

IS THE NEW DOWNTOWN BETTER? THEN & NOW

WHERE DO WE GO FROM HERE?

Earthquake — Ten years and later

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Future of downtown S.C. hinges on economy, street scene

By **DAN WHITE**
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SANTA CRUZ

A spry redhead known as Rainbow Ginger loved to sway to a jazz band called Warmth at the old brick Cooper House downtown.

She shook her scarves and sleigh bells, and danced in red leotard stockings at the social hub on 110 Cooper Street. Ginger's gone now. So is the Cooper House.

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■ Watsonville still building after the quake. **PAGE A5**

In that location, a new building with stores and high-tech offices towers over Pacific Avenue. Families shop for high-end surf wear and women gaze at a spectacular assortment of trendy dresses. A guitar-bongo duo goes mostly ignored by dozens of passers-by.

Thursday, community leaders will recognize 10 years since the new remodeled downtown was rededicated after the Loma Prieta earthquake shattered it in 1989.

They will celebrate a different city center, one that overcame slow business and replaced its quirky design with brighter streets, more shops and around-the-clock crowds.

But the downtown is not free of problems.

Despite getting \$100 million from a hungry business community and more in public funding after the quake, plus years of planning and partnership building, the 10-year-old redevelopment plan has fallen short on certain fronts.

Successes have been stifled by the dot-com implosion and a recession that has left 27 percent of downtown's office space vacant today.



Shmuel Thaler/Sentinel photos

TOP LEFT: Although fatally damaged in the 1989 Loma Prieta earthquake, the Trust Building stands at the corner of Pacific and Soquel avenues shortly after the quake. A fire eventually destroyed the building.

TOP RIGHT: The site now houses Borders Books, office space and apartments.

ABOVE: Teresa Buika, right, takes in the sites of Pacific Avenue with her daughters Rose and Anna as the pair enjoys lunch at Noah's Bagels, across the street from Pacific Wave.

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Downtown

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While noting the city's financial resources are tight, she said the city is offering to subsidize parking fees for new businesses and is making downtown more attractive by stepping up its volunteer war on graffiti.

Katherine Beiers, a former Santa Cruz mayor, says the post-quake redevelopment dream will not be fully realized until the downtown space is full.

Social problems

One aspect of the old downtown that survives today is the on-and-off tension between nervous merchants, downtown patrons and residents.

The City Council has long heard complaints about begging, illegal drugs, vandalism, noise, rowdy tourists, overcrowding and traffic. These issues play a central role in whether visitors make the trek to the city's center.

Social problems "certainly affect perceptions of the avenue and who is comfortable coming downtown," said Coonerty, who as a former councilman helped draft stricter panhandling controls.

Confronting these issues, though, by law or otherwise, is more difficult than it may appear.

City Council members, when they have passed downtown ordinances, have found themselves caught between merchants saying they weren't being tough enough and activists accusing them of trampling civil liberties.

This was the case in July when the city approved rules banning, among other things, after-dark panhandling and Hacky Sack playing.

Merchants said the rules made streets safer for their customers while critics called them overkill.

In prior years, other ordinances

attitudes of police and merchants "seemed to be, 'get these people out of here.'"

As far as the ordinances go, Conable contends the rules have done little to address larger problems like drug dealing and have hurt musicians and homeless who were never the ones causing the big problems.

But Police Chief Steve Belcher, and others who support the downtown ordinances, say there's no "crackdown" as some critics have suggested.

"We don't focus on people, we focus on behavior," he said. "The people who get arrested deserve to be arrested."

"The situation is not that much different than it was 20 years ago," he added.

Arrests, however, have increased downtown in recent years.

In 1994, 214 downtown traffic citations were issued, a number that had burgeoned to 884 by 1997. The latest figure, for 2001, was 1038. In 1994 there were 973 total arrests, 1,224 in 1997, and 1,202 in 2001.

"Total police incidents" involving response or arrests have more than doubled from 4,785 in 1994, according to police records.

Coonerty said most downtown problems can be attributed simply to obnoxiousness. He said many of the concerns about behavior are overblown.

"It's not as if there is murder and mayhem going on, but there are rude people, and stupid people who are down here," he said.

After the quake

The 1989 quake caused so much devastation that it essentially left planners, merchants and residents with a clean slate for rebuilding the downtown.

