

Pacific Mall Where's the rebuilding?

Projects OK'd, but *2-3-91* only one constructed

By MARK BERGSTROM
Sentinel staff writer

SANTA CRUZ — It has been almost a year since the first downtown rebuilding project was approved, and the sounds of construction still don't fill the air along Pacific Avenue.

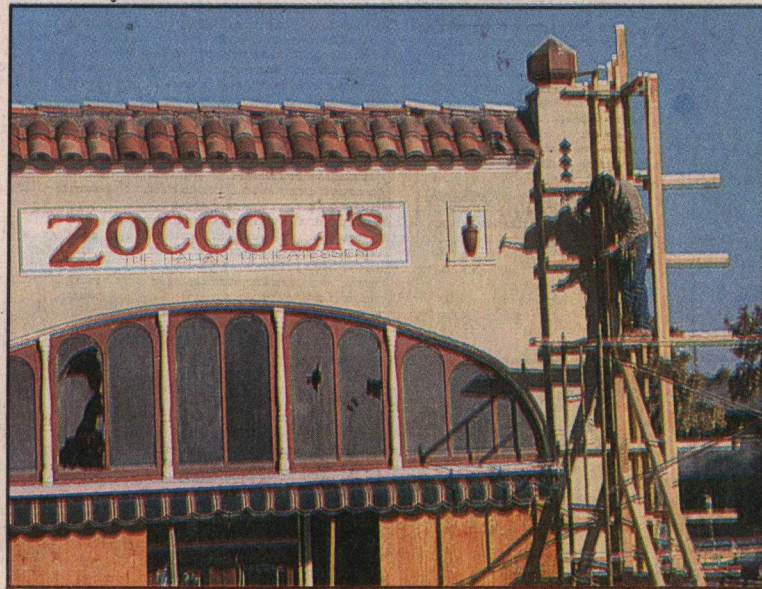
In fact, the only new construction right now is a 50-foot lighthouse, and that is an art project. The project is said to be a symbol — a beacon to attract new business. But some fear it is more an ominous sign that the hole it sits in will remain a hole for a long time to come.

Just one new building has

been constructed downtown since the Oct. 17, 1989 earthquake. That was a 3,800-square-foot building housing the Shandrydan clothing store. Construction was completed Nov. 12.

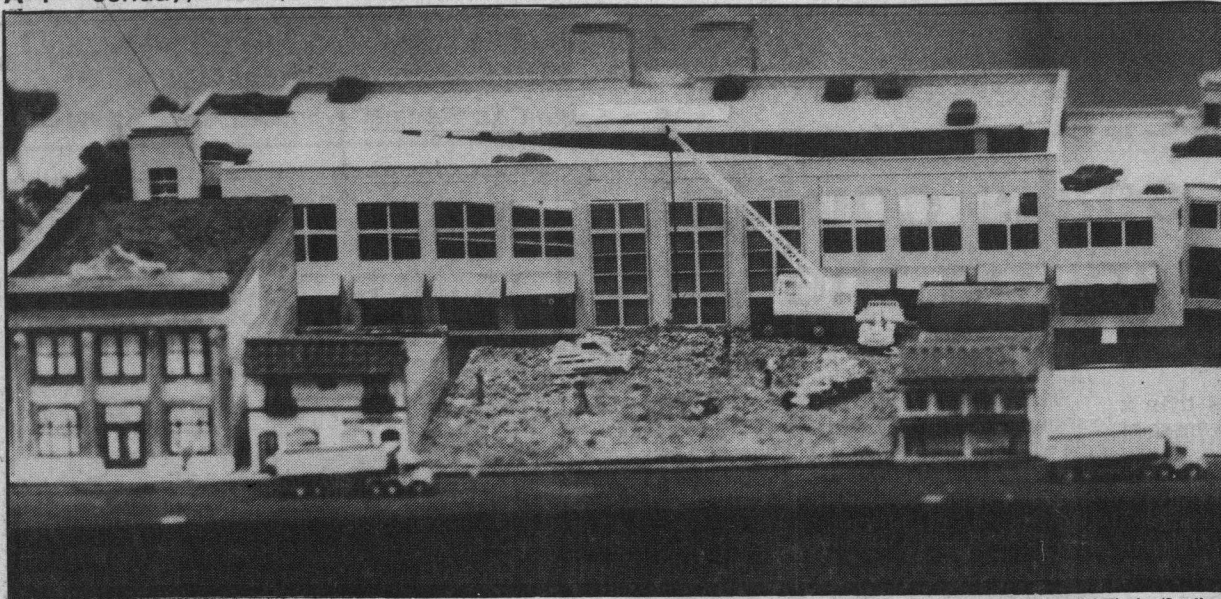
Ground has not been broken for any of the other dozen projects which have been approved by the City Council. Those projects, including a new St. George Hotel and a cinema complex at the site of the former Gottschalks department store, will someday fill in many of the holes caused by the Loma Prieta earthquake.

