

# ✓ Santa Cruz auto plaza -SC 'entrenched'

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SANTA CRUZ — Auto dealer Steve Bergstrom affirmed Thursday that he is "firmly entrenched" in development of an auto plaza within the Santa Cruz city limits.

Bergstrom, who operates several dealerships in the Santa Cruz area, said he is giving Santa Cruz the "first shot" at his dealerships, and will locate "as many as the city can accommodate" within the city limits.

The location of the dealerships is significant, because revenues from sales tax on autos is awarded to the jurisdiction in which the dealership operates.

Bergstrom said he wants the city of Santa Cruz to be the beneficiary of his dealerships. The city, which has seen revenues dwindle in recent years, is starting to "turn around," in Bergstrom's words.

"The first shot at my dealerships goes to Santa Cruz." The auto dealer said he is convinced that the city has embarked on a course of nurturing business, and that the city has started to turn around "spiritually," as well as economically.

Bergstrom said he was worried that an article in Thursday's Sentinel implied that he had backed off his plan to locate dealerships in Santa Cruz. That story indicated that Bergstrom and the city of Scotts Valley have discussed a possible auto plaza on the site of the old Santa's Village amusement park near Highway 17.

But the story did not make clear that Bergstrom had been approached by Scotts Valley officials,

## Plaza/ 'First shot' for SC

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and that Bergstrom would only consider putting dealerships there after Santa Cruz has taken as many as it wants.

Bergstrom said he wants his intentions known about Santa Cruz, because he doesn't want to give the impression he's "playing one city off against another."

Scotts Valley Mayor Glennon Culwell and Councilman Phil Liberty corroborated Bergstrom's words in a report to the Scotts Valley council this week. "Mr. Bergstrom has made it clear to the committee that he is fully intent on keeping his commitments to the city of Santa Cruz for four auto dealerships, including the Mercedes-Benz dealership."

Bergstrom Thursday did not draw the line at four dealerships, saying Santa Cruz can have all it wants. Earlier, he had said as many as 10 dealerships could be located there.

The deal as spelled out by

Bergstrom and Santa Cruz city calls for auto dealerships in the River Street area. The site is in the city's redevelopment area. Eight property owners currently hold land that would end up as part of the auto plaza. City Council officials have said that the city will either buy or condemn the land needed for the auto plaza.

In addition to Santa Cruz and Scotts Valley, Capitola is a major player in the auto dealership sweepstakes, with an auto plaza just off 41st Avenue. Among the dealerships there is the Porsche-Audi-Isuzu-Daihatsu dealership recently purchased by Bergstrom, and soon will be the temporary home of Bergstrom's Mercedes-Benz dealership, probably the most lucrative dealership in the area in terms of revenues brought in to a local city.

Bergstrom has vowed to return the Mercedes dealership to Santa Cruz when the River Street plaza is finished.