In November 1989 the downtown was a sea of rubble with a tent city of merchants rising from the debris. The tents, which came to be known as "navilions" served as quick



Shmuel Thaler/Sentinel

While some aspects of Pacific Avenue have changed since the earthquake, others like the Rittenhouse lot at Church Street and street musician Prudencio Rodriguez have changed little.

offices and began pursuing this end.

Between private and public sources, it took about \$125 million to put downtown back together according to city officials.

Twenty-five million dollars went to the repair of streets and sewer lines, and to add two new parking garages on Locust and Front streets. Businesses, including banks, came up with \$100 million for private rebuilding.

Cirillo, a redevelopment planner from Southern California, arrived in 1990 with the idea of building an "18-hour-a-day downtown" by attracting a flashy new theater.

After an attempt to lure a United Artists multiplex went nowhere



ing spaces for street performances also drew controversy.

"Things were a little out of whack, but they're back in balance now," said Mayor Emily Reilly, referring to complaints about "thugs" intimidating downtown visitors.

While some of the people taking to downtown streets to panhandle or sleep do it as a lifestyle choice, many are desperately poor and have no other place to go, some social activists say.

This makes downtown ordinances harsher and more disturbing, the critics contend.

With the economy in a rut, there are now even more needy downtown, and about 500 people in Santa Cruz who rely on panhandling "as a primary source of income," according to Paul Brindel of the non-profit Community Action Board.

The good news is that the county is twice as capable of serving its homeless residents as it was just after the quake, Brindel says, citing census and United Way data. The bad news, according to Brindel, is the county's homeless population has doubled to nearly 3,300 people, and the local governments can house only about half this population on any given night, according to census figures from 2000.

Some planners of the post-quake redevelopment effort had hoped that design changes on Pacific Avenue would help ease lingering social problems.

Straighter streets and less vegetation, they contended, would make it easier for law enforcement to patrol the avenue and allow pedestrians to feel more comfortable, especially after dark.

Sherry Conable, a homeless advocate, though, calls the new design unfriendly to the poor.

She said the new alignment and

ing spaces for street performances also drew controversy. stores and restaurants that were damaged or destroyed.

Artisans gift shop owner John Lisher wistfully recalls the portable toilets, the outdoor-indoor carpeting and nailed down plywood floors in the tents, and interiors so hot and humid "you could have grown orchids in them by 11 a.m."

First Alarm security guards, meanwhile, stood watch to make sure thieves didn't slice into the vinyl sidings of the pavilions and make off with merchandise.

Zoccoli's Delicatessen, at 1534 Pacific Ave., damaged by the quake, worked out of a 10-by-30-foot trailer for a year and a half. Bookshop Santa Cruz, meanwhile, carried its entire stock underneath a tent.

The tent city showed that merchants were in more than just triage mode.

One reason the giant vinyl-aluminum tents went up so quickly is merchants didn't want the disaster to knock them out of the running for the post-Thanksgiving shopping rush.

That insistence on thinking ahead, at a time when they might have just been treading water, helped lay the groundwork for the redevelopment plan.

The redevelopment plan got under way quickly with the so-called "gang of 36."

Three dozen representatives emerged from local businesses, governments and neighborhoods to plan the rebuilding.

The group represented such a diverse body it took an entire meeting to hash out a name. An early suggestion, "Revive Santa Cruz" was eventually scrapped for "Vision Santa Cruz."

With the help from city officials, Vision Santa Cruz plotted a recommended mix of housing, shops and

Signature Theaters, in 1995, jumped at the opportunity.

The venture proved successful with lines of people regularly coming to see the latest blockbusters.

The success at the theater was preceded by the old pavilion businesses successfully moving into new quarters.

The merchants showed confidence that the downtown would rebound and were determined to move forward.

Coonerty said he ignored skepticism about the downtown's fate and like others, he believed the business district would rebound.

By many estimates, it did.

Events like First Night, a sober New Year's Eve party, helped bring families back to the downtown, luring crowds of up to 15,000 people.

By the end of the '90s, more than 100 retailers were thriving downtown, and vacant lots had been filled by start-up business, many dot-com or high-tech ventures.

Old mall splendor

For fans of the old, pre-quake downtown known as the Garden Mall, it was all about bumping into old friends at the courtyard near the old Bookshop Santa Cruz.

Careening from place to place like a pinball, with no definable sense of purpose, was the whole point, say Garden Mall fans like Carolyn Swift.

"It was much lighter then," she said. "You went down there and felt happy. I remember seeing elderly people from the Palomar Hotel, sitting on benches, just watching everybody go by.