Please see DOWNTOWN — A4



Shmuel Thaler/Sentinel

Lone worker starts repair work on Zoccoli's building.



Shmuel Thaler/Sentinel

Downtown mall model shows what parking garage will look like one day.

Downtown

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No plans have even been submitted yet for other significant sites, including the Cooper House property, the former Ford's Department Store site and the Rittenhouse property at the corner of Pacific Avenue and Church Street where the lighthouse is being built.

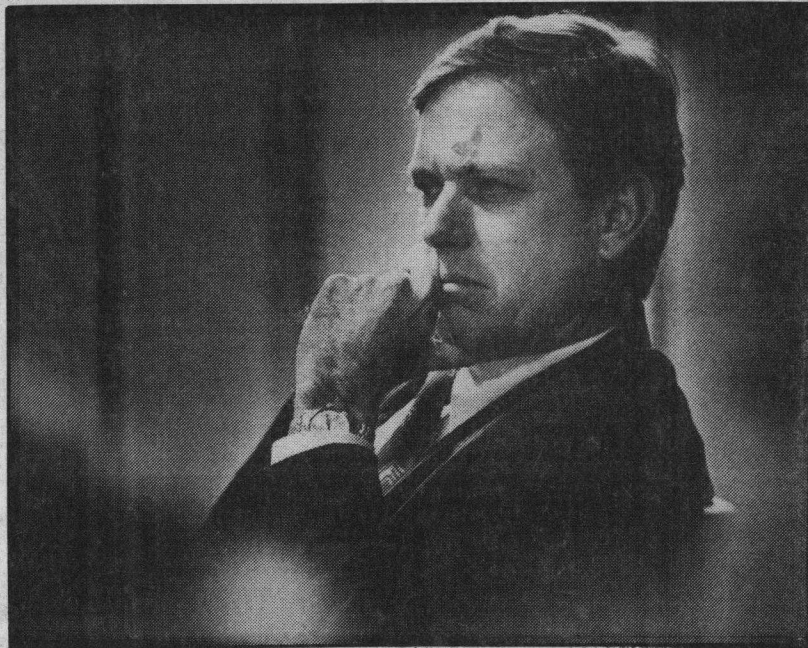
In all, 23 buildings were destroyed and 17 others damaged in the earthquake. That accounts for just about half of the buildings on Pacific Avenue from Elm Street north to Water Street.

City officials involved in the rebuilding are not discouraged by the passage of time. "The experts tell us we're really talking about a five-year process," said City Councilman Neal Coonerty.

To expect new buildings in a year would be pie-in-the-sky, Coonerty said.

Redevelopment Director Ceil Cirillo agreed, saying the average time for construction of a large new retail building anywhere is about three years. "I've always said it's a two-to-five year building program, with easy projects in two years and the hard ones in five," Cirillo said.

Principal Planner Ken Thomas said people should not lose sight of the fact that many buildings are in the process of being repaired. Those include the Palomar Hotel — although disaster-financing delays have slowed progress there — the Leonard Building at Front and Cooper Streets, the old Alexander Hotel at Pacific and Locust Street and Zoccoli's Delicatessen.



Bill Lovejoy/Sentinel

Jack Bariteau says building depends on street improvements.

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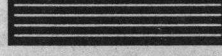


for the bigger Pacific Avenue site are now in the hands of the city and that she hopes to break ground early this spring.

