

COUNTY'S ONLY MALL

Capitola Mall sale appears unlikely

Capitola mall
Owner Macerich Co. plans to stay, city manager says

By JONDI GUMZ

jgumz@santacruzsentinel.com

CAPITOLA — The Macerich Co., owner of the Capitola Mall, wanted to sell the property and 16 others in December, but appears to have changed its mind, according to Capitola City Manager Jamie Goldstein.

The Capitola Mall and the Northridge Mall, which was just sold by Macerich, are considered Class B properties, generating \$350 in sales per square foot, rather than Class A, generating \$450 per square foot.

"They are planning on staying," said Goldstein, who spoke with Macerich officials Wednesday. "They indicated they are focused on maintaining the mall in their portfolio."

The city has a deal with Macerich making \$1 million

in redevelopment funding to help with public improvements, such as relocating the transit center and landscaping.

Goldstein said he considers the deal valid despite the dissolution of redevelopment by Gov. Jerry Brown.

"It was a contract entered into prior to dissolution," he said. "I believe it's secure funding."

The city hired a consultant who put together plans to revitalize the 41st Avenue shopping corridor including

6-7-13
changes at the mall, such as a new bank of stores near the frontage where people currently park.

"We've been talking to them about doing some of these changes and putting this money to work," Goldstein said. "It's been difficult to move the process forward. They were trying to decide to what to do with their different assets. Hopefully at this point they're committed."

Follow Sentinel reporter Jondi Gumz at [Twitter.com/jondigumz](https://twitter.com/jondigumz)