

Wells Fargo holds off Marinovich decision

By KEN McLAUGHLIN

The wary eyes of local historical preservationists were cast on the Marinovich building this morning following Tuesday's Court of Appeal decision clearing the way for the demolition of the 82-year-old structure.

Whether Wells Fargo Bank will follow through on plans to knock down the building to clear the way for 18 new parking spaces, however, remains to be seen.

"I don't see any need to run and tear the building down tomorrow," Dan Livingston, senior vice president of the bank, said Tuesday afternoon.

Livingston said he wanted to talk with city officials regarding their redevelopment plans before making a final decision on what to do with the building. He noted that "a lot has been happening (with redevelopment) since last December," when a lawsuit over the proposed demolition was filed by a group of historical preservationists.

Livingston indicated he felt Wells Fargo has been falsely accused of being intransigent on the Marinovich issue. "We had no choice but to get the legal issue settled first (before negotiating)," he said. "Essentially, we had to defend the property."

Now that the lawsuit has been resolved, he said, bank officials can "open up all the options."

The bank recently leased a one-acre parcel at Main and Ford streets, saying it may move its downtown office to the site. Livingston, however, is also leaving open the possibility that the bank may keep two offices: one at Main and Ford and one at the present location at Peck and Main streets. If the two-bank plan is pursued, the bank would not need as much space for parking at its office on the Plaza, and the building might possibly be sold to someone interested in renovating it.

Present redevelopment plans — which call for the creation of a semi-mall on Main Street between Riverside Drive and Lake Avenue — have raised still more questions for the bank. "We have to find out whether the city really wants a bank at that corner," said Livingston, noting that present redevelopment plans call for putting the downtown's banking district farther north on Main Street (the 500 and 600 blocks).

Chuck Rowe, president of the Preservation Defense Fund, expressed disappointment and some bitterness over the court decision. If the building comes down, he said Tuesday, it will be a "major blow to (downtown) revitalization."

He held out some hope that the bank would compromise on the issue, but said he thought bank officials had "made it apparent" that they would knock down the building despite the protests.

"They feel it's too small a community and that it will all blow over,"

he said. "That's their reasoning."

The Preservation Defense Fund had contended in its lawsuit that the city, in issuing a permit to Wells Fargo, failed to follow the guidelines dictated by the California Environmental Quality Act (CEQA). The preservationists argued that the demolition permit needed the approval of the Redevelopment Agency (City Council) and Design Review Commission, in addition to contending that the city should have required preparation of an environmental impact report before permitting the proposed Marinovich demolition and construction of the new parking lot. An environmental impact report, they argued, would show that the bank could gain its needed parking without tearing down the building. The basic premise of CEQA is that "good decisions are informed decisions," argued the preservationists' attorney, Zan

Henson of Carmel.

But the city of Watsonville, which was also a defendant in the preservationists' suit, contended that the issuance of the demolition permit was a "ministerial act," meaning that the city had no choice but to issue it.

The three-justice Court of Appeal panel in San Francisco unanimously sided with the city. The court ruled that since an environmental impact report was prepared in 1973 at the time the city's redevelopment plan was adopted, there was no need to prepare another report.

"Among the objectives of the redevelopment plan were the revitalization of the (downtown) commercial area and the stimulation of private investment to improve the city's economic health," the court ruled. Assuming that Wells Fargo's plan to replace the Marinovich building with a parking lot furthered that devel-

opment plan, no subsequent EIR should be required, the court concluded.

Since the preservationists did not "attack the sufficiency" of the 1973 EIR, the court ruled, "there was no reasonable probability that the appellant (the Preservation Defense Fund) would have prevailed on the merits of the controversy."

The court, however, did point to a "certain lack of clarity" in the city's redevelopment plan as to whether the Redevelopment Agency has any authority to deny a project (in this instance, the parking lot expansion) if it conforms with zoning laws and the redevelopment plan.

Top city officials, attending the annual conference of the League of California Cities in San Francisco, could not be reached for comment.

Tuesday's Court of Appeal decision culminates a lengthy court battle that began in Santa Cruz County Superior Court last December, when Superior Court Judge Rollie Hall issued a temporary injunction that halted the demolition. In early February, however, Judge Chris Cottle refused to grant a preliminary injunction to the preservationists following a court hearing.

REFERENCE

Two days later, a demolition crew began ripping out the insides of the Marinovich building, but the crew was called off by Granite Construction Co., which had been hired to expand the bank's parking lot. "It was all a mistake" on the part of their demolition subcontractor, Granite officials said.

Wells Fargo made a "final" decision to tear down the building 10 days later, but less than 24 hours before the demolition was set to begin, the Court of Appeal issued a "stay," and preservationists held an all-night vigil to make sure the demolition crew didn't show up. (The demolition foreman did appear at 6:30 a.m., but he was shooed away by the preservationists.)

In April, the appeals court issued a writ of supersedeas, an injunction delaying demolition of the building until the three-judge panel could review the case.

In issuing Tuesday's decision, the court decided not to hear oral arguments in the case. Instead, the justices made their decision based on written briefs filed by attorneys.

Livingston of Wells Fargo expressed surprise that the court's decision had come so quickly. He had been under the impression that the decision was as long as two years away.

Rowe indicated Tuesday that the preservationists would not appeal to the state Supreme Court.

He explained that the only purpose of the suit was to get the city and Wells Fargo to look at sensible alternatives to the demolition. "In the end, we knew that Wells Fargo would win (that is, gain the right to tear down the building)," he said.

