

Bergstrom planning to open Capitola auto dealership

By KATHY SALAMON
STAFF WRITER

An "auto broker" will join three other car dealerships to complete the Capitola Auto Center.

Steve Bergstrom, owner of a parcel in the center, told the Capitola City Council Thursday of his plans to open "41st Avenue Auto Brokers," a company that will buy and sell cars all over the state.

"We will purchase new cars wholesale from franchise dealers and sell them at a discount," said Bergstrom.

The auto brokerage will also buy any

sort of specialty car a customer wants and transport it to the customer's door, if desired.

The council questioned whether Bergstrom's proposal was in conformance with the use guidelines of the auto center because Bergstrom would take trade-ins and sell used cars.

"I will sell new and used cars just like every other dealership in the center," Bergstrom said. "I'll be selling more new cars than they will."

With an expected sales-tax revenue of \$100,000 annually at stake, the council also questioned where the sales tax

will go if Bergstrom buys a car out of the area and transports it to another area.

But Bergstrom said the Department of Motor Vehicles license requires the cars to be sold only in one location, and all sales tax would be paid from the 41st Avenue site.

In his proposal to the City Council, Bergstrom submitted a smaller building design than originally proposed. His building of 4,000 square feet would be by far the smallest of the four dealerships. The other three are 20,000-square-foot buildings.

"I will have \$1.3 million invested in this," Bergstrom said. "I will have 10 to 15 salesmen — I plan to sell a couple hundred cars each month."

The council unanimously approved "in concept" Bergstrom's plans. He must now submit the design to the Architectural and Site Review Committee for approval.

The 41st Avenue Auto Brokers will join Santa Cruz Porsche-Audi, Marina Pontiac-Buick-Cadillac, and Roy Baldwin Motors to complete the Auto Center. Bergstrom obtained the Auto Center site when he purchased the

Subaru dealership from Santa Cruz British Motors. Before selling the site, Santa Cruz British Motors was planning to move its dealerships, which included the Subaru franchise, to Capitola.

Weather has delayed openings by the other three auto dealers.

Roy Baldwin, of Roy Baldwin Motors, said his dealership will open about two weeks after the rain stops. The other two will open at approximately the same time.

Bergstrom said he will begin pouring concrete foundations as soon as weather permits.