

Major retail store sought

Santa Cruz to unite
2 Pacific Avenue lots

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In another effort to lure an anchor department store downtown, Santa Cruz officials hope to combine two Pacific Avenue lots to entice a national chain with more store frontage.

The city earlier this month bought the Plaza Books lot, hoping to combine it with the adjacent Ford's department store lot at Pacific Avenue and Cathcart Street. The idea is to offer the two lots in combination to national retail chains, giving them twice the store frontage and more floor area, said Councilman Michael Rotkin.

Downtown Santa Cruz has been without a major department store since the 1989 Loma Prieta earthquake destroyed Ford's and Gottschalks. Residents must now drive to Capitola Mall, Monterey or San Jose for towels, sheets and other items.

"We really would like to have a department-style store in downtown Santa Cruz, someplace where people could buy socks and pillow cases, those kinds of things," Rotkin said.

Ross backed out

Relief seemed on the way last April when Ross clothing stores made plans to build a two-story, 30,800-square-foot store on the Ford's lot. City leaders called the project a final step in earthquake recovery that would bring more shoppers downtown and raise \$80,000 a year in sales tax.

But Ross backed out, leaving many wondering what went wrong. Company officials cited fears of hurting their Capitola Mall store five miles away, while rumors floated that they were more worried about panhandlers downtown.

In any case, city officials say a larger lot is needed to lure major retail chains, and that none of the other remaining vacant downtown lots really fits the bill.

"If we're going to have a department store, this is it," Rotkin said. "I don't see where else a department store is going to go."

Developer at work

No deal is on the table yet, but Palo Alto developer Andrew Duncan, whose family has owned the former Ford's lot since the 1950s, said he has been working with the city to try to put one together.

"We've had some very serious discussions with the city about the issue and we've been working very diligently to find a tenant that would meet the needs of downtown Santa Cruz," Duncan said. "We have a couple of very interested potential users of the site."

Santa Cruz buys lot in hopes of luring big retailer downtown

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Duncan declined to say which stores are interested, however, saying disclosure might blow a deal.

Cecil Cirillo, Santa Cruz redevelopment director, said the city hopes to attract "something along the lines of a Ross or a Marshalls or a T.J. Maxx."

Hal Morris, who owned the Pla-

za Books lot, said he decided to sell it to the city for \$400,000 after abandoning plans to build a four-story retail and apartment building there. The city bought the lot May 2.

The Loma Prieta earthquake destroyed the original Plaza Books building, a former hotel built in 1908, leaving a 3,600-square-foot gray addition built in 1940 that the city will demolish this month.