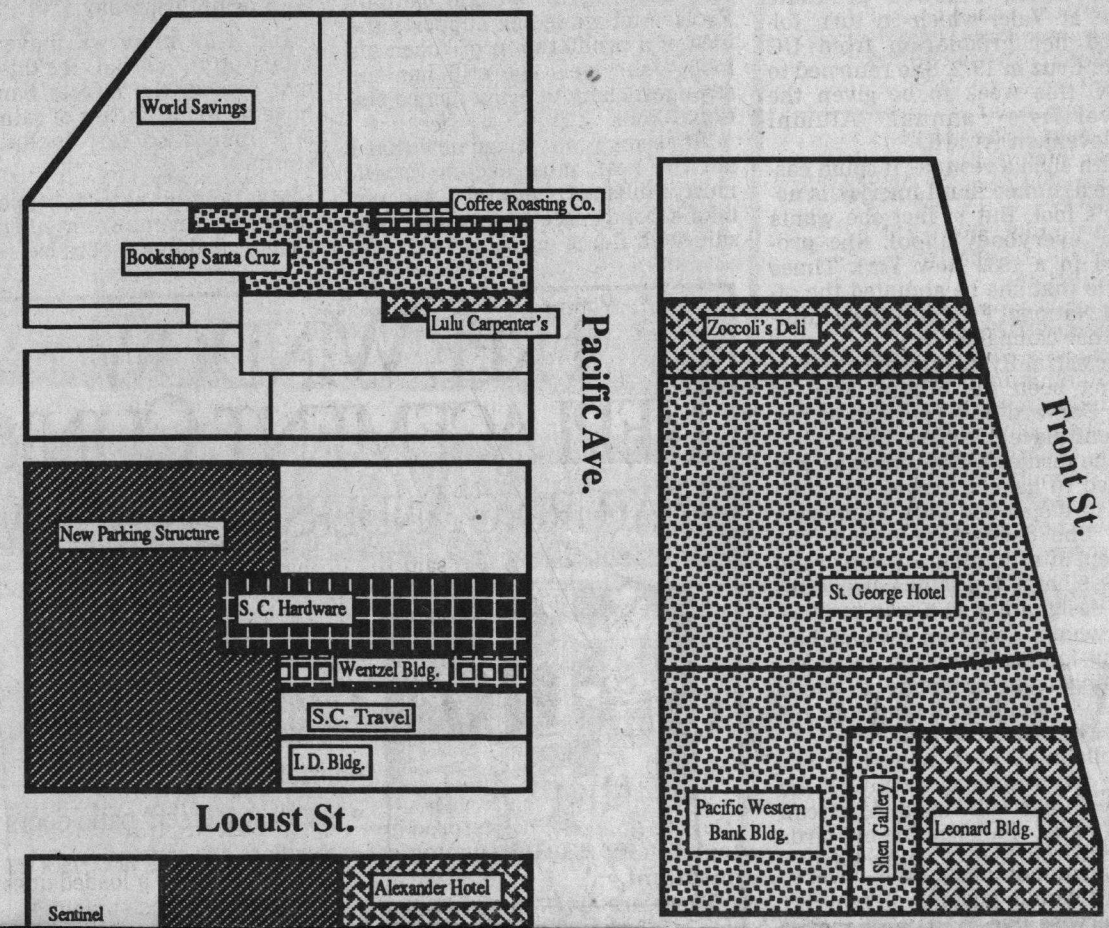
The city has been banking on Palo Alto developers Jack Bariteau and Charles Keenan to build the first large-scale project, that being the cinema complex on the former Gottschalks site.

Bariteau and Keenan came to town last spring and announced that they had not only had bought the Gottschalks property and planned a big theater and retail

Downtown rebuilding progress

as of Feb. 1, 1991

-  Demolished, no plans submitted
-  Demolished, project approved by City Council
-  Project approved by City Council
-  Building permit issued
-  Construction completed
-  Major repairs
-  Demolition permit requested



cided with the earthquake recovery effort.

Financing new construction has been a major problem, even though some local lenders say they have millions of dollars available.

The hitch, says Pacific Western Bank Chairman Phillip R. Boyce, is that property owners are having

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— *Jane Yokoyama, mayor*

— *Jack Bariteau, developer*

trouble coming up with the 25- to 30-percent equity to qualify for a construction loan.

Owners had equity when their buildings were still standing, but now that they've been knocked or torn down, the owners owe debt on holes in the ground and cannot qualify for a loan.

Logos Bookstore owner John Livingston, who submitted the first rebuilding plans last March, said Wednesday that he is finally close to working out his financing and hopes to break ground in about two weeks.

Engineering is another big problem, according to Cirillo, because Pacific Avenue is in an area prone to heavy shaking in earthquakes.

Gloria Hihn-Welsh said engineering studies took much longer than expected on her project, proposed for the corner of Pacific Avenue and Lincoln Street. Welsh owns the only new building built, housing Shandrydan on Walnut Avenue.

She said Wednesday her plans

The City Council approved plans for both sites, but the developers since have backed out of the bank building deal and now say the cinema complex cannot be built until the city is finished building and landscaping the street.

Bariteau said his lenders want the street rebuilt. "We can't build an \$11 million building and bring in tenants and then not have any way for customers to get to the building," Bariteau said.

Mayor Jane Yokoyama said she is growing tired of excuses about rebuilding. "It's very difficult for the city to show good faith when there's a professional level of game-playing going on about when projects may come on line," she said.

