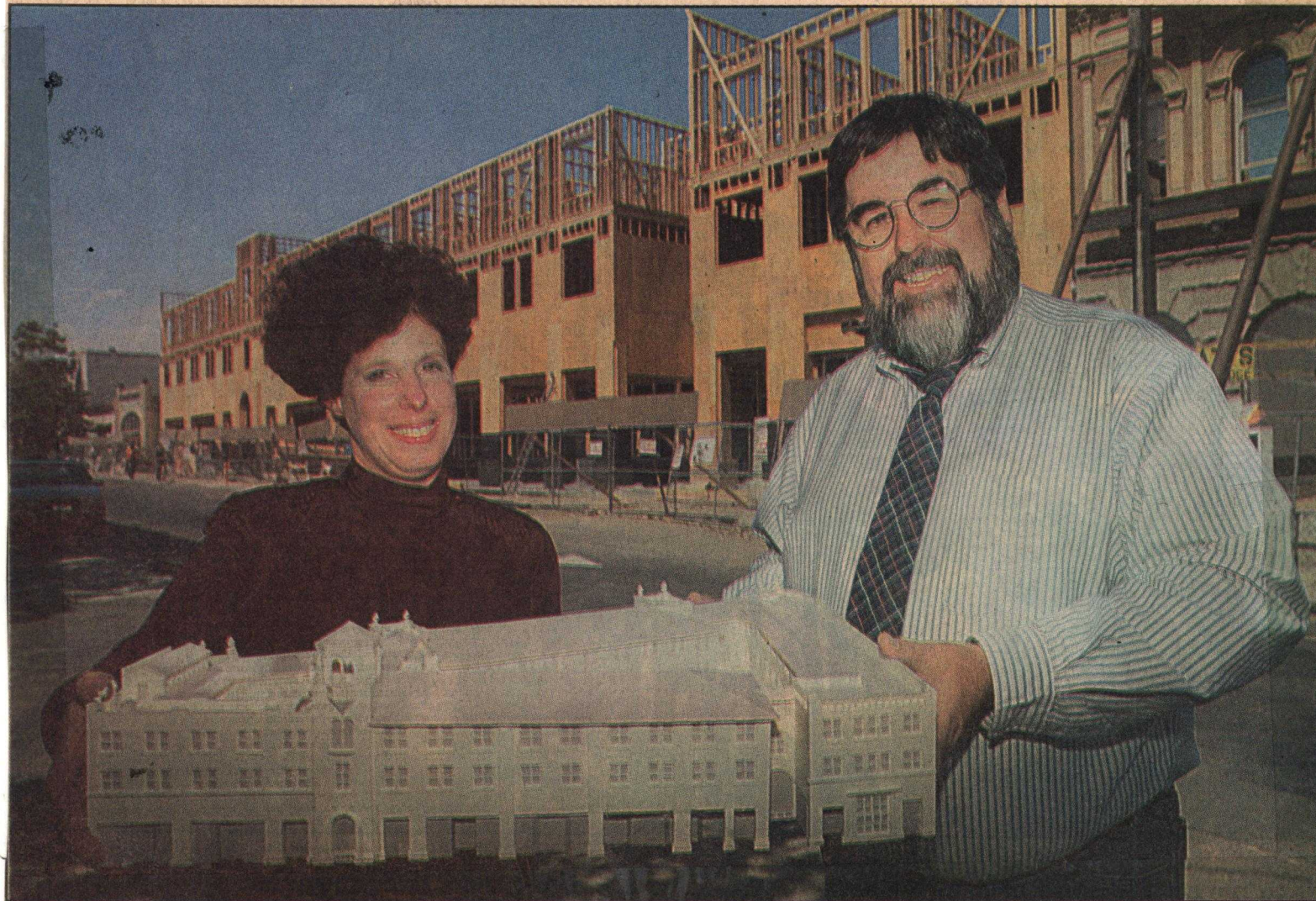


# New Bookshop digs



Shmuel Thaler/Sentinel

Candy and Neal Coonerty's Bookshop Santa Cruz portion of the St. George Hotel will occupy 15,500 square feet.



# Businesses for the St. George

By GUY LASNIER  
Sentinel business editor

SANTA CRUZ — In a major boost for downtown, Bookshop Santa Cruz and four other local businesses have signed agreements to open up shop in the St. George Hotel, currently under construction on Pacific Avenue.

Bookshop Santa Cruz will occupy about 15,500 square feet, taking 90 percent of the ground floor retail space in the hotel being built by Barry Swenson. The store, now located in a tent in its old parking lot, will open in November, a little more than three years after the October 1989 earthquake.

Others with signed leases or pending deals are Game-Alot Toys, Western Visions, Judi Wyant Antiques and The Crystal Kaleidoscope, all facing Pacific

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— Neal Coonerty

Avenue. Four other storefronts facing Front Street are still available, according to Swenson's project manager, Lisa Bullen.

"We really consider that we are going home," said Bookshop Santa Cruz owner Neal Coonerty. The new Bookshop Santa Cruz will have the same address as the original when it opened in 1966, said Coonerty. He bought the business from Ron Lau in 1973

four years after Lau had moved it to 1547 Pacific Ave.

Bullen said the building will be ready by "Nov. 1 or earlier." The 124 single-room residences on the second and third floors will be ready for occupancy in December or after the first of the year, Bullen said.

Now that the hotel is close to being completed, "it puts us in the position of getting going on

some of the other things we're doing down there," Bullen said.

Another key Swenson project is the old County Bank building where stout timbers support two original walls.

Bullen said she has been "running into the typical financing problems" for the County Bank building. Lenders require the building be pre-leased and although there has been interest in the retail ground floor space, office space above is slower to move.

Coonerty, who also serves on the City Council, signed a 25-year lease Wednesday. "I have a strong feeling the downtown will be a strong retail center," Coonerty said. "I'll be real happy to be back on the main street."

Frank Kaehler, owner of

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Game-Alot Toys, said he is looking forward to opening on Pacific Avenue as did Carol Barnes, owner of Western Visions.

"I'm excited," Barnes said. "It will be a hot block."

When the hotel and the County Bank building are finished, nearly the entire east side of Pacific Avenue will be finished. The only hold-out is the Flatiron Building owned by Louis Rittenhouse. His plans are to demolish the building and replace it with a four-story building.

As businesses move from the tents to permanent buildings, the tents will come down, said Mike Schmidt, interim executive director of the Santa Cruz Area Chamber of Commerce. "I think this is

exciting, it is exactly what the tents were for — the opportunity for businesses to develop a nest egg to get re-situated."

Schmidt said he expects the remaining tents will be down by February "at the latest."

The book store's move comes after a lawsuit Coonerty filed against Lau his landlord, seeking to end his lease. Coonerty charged Lau failed to rebuild with due diligence. The suit is still pending.

When Lau planned to rebuild, Coonerty intended to relocate in the new building, taking three floors. But Coonerty said he started talking with Swenson last fall when it became clear rebuilding would not take place for several years.

Coonerty said the nearly three

years of doing business in a tent have been difficult. "We have extremely loyal customers but we've pushed them to the brink," he said.

"I was real anxious to get a new location," he said. "Santa Cruz is a great book town."

Coonerty said he intends to expand the children's book section and the magazines and newspapers. He is looking for someone to

sublease space and run a cafe.

The book store has long been associated with a cafe in the courtyard to the rear, first Cafe Pergolesi and later Cafe Zihno.

Coonerty said business had been down because of the recession but basically solid until construction of the Cedar Street parking garage began, which drastically cut the number of parking spots.