointed to control Console's assets. His personal assets have changed markedly with the recent transactions.

All the corporate and real-property transfers have occurred while a court order by Judge Black is in effect forbidding Console from disposing of his assets.

The Corralitos home of Console's mother Kathryn on Varni Road has never been involved in any of the recent transactions.