

# New Lighthouse Point Agreement Worked Out

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Technicalities for a new agreement between the Santa Cruz city-county Joint Powers Authority and landowner Peter Pasetta were worked out Wednesday for development of a convention center at Lighthouse Point.

The action was taken to accommodate Teachers Management and Investment Corp., an investment group including about 250 teachers which has indicated it wants to purchase acreage at the site.

The authority will meet again Friday at 4 p.m. at city hall to approve a new written agreement with Pasetta. The agreement will supersede a previous pact between the authority, Pasetta and developers Robert Burnstein, George Samson and T. Z. Chu.

Pasetta wanted the new agreement so TMI could proceed with plans to make an application by May 15 to the state corporation commissioner enabling it to issue a permit that would allow the teachers' group to sell shares to its members and raise capital for the lighthouse Point site purchase.

TMI representatives said they are anxious to get started on plans to build a hotel on Pelton Avenue, between Laguna and Centennial Streets.

In addition, the new agreement will set up contract between Pasetta and the authority allowing the authority the right to lease the 4.84-acre property immediately adjacent to the proposed convention center site until August, 1976. The center is planned on Pelton Avenue, between Laguna Street and

Lighthouse Avenue, and the expansion is scheduled to be between Lighthouse and Eucalyptus Avenues.

The authority will be able to lease the "expansion" parcel for an annual rental of 6 per cent of the \$336,158 purchase price, plus taxes. But if the authority cannot sell bonds by August, 1972, for the expansion site, the agreement is terminated and Pasetta will have to "swallow" the lease money. The agreement also gives the authority the opportunity to pay the rental if it wishes and to hold on to the lease until August, 1976.

In short, the authority will not be obligated to make payments on anything unless it has failed to sell bonds for the center by August, 1972, and chooses to keep the lease up to August, 1976.

Delay in construction of a hotel on the site has held up the project for about two years.

Pasetta gave the authority a 4.59-acre site for the center in an effort to get the project started.

Santa Cruz City Manager Dave Koester also announced that the \$900,000 application for a federal grant from the Economic Development Administration is "inactive" now, and has not been refused as some persons have rumored.

## SIGN REMINDER

LOUISVILLE, Ky. (AP) — A reminder of what is available on the premises was posted on the bulletin board at Fern Creek High School: "Free—Every Monday through Friday: Knowledge. Bring your own container."