

# DOWNTOWN AT THE TURNING POINT



Pacific Mall scene: At its heart, Santa Cruz has a breezy and beautiful downtown most can't help but love.

by Tracie White

**E**XASPERATED by the number of street people who have made the sidewalk in front of her business a permanent hangout, Cynthia Copple says she has considered moving. She has owned and operated the clothing store Lotus & Co. on the Pacific Garden Mall for five years.

"A customer complained today she was panhandled five times on the way down here," Copple said. "I love the unique atmosphere of the mall, but if people are going to be afraid or disgusted when they come down here, I don't know."

"There are people that spend every day, all day on the sidewalk in front of retail businesses where people are walking,"

Copple said. "The two things don't mesh. The street people are in the wrong location."

Copple attended meetings of the Downtown Association of businesses when it was first formed two years ago, but quickly became discouraged. "How can you promote business if people arrive here and they get turned off?" she asked.

Copple is not alone in voicing concern about the future of the mall. While many business owners say the street people and aggressive panhandling are major problems on the mall, a number of other issues are also demanding attention.

"A lot of downtowns have tried (to revitalize) and have failed," City Councilmember Mardi Wormhoudt

said. "They have similar problems: too much traffic, difficulty parking, lots of street people, and everyone thinks their problems are unique."

"The (Santa Cruz) downtown will always have something really special," Wormhoudt added. "A unique mix of architecture and retailing. But it's time to take a new look at revitalization."

Recent concern about the mall has spawned two new city committees. Mayor John Laird has organized a social task force composed of representatives from a variety of public and private agencies to look at the issue of the street people on the mall. And a new Downtown Revitalization Steering Committee — composed of three city council members, three members of

the city's Downtown Commission and three members of the Downtown Association — has begun to meet to discuss problems in the downtown as a whole.

"There are more people working now with better attitudes," said William Rubel, chair of the city's Downtown Commission and a downtown businessperson. "This is the first time high-level city committees have begun to work on the problems."

## How the Mall Began

A little more than 20 years ago, the downtown area in the city of Santa Cruz was in a state of decay. Empty shops and shabby storefronts led to discouraged owners and declining real estate values. Old houses and historical buildings sat neglected and deteriorating.

Cities across the country were faced with the inc trend toward inner-city decay and subsequent flight to the urbs. The question was: how to reverse these trends.

Santa Cruz set about a downtown renovation project inspired by a similar effort in Grand Junction, Colo., to renovate historical buildings and creating a parklike atmosphere attractive to shoppers.

In November 1969, about 400 people gathered to watch the mayor of Santa Cruz, Richard Werner, cut a red ribbon signifying the dedication of the Pacific Avenue Mall.

"This mall will have an effect on local government, at least from a financial standpoint," Werner said to the crowd. Almost 20 years later, his words are still ringing true.

With the 20-year anniversary of mall construction coming next year, and the advent of city council elections next month, city officials, business owners and candidates are looking at the future of the mall and searching for answers to make the area vibrant again.

While the majority of the 17 city council candidates have identified problems of the mall, Mayor John Laird complains that candidates' solutions to the problems haven't been as quickly forthcoming.

"The thing that exasperates me is that I don't hear anybody offering any solutions," Laird said. "It doesn't take much energy to complain about the problems."

Ron Prilliman, a downtown business owner who is also active in the Downtown Association of businesses, complains that the campaign is generating "a lot of negativity about the mall," which is not helping the situation.

Almost all 17 of the city council candidates agree that conditions on the mall need to be improved. Just how to do that is where the controversy begins.

## The Political Agenda

In response to a survey conducted by the Progressive Business Network, 13 of 15 candidates said revitalization of the mall would be a major priority if they were elected. Revitalization, they agreed, would help improve the economic vitality in the city.

And, in fact, candidates have offered a wide array of solutions to mall problems, most of which have long been debated among business owners and city officials.

"We need to start marketing the mall as a regional shopping center," said candidate Ed Porter. "Many tourists don't know it's there."

The list of solutions stretches from strict enforcement

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of laws relating to the sale of drugs and aggressive panhandling, to expanding the jail or relocating county social service programs away from the downtown.

Porter, a Santa Cruz High School computer teacher and owner of a data service business downtown, supports setting up a campground for the homeless at a modest fee and running a shuttle to the beach from Harvey West Park, with stops at the mall to encourage business from tourists.

While the candidates have been espousing a variety of solutions, the Downtown Association has been active in trying to build its role as a leader in managing the mall as a unified business district.

"We have a street landscaped. It's called a mall, but no one person controls it," said Rubel, who is active in the Downtown Association. Rubel maintains that private merchants need to work together to be competitive as a shopping district.

"Right now, if a store is for lease and empty, all the expense is on the shoulders of the person who owns the building," Rubel said. "Obviously the owner is in a hurry to rent." The downtown needs to organize to help building owners find tenants that will benefit the entire downtown, Rubel said.



Downtown Association's Rick Kuhn

Every person who takes out a business license in the half-mile-long, quarter-mile-wide area designated as the downtown automatically becomes a member of the Downtown Association. The association has a budget of \$73,000 this year for marketing, and a mailing list of 630 businesses, about half of which are retail. The budget is allocated to the association from the city, which collects taxes on businesses from a downtown assessment district.

The physical boundaries of the downtown run along River Street on the east down to Laurel Street on the south over to Center Street on the west and up to River Street where North and Pacific meet on the north.

