

# Auto dealership plan gets council go-ahead

## Complex could mean hefty gain in sales tax

By BOB SMITH

Plans to build four new auto dealerships in Capitola were approved Thursday night by the City Council.

The dealers plan to build on a 9.6-acre site along Highway 1 between 41st Avenue and Wharf Road.

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Dealers involved in the deal are Marina Pontiac-Cadillac-Buick, Roy Baldwin Oldsmobile-GMC-AMC-Renault, and Jeep, British Motors-Sabura, and Porsche-Audi of Santa Cruz.

The City Council subjected the proposal and the 72 conditions already approved by the City Planning Commission to an item-by-item scrutiny before finally voting 4-0 to approve the project.

Councilwoman Stephanie Harlan objected to several of the proposals during council discussion but finally voted for

the project. Councilman Jerry Clarke was absent from Thursday's meeting.

The project is the largest development since the formation of the Capitola Redevelopment Agency and the largest commercial development in the Midcounty since the construction of the Capitola Mall a decade ago.

The four dealerships will generate an estimated \$250,000 a year in sales tax for Capitola and property taxes will be funnelled into the city redevelopment agency to finance 41st Avenue improvements and to pay for some residential improvements, including reconstruction of portions of 42nd, 43rd and 44th Avenues between Capitola Road and Grace Street.

Drainage from the dealership parking lots into Soquel Creek, a 40-foot-high sign that they want to erect at the corner of Gross Road and 41st Avenue as a location identifier, and a 50-cent-a-square-foot fee the city is demanding for 41st Avenue traffic improvements were the major issues discussed.

Project engineer Fred Werdmuller, at the insistence of county flood control engineers, had planned to pipe all of the storm runoff from the 9.6-acre site into Soquel Creek. The site lies between the 41st Avenue-Soquel Creek storm drain system and drainage could have gone either way.

County officials said they did not want any more runoff into the already overloaded 41st Avenue system.

But city officials and some residents questioned the wisdom — particularly in the summer — of channelling the parking lot-runoff laden with oil, grease and unknown chemicals into Soquel Creek.

The creek is dammed by the city in the summer and becomes a community swimming hole.

Werdmuller had designed a double-chamber grease and oil trap to collect most of the oil and grease from the parking lots during the rainy season, but the council didn't want the summer runoff — mainly from the washing of cars — to flow into the creek.

Werdmuller agreed to redesign the drainage system so that the summer runoff is channelled into a 10-foot-wide landscaped buffer strip between the dealers and the Loma Vista Mobile Home Park.

Heavy winter runoff will go into catch basins, the grease trap and then into Soquel Creek.

Councilwoman Stephanie Harlan proposed, at one point during the discussion, to divert the summer runoff into the 41st Avenue drainage system which empties into Monterey Bay through Moran Lake.

Other council members rejected that idea, saying it

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would be easier to contain a chemical or fuel spill if the summer drainage was onto the dealers' property rather than have to clean up an entire miles-long drainage channel.

The council left the door open to a sign that will exceed the city's 16-foot height limit on 41st Avenue.

The dealers want to erect a 40-foot-high landmark that will be visible to motorists on the freeway.

The Planning Commission rejected the design and the council Thursday essentially agreed with them, saying that it would consider an exception to the height limit if an acceptable design was presented by the dealers.

Harlan took the dissenting position on the sign, arguing that the city should not make an exception to the 41st Avenue sign ordinance now going into effect. That ordinance generally limits signs to a 16-foot height.

Gary Reese of Dapont Construction, representing the dealers Thursday night, said

the car dealers wanted a landmark to incorporate into their advertising programs. The sign with an analog clock built into it would not be lettered with the dealers' names, Reece said.

The council agreed to look at a redesigned landmark and consider waiving the height limit during a future meeting.

The dealer also wanted 36-inch wall signs on their buildings. The Planning Commission had approved a staff recommendation for 30-inch-high signs. The council said it would decide the issue when it sees the final plans.

The 50-cents-a square foot fee was another matter.

The city has been collecting the fee from all new developments in the 41st Avenue to help finance traffic improvements along 41st Avenue.

With 412,000 square feet of land in their project, the dealers would have to pay \$206,000 to the city, and another \$103,000 to Zone V of the County Flood Control District.

The dealers wanted the city to drop the traffic fee in their case, arguing their project

wouldn't produce that much traffic.

City Manager Steve Burrell opposed the idea. Burrell said the traffic fees were originally computed to cover the cost of major traffic improvements in the 41st Avenue area as part of the city Redevelopment Agency. The major item — widening of the 41st Avenue overpass — will now be paid for entirely by the state.

But there are other projects, including major improvements to the Gross Road-41st Avenue intersection, and median strips on 41st Avenue to be paid for.

Burrell won the argument. He suggested that the city recompute the cost of the improvements. The per-square-foot assessment might be the same but probably will be less, Burrell said.

If it is less, he is then suggesting that the city refund the difference to property owners who have already paid the assessment fee.

Burrell said the assessment would be presented to the council March 28.