It wasn't long ago, but some treat it as a long lost era.

Tom Scribner used to talk union politics at the Tea Cup at 1539½ Pacific Ave., where the Cantonese fried squab platter set you back \$2.

"The only way you can see the late



The food pavilion tent was set up by downtown merchants after their quarters were lost in the 1989 Loma Prieta earthquake. Dan Coyro/Sentinel

Scribner now is to look at the bronze statue of him near Bookshop Santa Cruz. The Tea Cup is long gone.

The old Catalyst club survived the downtown changes, but it's on another block now. It used to be in the old St. George Hotel. You had to weave through an alley until you hit the cafe where you could people-watch while munching avocado-sprout sandwiches.

But the old Garden Mall was far from perfect. Merchants complained of an unfriendly business climate and some patrons worried about their safety.

Critics saw the need for change long before the 1989 quake.

Author Page Stegner, in one of the most scathing and controversial accounts ever written about Santa Cruz, wrote a 1981 Esquire article about "something ominous slithering in the garden (mall)."

He wrote of obscene heckling of women and mall denizens who "dealt a little, stole a little and spent their days sitting on the sidewalk and in the planters, staring with blasted vacant eyes at passers-by."

Another critic was Lee Quarnstrom, a former Mercury News reporter and columnist who believes downtown is "lighter now, far superior to the pre-1989 version." He said many considered the old version "dark, dank, even dangerous."

Criticism prompted talk of revitalizing the downtown in the 1980s, but the city had yet to turn the talking points to action.

The earthquake gave them reason to act.

Supervisor Mardi Wormhoudt, who helped convene Vision Santa Cruz when she was Santa Cruz's mayor, said there was a need for immediate rebuilding and compromise.

And she believes the long-range downtown plans have been "fairly successful."

"What resulted was a much more formal ordering of things, no low shrubs and bushes. Higher street lights. Wider sidewalks. It became a straight street, not a meandering street," she said.

Others have noted a so-called "yuppification" of downtown.

"It's more craft or tourist-oriented downtown with surf shops and gift shops. It's less of the real business of a downtown which used to be there," said Swift.

However, shop owner Lisher, also a member of Vision Santa Cruz, took issue with complaints that downtown is more corporate now.

He points out that most downtown stores are still independently owned. He also asserts there were as many chain stores before the downtown changed, but of a different ilk: Sears, Penny's, and Ward's.

Now the chains are simply flashier and higher in profile, he said.

Santa Cruz Councilman Mike Rotkin, also a UC Santa Cruz lecturer, wasn't wild about certain elements of the old downtown.

But he does have fond recollections of what he describes as "the

classic hippie scene" and the way the street, like the city and many of its people, wandered seemingly without aim.

"We live in a world of functionality and straight lines, and (downtown streets) literally meandered," he said. "For a lot of people, that meant a lot."

Councilman Mark Primack, an architect who worked on the Garden Mall, notes big changes over the years as well.

When he was younger and "didn't have two nickels to rub together," he loved downtown because of its digressions and happy purposelessness.

"One of the pleasures of going downtown was making slight detours, not from point A or B, but going through the courtyard behind the book shop, and there was always the hope and possibility that you bump into people you know."

