

# Local

A-2 — Wednesday, Oct. 2, 1991 — Santa Cruz Sentinel

## ✓ AUTO PLAZA - CAPITOLA Santa Cruz loses another auto dealership

By DENISE FRANKLIN  
Sentinel staff writer

10-2-91  
CAPITOLA — In what's become a game of auto-dealership musical chairs, yet another dealership has moved from the city of Santa Cruz to the Capitola auto plaza.

Toyota of Santa Cruz relocated Friday from 201 Front St. It is now sharing space with the Mercedes-Benz dealership at the auto plaza, on a frontage road off Highway 1 and 41st Avenue. The two dealerships have been renamed Santa Cruz Imports, according to manager Mick Weathers.

Santa Cruz Imports is owned by Lee Courtright and Charles Canfield. Neither owner was available for comment. Courtright and Canfield purchased the Mercedes-Benz and several other dealerships from Steve Bergstrom in April.

Toyota became the fifth dealership to leave the city since the auto plaza opened in 1986. It follows Ocean Chevrolet-Geo and Santa Cruz Honda, which moved and combined a month after the October 1989 earth-

'It is a blow to the city as each dealership has left. ...'

— Jack Ness, city finance director

quake; Marina Motor Co. (Jaguar, Subaru, Pontiac, Buick, Cadillac, GMC Truck); and Mercedes-Benz, both which moved in when the auto plaza opened.

"Obviously, it is a blow to the city as each dealership has left ...," said Jack Ness, finance director for the city of Santa Cruz. "Obviously, Toyota is one of the big ones (for sales tax dollars.)"

"Since the earthquake, sales-tax revenues are down and if you pile on top of that the situation with the auto dealerships, it is going from bad to worse," Ness added. "Then you've also got your situation with the economy. The recession is taking its toll."

Automobile dealerships pay 1 percent of their lot sales in sales tax. City officials say the exact amount received from the lots can't be separated out from the

rest of the sales-tax money the state distributes in a lump sum.

But while Capitola may be gaining sales-tax dollars with the Toyota move, Santa Cruz still has some new car dealerships.

Those remaining in the city are Acura of Santa Cruz on Center Street, Santa Cruz Motors (Mazda, BMW, and Oldsmobile) on Soquel Avenue, Bruce Canepa Motorcars on Water Street, Pacific Coast Interprises (Chrysler-Plymouth, Sterling, Volvo, Peugeot and Isuzu) on Soquel Avenue, Santa Cruz Nissan-Dodge on Center Street, North Bay Ford and Lincoln Mercury on Soquel Avenue, and the Audi, Hyundai, Jeep-Eagle and Volkswagen franchises under one roof on Front Street.

Dave Stengl, owner of Marina Motor Co., noted that the Oldsmobile and Jeep dealerships started out at Capitola Auto Plaza and moved back to Santa Cruz. The Isuzu dealership recently went to Santa Cruz from Capitola when it was purchased from Steve Bergstrom by Pacific Coast Interprises.

Several of the remaining Santa Cruz dealerships have been trying to locate a large parcel of land to build an auto plaza. Attempts to locate the auto plaza on River Street in Santa Cruz, on the former Santa's Village site in Scotts Valley and most recently on Soquel Avenue in Live Oak have all failed. The latest plan to use Live Oak-Soquel Redevelopment Agency funding to locate in Live Oak fell through when one of the interested businesses, Ocean Chevrolet-Geo, bought the Honda franchise and moved to the auto plaza.

Toyota of Santa Cruz was also one of the interested parties. The Redevelopment Agency recently dropped its \$17.9 million agreement with the interested dealerships.