Cooper House tenants sue over demolition

By JENNIFER SASSEEN STAFF WRITER 11-26-89 RP

Several former tenants of Santa Cruz's historic Cooper House, which was demolished nine days after it was damaged in the Oct. 17 earthquake, are suing the owner for their losses.

The tenants are Gary Keeley of The Crepe Place restaurant, Louis Swisher of Crystal Kaleidoscope, A.C. Smith of Bento Baki and James Ogle of the Ogle Gallery and Jimmy's. Their "complaint for damages, negligence, breach of contract and conversion" was filed Nov. 22 in Santa Cruz County Superior Court.

The suit alleges that the owner, Los Gatos developer Jay Paul, did not consult the tenants before making his decision to destroy the Cooper House. The tenants were not allowed to provide their own structural engineers to inspect the site, the suit states, and were not allowed inside the building to retrieve their equipment and other belongings, including records.

Furthermore, the suit states, "The plaintiffs (the tenants) are informed and believe that the defendants (Paul and the Jay Paul Co.) undertook the demolition and destruction of the Cooper House and the property of the plaintiffs at that time because the expense of the demolition was paid by the Federal Emergency Management Agency."

Contacted this morning, Paul said, "Obviously, FEMA pays for demolition as part of the (earth-quake-relief) funds. It had nothing in the world to do with my decision to take the building down."

Paul said the tenants' allegations in the suit were not true and he did make an effort to get some of the tenants' possessions out. Some possessions were in fact retrieved, including some of Keeley's, but it was just too dangerous to retrieve more. Numerous engineers had looked at the building and declared it unsafe to enter, Paul said, and the city would have torn it down with or without his consent.

"Believe me, if there was any way we could have saved that building, I would have been the first to do it," he said. "I spent a fortune fixing that building up."

The city would not allow people to go in the building because it was so precarious, Paul said, and he went along with that because the risk was too great that another aftershock might endanger the life of anyone inside the building.

"To me, human life — and this is the city's view — was a bigger consideration than personal property," Paul said.

The tenants claim in their suit that "great and irreparable injury" was caused them as a result of the building's destruction, by the loss of their records and by the loss of their property, which has prevented them from establishing their businesses somewhere else

Compensation the tenants are seeking from the owner includes unspecified amounts for the loss of their inventories, leasehold interest and business opportunities. The tenants are also asking for general damages and for punitive damages, for negligence and for Paul's conversion of the tenants' property to his own use, according to the suit.

Calling Paul's conduct "despicable," the suit alleges Paul acted in a "willful and conscious disregard of the rights and safety of the plaintiffs" and that they are therefore entitled to punitive damages, "as a means of punishing the defendants and for the sake of example."