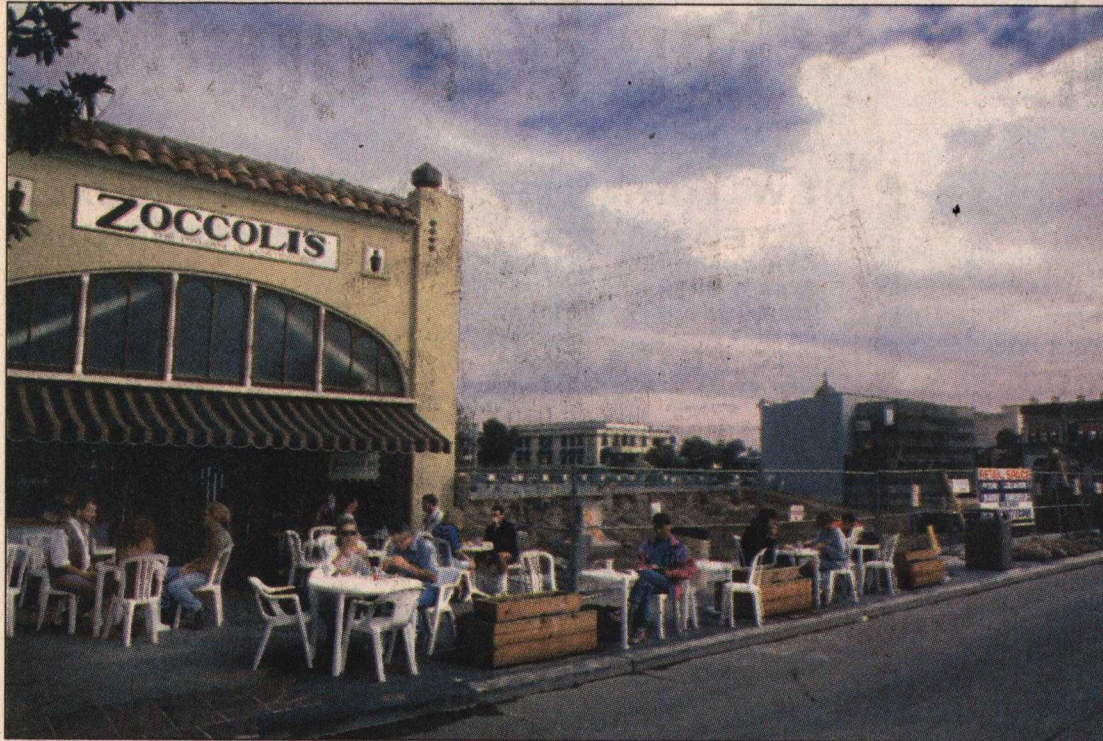
But it isn't just the mall that changed, he said. It's the world around it, and the former denizens who grew up became middle class and find themselves in their 50s now.

Primack attributes much of the Garden Mall nostalgia to these baby-boomers missing their youth. "When I was in my 20s, and broke, and working downtown, did I love it? Yeah," he said.

"Did I have more time to hang out back then? Yeah. I sure did."

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POST-QUAKE RECOVERY



Shmuel Thaler/Sentinel file

Zoccoli's Deli, though damaged by the 1989 quake, fared much better than the neighboring St. George Hotel, which had to be torn down because of earthquake damage.



Shmuel Thaler/Sentinel

Today, Zoccoli's Deli stands much as it did before the 1989 earthquake, while neighboring St. George Residences, with shops underneath, emerged after the quake.

Downtown

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Some merchants say the redevelopment has been further marred by the city's continuing social problems, like aggressive street behavior and petty crime, which affect the willingness of patrons to come downtown and throw cash at the local economy.

"I don't think we're there yet," said Candi Jackson, co-owner of Jackson's Shoes, which has been at 1306 Pacific Ave. for 39 years.

"Whether we'll ever truly get

lament the coming of the chain stores and abhor the more upscale bent of the city center.

They remember the big trees and overgrown brick planter boxes of the old downtown. They say it had a more human scale, recalling department stores like Ford's and a lower skyline defined by the Palomar building.

They remember red-haired Ginger.

This downtown of old, whether you liked it or not, came to an end on Oct. 17, 1989.

The Loma Prieta earthquake wrecked half the business district, killed six people within the com-

Joe Ferrara, owner of the Atlantis Fantasyworld comics and collectibles store at 1020 Cedar St. "They were young adult males making good money, and what do you spend it on when you're young and unmarried?"

Ferrara, who has been downtown for a decade, said it's been especially hard for his friends who run small jewelry and gift shops, "especially after (downtown) coming back the way it did."

Cirillo, despite tough times, insists the avenue is anything but down and out. She said downtown is poised to recover when the econ-

Despite the downturn, she spoke of recent triumphs, such as two young women planning to open an Italian restaurant at the vandalized and long-vacant Cat 'N' Canary fashion store site at 1100 Pacific Ave.

Expect pizza and moderately-priced pasta dishes to liven up a space that now has acid-smearred windows and a dark interior, features increasingly common downtown.

Cirillo also anticipates that the empty Warehouse space at 1401 Pacific Ave., once a Blockbuster music store that sold audio CDs

not mentioned because the new party hasn't signed a lease.

Prospects for economic recovery are good, she said.

There are firm plans to fill the 5,337-square-foot space at 1515 Pacific Ave., left vacant by Integrand Designs, an upscale housewares shop that closed in September after 30 years in business. The major tenant will be The Treehouse toy retailer.

Some sites, though, are harder to revive.

Where the Cooper House stood, the 100,000-square-foot replacement building, once completely filled, is now more than a third

to attract new clients there as well.