"The city has done a lot to facilitate rebuilding," she said. "We've been handing out carrots. Maybe we'll have to start using a stick," she said.

"We're just kind of sitting here now stuck by people who are waiting to get better deals," Yokoyama said.

City officials have said they want to have all of the utility improvements done and a new parking structure at Cedar and Locust streets completed by November 1991.

Landscaping will be the final touch added. The city has told a landscaping consultant to freeze work on a streetscape plan until an overall recovery plan is completed.

The recovery plan is scheduled to go to the City Council for approval some time in April.

The ROMA Design Group of San Francisco gave an update on that plan to property owners on Thursday.

The plan calls for traffic to enter Pacific Avenue from both ends. There would be one lane of southbound traffic from Water to Locust Street and one lane of traffic northbound from Cathcart. There would be one lane in each direction between Church and Locust to tie the traffic pattern together. Parallel parking would be provided the length of the street, which would be straightened from its former meandering path.

'The experts tell us we're really talking about a five-year process.'

— *Neal Coonerty, city councilman*

The consultants recommend that the street be lined with tall trees, planted at the curb line. The consultants, who have been meeting with property owners on a block-by-block basis, are recommending that extra-wide sidewalks be included in certain blocks where outdoor restaurants are either planned or would be appropriate.

The early landscaping plan by consultants Wallace, Roberts Todd drew fire from all sides. While planners said it was too sterile and formal, merchants and property owners said the plan had too many trees.

"Some people want to improve what was there," explained Yokoyama. "Some want just what was there and some want less. It would be miraculous if we could reach consensus, but we'll never accommodate all those people," she said.

"I think we need to improve what was there and I think the majority on the council agrees," she said.

— *Mark Bergstrom*

Landscaping biggest hurdle in rebuilding

SANTA CRUZ — The biggest battle downtown will not be fought over buildings and financing, but rather over trees and benches.

"I honestly think the landscaping will be the biggest hurdle because more emotions are invested in the landscaping," said Mayor Jane Yokoyama.

Planning Commission Chairman Brandon Cornell agreed. He penned a letter to the City Council in December in which he said the commission was "alarmed by the quality and direction of the (streetscape) planning to date." He called the preliminary design plans "sterile."

Cornell said Thursday that his top concern is that Pacific Avenue be returned to an informal setting.

The unfurling of a preliminary drawing of where trees might be planted touched off such a furor that the City Council told the consultants to put their work on hold until a downtown master plan is completed.

The ROMA Design Group of San Francisco gave an update on that master plan to property owners on Thursday.

The plan deals with landscaping, but only in general ways.

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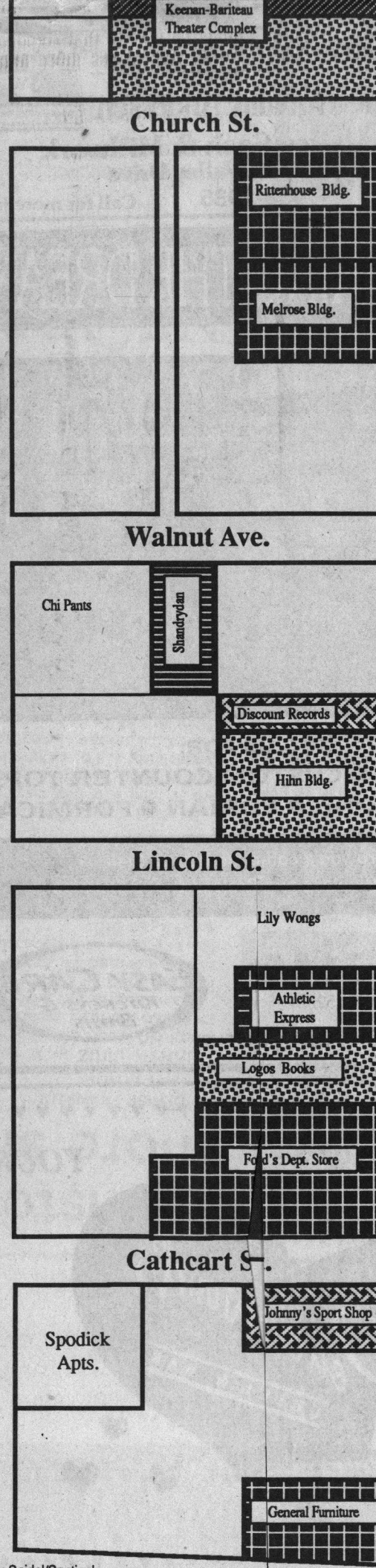
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Judy Seidel/Sentinel