### In Quest of Unity

The association's executive director, Rick Kuhn, who recently attended a conference in Denver on "centralized" marketing efforts for downtowns, said "landowners, retailers and the governments have to work together to keep the mall competitive."

Kuhn added that the downtown needs standard business hours and a greater influence over the mix of businesses locating in the downtown.

"Other communities work with landlords. We want to be able to do research to tell (building owners) what tenants would work. We would like to be able to review the success potential for a new tenant," Kuhn said.

Kuhn said the association wants to see later closing hours in the mall with businesses open on Sundays and a variety in the mix of businesses. The association also likes locally owned, one-of-a-kind stores, something you don't get in a private mall, Kuhn said.

Kuhn added that he has seen positive trends in the types of businesses locating on the mall. More businesses are catering to tourists and students. There are more higher-end scale stores, and more specialty stores that feature one type of product such as a store which specializes in socks.

But the key to a successfully promoted mall, Kuhn said, is getting more involvement from the business community. Only about 30 to 40 of the over 600 members are active in the Downtown Association.

Prilliman agreed, and added, "We're not a cohesive whole yet. We've started the process. The real difficulty is getting the ball rolling. We need a larger number of businesses involved."

Those concerned with the downtown note that the major competition comes from the expanding Capitola Mall and the newly refurbished Valley Fair shopping center in San Jose, where unity of purpose is not an issue.

Downtowns across the United States face similar competition from privately owned malls, where management strictly controls what kind of businesses move in, what store hours will be and marketing efforts, said councilmember Wormhoudt, who recently attended a conference in Eugene, Ore. on management strategies for downtown shopping areas. By contrast, the downtown district has dozens of individual business owners with almost as many different ideas about how to operate and market the collective whole.

### The Street Scene

According to many downtown business owners, the No. 1 problem facing the Downtown Association — and city officials hoping to revitalize the mall — is the street people.

While homeless activist Robert Norse maintains that high prices on the mall — and not the street people — drive shoppers away from the downtown, many council candidates and business owners see street people as the major problem facing economic revitalization.

"Many transients use (the mall) as a gathering place," said city council candidate and incumbent Arnold Levine. "That in itself isn't so bad, but there's a tremendous amount of panhandling. If you ignore them, they'll hassle you."

"There are many people who avoid going to the mall," said candidate Don Lane. "Shoppers should feel comfortable going there. There's panhandling, people under the influence of drugs or alcohol, sexist remarks. People should feel safe on the mall."

Police Officer Norm Levy, one of four officers assigned to the mall, said that there are five basic groups that hang out on the mall: the mentally ill, the drug dealers, the drunks, the longtime street people and the younger street people, many of whom are runaways.

While the mall is not a violent environment, Levy said, the conflict between the street people, and business owners "can be very stressful." He gets repeated complaints from

shoppers about aggressive panhandling and use of drugs. Marijuana and LSD are commonly found on the mall, Levy said.

Vocal in her condemnation of the current conditions of the Pacific Garden Mall, city council candidate Susan Groff, owner and operator of Groff's Luggage & Leathers, has been on the mall for more than three years.

Describing the mall as "a '60s hippie playground"



Businesswoman Cynthia Copple

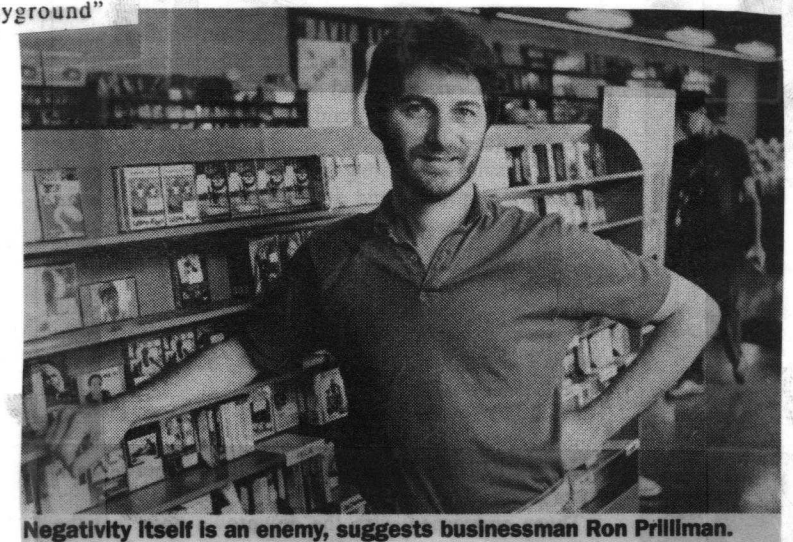
where at any given time you can go out and see a drug sale, Groff claims the problems on the mall are symptoms of "an illness throughout the city."

"I think the city is treating the mall like a park," said Groff. She describes the current council as "theoretical and idealistic, but not practical." Vehement in maintaining that the street people and the merchants cannot successfully coexist, Groff said she has shoppers call asking if there is a back door to her shop so that they can avoid walking down the mall.

"No one should have to do that in any business district," Groff said.

Prilliman counters that the city is doing exactly what it needs to be doing. "It's a concept whose time has come. The Downtown Association has strengthened its relationship with the city by telling them what we need. The city is to be applauded."

While candidates continue to debate the problems in the downtown, at least four will be faced with making actual changes that will affect the economic future of the mall. Reflecting the words of the Santa Cruz mayor in 1969, City Manager Dick Wilson, reiterates, "The health of the retail sector of the city is dependent on the mall."



Negativity itself is an enemy, suggests businessman Ron Prilliman.