

Flea market doomed no matter what

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SANTA CRUZ — The Skyview Drive-In flea market's days are numbered, no matter what happens to a plan to turn the drive-in into an auto center, a principal in the auto center proposal said Thursday.

Real estate developer Donald Starr, who is also one of the owners of Santa Cruz Motors, said that even if a group of car dealers decide to back out of a deal to lease and ultimately buy the drive-in, he or some other developers will still go ahead with it.

Starr, who said he is a "silent partner" in Santa Cruz Motors, said he was speaking for himself.

"In this case, I'm not associated with Santa Cruz Motors or the (other) car dealers; I'm wearing my hat as a developer," he said. "I think the community deserves to know that the flea market is a done thing."

"It's going to have to be relocated. It's not going to

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— *Developer Donald Starr*

be there come Jan. 1."

Starr's comments came as flea market vendors organized to stop the county from using Live Oak-Soquel redevelopment funds to finance the proposed new auto center.

The county is trying to lure four Santa Cruz auto dealerships — Santa Cruz Motors, North Bay Ford,

Santa Cruz Nissan-Dodge and Toyota of Santa Cruz — to the drive-in property, which is located across Highway 1 from Live Oak. The site is in the Live Oak-Soquel Redevelopment District, and County Administrative Officer George Newell wants to use redevelopment funds to pay \$15 million of a \$16.8 million, 15-year lease-purchase deal the dealership owners negotiated last year with drive-in owners Evelyn and Marvin Martins.

The payoff — for the county general fund — is supposed to be tens of millions of dollars in sales-tax revenues from the new auto center.

The proposal is currently on hold while Newell's staff tries to respond to questions raised by the Board of Supervisors at a hearing in late June.

Meanwhile, the dealership owners are continuing to pay the Martins \$8,900 a month for an option to lease

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and, ultimately, buy the drive-in. The option must be exercised by Dec. 20.

Supervisors said in June that they wanted more information about the new auto center's projected sales tax revenues, the value of the Skyview land, and the legality of using redevelopment money to pay most of the lease-purchase costs. They also told Newell and his staff to come up with a plan for relocating the popular flea market, which operates at the Skyview on weekends.

Flea market vendors, who aren't interested in relocating, recently organized the "Skyview Drive-In Vendors Association" to fight the auto center proposal. Spokesmen for the group said this week that they would take their fight to court if the county tries to use redevelopment money to turn the drive-in into an auto plaza.

Starr said it was unlikely that the dealers would try to develop an auto center at the Skyview on their own, because without county support, the cost would be too high for them. But Starr noted that the land could be

profitably developed for other uses, such as housing. He said he had no intention of letting the drive-in lease-purchase option lapse.

"When this (auto center) thing got up in the air, and after spending 20 months in negotiations, I just kind of said, 'I don't want to let all that time and effort go down the drain,'" Starr said.

Starr said a Central Valley developer was waiting "in the wings" to join him in picking up the Skyview option if the auto center proposal collapses. "I have backups," he added. "Three other developers are looking at it; they want to buy our option."

"It's my conclusion (that) come Jan. 1, there's not going to be a flea market at that spot."

Skyview Drive-In Vendors Association President Riccardo Dalessandro said Thursday that vendors probably would not put up a fight if Starr or someone else picks up the option.

"If it's a fair deal, there's nothing we can do," he said. "We are for free enterprise."

"But we don't see that it's fair that the county get involved in helping these developers."