

✓CF Beach Street Revival

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# Beach Street festival back at fairgrounds

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Beach Street is back.

The Beach Street Revival, which was planning a move to Santa Cruz this year, hit a snag in negotiations with that city and will instead hold its festival at the Santa Cruz County Fairgrounds in Watsonville July 16 through 19.

The Beach Street Revival, founded in 1977, was originally held in Santa Cruz along Beach Street near the Boardwalk as a nostalgic car cruise and show. Over the years, the event's popularity grew, as did disputes over the expense of holding it in Santa Cruz, and it was moved to the fairgrounds in 1990.

This year, festival organizer and founder Rick Petersen wanted to move the Revival back to Santa Cruz, but his permit was denied until he cleared up a dispute with the city of Santa Cruz over tax assessments on the 1989 event.

The disputed tax bill, which now totals more than \$3,000 including penalties, concerns how the city's commercial-use fee is assessed.

Petersen said he was asked to pay not only the city admissions tax of 5 percent — which he does not dispute — but also a commercial-use tax on entry fees of cars displayed on county property. Petersen said he would pay county fees separately.

His other "bone of contention" is how much of the car-entry fee of \$45 is subject to the commercial-use fee. The entry fee is not only to display the car, but also goes toward an annual membership to

Beach Street Revival and to pay for awards and expenses, he said.

To Petersen, the commercial tax should be assessed on "something that generates money, like a booth, or if each one of the cars were selling something."

He said that if a commercial use fee is applied to each car, it shouldn't be applied to the whole entry fee. "They apply as many taxes as they think they can get away with. It's criminal," he said.

Assistant director of finance for the city Steve Ando agrees that the dispute lies in how much of Beach Street's revenue will be used to assess taxes, but that "we have an outstanding bill we want to collect on. That's all my function is on this event."

He said he is waiting for paperwork from Petersen's lawyer to resolve the differences.

Petersen wanted to hold the Revival in Santa Cruz and settle the tax-dispute separately, but his permit was held contingent on paying. He said it was decided to hold the permit at a City Council Beach Area Committee meeting in which council members Jane Yokoyama and Mike Rotkin voted against his permit, with Mayor Scott Kennedy in favor.

But no matter how the issue is resolved, "We're back in Watsonville" for this year, he said, "I'm getting burned out on the whole thing."

"I've never seen anything so unfair — so undemocratic. They shouldn't have held up the permit process to pay the bill," Petersen said.