

Economics Capitola enjoys business boom

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CAPITOLA — The future is bright for many businesses in Capitola and Mid-County.

While other local cities watched several longtime businesses close their doors last year, Capitola celebrated the opening of the new 35-store Brown Ranch Marketplace on Clares Street.

"We are doing great," said General Manager Bob Rivers. "All of our stores are doing well."

Several, he said, are even setting sales records.

Trader Joe's, which opened in the center in July, has been among the top 10 in sales out of the 50 stores the company has statewide, said Sue Baker, "captain" of the store.

While the specialty-food merchant won't release any sales figures, Baker said it is one of the leading Trader Joe's in Northern California.

"We hope to keep growing," she said. "We want to increase our business and acquire as many customers as we can."

Drug Emporium also has been doing well since opening here in June, according to store manager Mike Hazelberg. "We're doing as good as any Drug Emporium in the state," he said.

The location of the marketplace — near Capitola Mall, Highway 1 and major thoroughfares — has contributed to its success, Rivers said, along with its attractive appearance.

The early commitment by Trader Joe's, Drug Emporium and Fresh Choice restaurant to lease space provided security for the smaller stores, said marketplace authorities.

Two more businesses, The Men's Room and Accent Clothing, are scheduled to open in spring.

Not far away at the Capitola

Mall, Gottschalks also is optimistic. Christmas was good, and sales are off to a strong start in January, said Steve Borasi, Gottschalks manager.

If this month is an indication of how business will be the rest of the year, "there's definitely a turnaround," he said.

On the city's Auto Plaza Drive, the Toyota dealership is seeing sales picking up.

Business is about double from last year, according to Joanne Devlin, sales manager.

"We're anticipating big things for this year," she said.

Sales tax revenues for the city are a "bit better" than last year, reported City Manager Steve Burrell.

"We're meeting our goal," he said, explaining that the city receives about \$3.5 million in local sales tax.

At Craft Gallery in Capitola Village, sales were up last month from the previous holiday season, according to owner Carin Hanna.

It didn't come easy, though, she points out.

"We've been working hard to accomplish that," Hanna said, explaining that workers are being especially responsive to customers and busy searching for quality products at good prices.

January, however, is "feeling tight. It's hard to say why," she said, adding that rain and recession may be factors.

In nearby Aptos, vacation rentals are already filling up for Easter and the summer, which means about 500 new families a week coming into the area during those periods, bringing in money from other parts of country, said Karen Hibble of the Aptos Chamber of Commerce.

"We're not out of the woods, yet," she said. "But I think we may be making progress."