An empty lot at the corner of Pacific Avenue and Church Street, vacant for a decade, remains undeveloped, though the City Council approved stores and offices there two years ago. The only thing breaking ground now are weeds, some of which have grown eight feet tall.

The owner of the lot, Louis Rittenhouse, declined to comment on the status of the project.

To help fill the vacancies downtown and stimulate local business, the city is "continuing to look for ways to help," Cirillo said.

patrons to come back and throw cash at the local economy.

"I don't think we're there yet," said Candi Jackson, co-owner of Jackson's Shoes, which has been at 1306 Pacific Ave. for 39 years.

"Whether we'll ever truly get there is unknown," she said. "The economy is playing a huge role. We are not anywhere near where we should be with the social issues downtown. It all impacts business."

Despite social and economic setbacks, many community leaders hail the progress of the past decade as a success.

"This anniversary marks a remarkable triumph," said Neal Coonerty, owner of Bookshop Santa Cruz at 1520 Pacific Ave. "The story of our recovery made many outsiders see Santa Cruz as a plucky town that pulled itself up by its own bootstraps."

Anchoring the post-quake recovery was the Santa Cruz Cinema 9 Theaters at 1405 Pacific Ave. The multiplex, which in 1995 lured more people downtown and kept them there late into the evening, spurring restaurants and shops to open.

New chain retailers came with the post-quake downtown. Among them, Starbucks Coffee, Jamba Juice and Borders Books. And independent merchants like Coonerty, who make up more than half of retail businesses downtown, said with business up, they too have thrived.

Meanwhile, the University Town Center at 1101 Pacific Ave. and the Redtree Properties building at 1200 Pacific Ave. have added housing and office space to the mix. Businesses like Imagesmith, Haptek and TGV, which was later sold to Cisco Systems, were quick to commence operations above first-floor shops and restaurants.

City Redevelopment Director Ceil Cirillo described the outcome of redevelopment as "not a 24-hour, but 18-hour downtown — a social, entertainment, specialty retail and cultural center."

"It wasn't working that way before," she said.

Nonetheless, there are those who, 10 years later, remain nostalgic for the old Santa Cruz. They

ger. This downtown of old, whether you liked it or not, came to an end on Oct. 17, 1989.

The Loma Prieta earthquake wrecked half the business district, killed six people within the county and a seventh victim in San Francisco. Three died in the rubble downtown. Throughout the San Francisco Bay Area, 63 perished.

The economic and social challenges today, while much less daunting than rebuilding after an earthquake, remain.

Economic recovery

The city seemed close to a full post-quake economic recovery when it hit a financial peak in 2000, said city Finance Director Dave Culver.

Total sales downtown were \$119 million that year, compared to \$86 million, accounting for inflation, the year after the earthquake, according to city officials.

Before the post-quake peak, downtown sales never surpassed the \$100 million mark.

Downtown was "back," said Coonerty. "A lot of it was fueled by the fact that the upstairs offices were full of people who were young, making a \$60,000 to \$70,000 salary, and in their eyes, it was going to go on forever. They would go to the street and buy stuff."

But the recent downturn tested the financial strength of the new downtown.

More than 200 jobs were lost downtown in the past three years, mostly in the high-tech sector, according to the city Redevelopment Agency. Last year, for example, Lutris Technologies laid off most of its workers, after reaching a high of 190 employees in 2001.

Downtown sales figures from the past two years are not yet available, but the telling figure of office vacancy hit a post-quake high, according to a February survey.

The boom was over. The changed business makeup and redesign of Pacific Avenue were not enough to save the downtown from recession.

Disappointment set in.

"I lost six regular customers because of the dot-com crash," said

"especially after (downtown) coming back the way it did."

Cirillo, despite tough times, insists the avenue is anything but down and out. She said downtown is poised to recover when the economy picks up.

"It's not so much the city as the economy," she said.

increasingly common downtown.

Cirillo also anticipates that the empty Warehouse space at 1401 Pacific Ave., once a Blockbuster music store that sold audio CDs and video games since 1995, will be filled with a "popular regional retailer," she said. Specifics were

house to replace the status of the project.

Some sites, though, are harder to revive. Where the Cooper House stood, the 100,000-square-foot replacement building, once completely filled, is now more than a third vacant.

Cirillo said the city is working

To help fill the vacancies downtown and stimulate local business, the city is "continuing to look for ways to help," Cirillo said.

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