

Gottschalks — Watsonville's hometown store

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WATSONVILLE — Gottschalks, whose representatives announced yesterday they will open a store in the Ford's building, will be "Ford's reborn" and become the city's "hometown store."

Gottschalks' Chairman Joe Levy, speaking yesterday from corporate headquarters in Fresno, said the company plans to open the store by late summer

or early fall. It will offer a full range of merchandise and "eye-level service like Ford's used to offer."

"We're Ford's reborn," Levy said. "We plan to be the hometown store of Watsonville."

Gottschalks representatives yesterday confirmed what had been a rumor for some time. Some of the earlier rumors had Montgomery Wards, Target and Sears moving into the store.

William Hansen, a Watsonville

insurance broker, had the building in escrow since February, but kept the identity of the vendor a secret to protect negotiations, which lasted months. City officials were informed of which store would be moving into the building this week, but signed an agreement to keep the name a secret.

Although Levy is aware of the sluggish local economy, he is optimistic about the store's future.

"All of California is going

through a restructuring," Levy said. He is confident that the area's agriculture-based economy will reawaken. He pointed to the Central Valley's agricultural-based economy, which he described as "very robust."

By offering fair prices and a wide variety of merchandise, Levy is convinced the store can succeed.

"We know our customers," Levy said. "We will offer good quality, fair prices, and great value."

Levy visited Watsonville several times over the last few months.

"I've seen great recovery already," Levy said.

A few weeks ago, he spent half an afternoon in the downtown area and visited the Watsonville Plaza. He saw families enjoying the day at the plaza and many other people strolling through the downtown area.

"I was very, very pleased with what I saw there," Levy said.

The sale of the Ford's building,

which has been vacant for two years, was contingent upon the buyer finding a suitable major retail tenant to lease the store. The Small Business Administration, the federal agency that holds title to the 76,000 square-foot building, was asking \$3.5 million for the property.

The SBA loaned Ford's \$22.5 million to rebuild the store after it was damaged in the 1989 Loma Prieta earthquake, but foreclosed

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on the loan and put the building up for sale in September 1994. About \$20 million of the loan is still outstanding. Under an agreement between the SBA and the city, Watsonville became the lead agent in charge of finding a buyer for the building.

Bob Dwyer, executive director of the Pajaro Valley Chamber of Commerce, said Gottschalks means good things for the downtown area.

He predicted the store will be successful because it will offer shoppers an extensive array of merchandise.

"They will be able to reach a fairly wide range of shoppers," Dwyer said.

That's what Levy is hoping for. With a good promotional campaign, he believes the store can reach shoppers from Salinas, Monterey and Gilroy.

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"I think once we have set the tone when we get our store open, we will see more development in the downtown area," Levy said.

Watsonville's Gottschalks will be the second of the chain's department stores in Santa Cruz County, Levy said.

Gottschalks has a store in Capitola and two speciality stores, one in Santa Cruz and another Scotts Valley.

It operates 32 department stores and 24 speciality stores in California, Washington, Oregon, and Nevada.

Levy said the Watsonville store will employ about 100 full-time employees and several more part-time positions will also be offered.

"We plan to be there a very, very long time," Levy said.

"They are going to be proud of what we are going to do there."