

# Capitola officials receive plans for final Auto Plaza dealership

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Auto Plaza - Capitola

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CAPITOLA — Automobile dealer Steve Bergstrom is proceeding with his long-announced plans to develop the fourth and final parcel at Capitola's new Auto Plaza.

Just what dealership that parcel will hold, however, is in question.

Bergstrom told The Sentinel he will move the Subaru of Santa Cruz dealership to Capitola.

But the owner of the Subaru franchise, Phil Schwartz, said otherwise.

"The dealership is not moving to

Capitola," he said, adamantly. "I own the dealership and it's staying right here (in Santa Cruz)." He did acknowledge his attorney was working on the matter.

Bergstrom said he gave Schwartz a \$100,000 deposit as part of a deal to acquire that franchise, and "A full-blown Subaru dealership will be coming to Capitola."

Whatever the case, Bergstrom has an application before Capitola that calls for a 14,000-square-foot building on the 70,000-square-foot lot, off 41st Avenue adjacent to Highway 1. Capitola's Auto Plaza opened earlier

this year featuring three dealerships formally located in Santa Cruz.

The City Council accepted the plans Thursday night, passing them on to its Architectural and Site Review Committee. The plan is expected to return to the council on Sept. 11 for additional review.

City Manager Steve Burrell said plans call for a full dealership, complete with service bays and parts storage.

Of course, this is not the first plan the city has received from Bergstrom. At one point, Bergstrom

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## Bergstrom plans

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was planning to bring an auto brokerage business to the plaza — at the objections of fellow dealers. That plan fell through last spring.

Bergstrom also has plans filed with Scotts Valley. An environmental impact report is being done on a 17-acre parcel on Scotts Valley Drive.

Bergstrom plans to move his lucrative Mercedes-Benz and Honda dealerships from Santa Cruz to Scotts Valley, along with two other

foreign-car franchises he would not reveal.

He said he hopes environmental and planning reviews are done in time to start construction by the end of the year.

Construction may start even sooner in Capitola, since the environmental impact report there has been approved. His new plan is also similar to a former plan the city already has approved. Bergstrom said he hopes construction can be started in the next few months.