



Shmuel Thaler/Sentinel

Site of the 20,000-square-foot lot in Santa Cruz.

Swenson, Seaside Co. buying SC Ford's lot

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SANTA CRUZ — Barry Swenson and the Seaside Co. have joined forces again to buy the old Ford's department store lot, a key downtown site that has been bare since the 1989 earthquake.

"It's a very positive step," said Mayor Michael Rotkin. "Having someone who knows how to market a property is a real benefit to us."

Swenson project manager Becky Menne would not say how much the partners paid for the 20,000-square-foot lot on the cor-

ner of Pacific Avenue and Cathcart Street until the deal is finalized. Escrow is expected to close in 90 days.

Andy Duncan, whose great-grandmother bought the parcel in the mid 1940s and originally developed it for a JC Penney store, bought back the land in 1993 for \$589,468. The family had sold the property to the Charles Ford Co. in 1979 for a Ford's department store, but the company went bankrupt in 1993 after suffering huge losses while trying to rebuild other stores after the

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Ford's lot

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quake.

Duncan, a Palo Alto developer who arranged the sale for his family, was not available for comment on Thursday.

The sale rekindles hope that developers might attract another department store to the site, which would serve as a shopping magnet for downtown.

"We would love, love, love that to happen," said Menne. "It would be good for downtown and that's a perfect location for it."

Menne emphasized that Swenson had bought the property with no clear plans about what to do with it, but she estimated that the chances are better than 50-50 that a large retail-anchor store could be enticed to come to Santa Cruz.

"All the national chains are absolutely amazed when they see Santa Cruz's demographics," said Menne. "The population and income levels are there."

An alternative to one large store, said Menne, would be a two- to three-story building with retail shops on the ground floor and one or two floors of office space above.

The city of Santa Cruz paid \$400,000 last spring for the property adjacent to the Ford's lot, and Redevelopment Director Ceil Cirillo said officials are interest-

ed in making a trade: part of the city's land could be developed by Swenson in exchange for the rights to a portion of the Ford's site for an alley and public parking lot.

"The City Council is anxious for something to happen there," said Cirillo. "But the number of department stores available out there is limited. ... I'm still hopeful, but not optimistic."

Rotkin said he doesn't understand why more major retail stores aren't interested in Santa Cruz, and he's optimistic that Swenson's national contacts will boost the city's chances.

"There aren't a lot of destination-type stores downtown," said Rotkin, adding that more North County residents would chose Pacific Avenue over the "plastic" Capitola Mall if there were a place to shop for household and personal-care goods. "If residents are thinking, 'It's time to go shopping,' ... they're probably not likely to think of Pacific Avenue off the top of their heads."

The chance that Swenson could attract a retail-anchor store to Pacific Avenue isn't the only reason downtown officials are pleased with the sale. Putting a building on the site also would give police a chance to shoo away the teens and panhandlers who have made the area a home away

from home.

"The downtown (behavior) ordinance, it doesn't apply in front of unbuilt properties," said Linda Steinau, executive director of the Downtown Association. "Even some male business owners say, 'It's not that I'm intimidated by them, I just don't want to see them,' so they walk on the other side. ... The only hope we had was that someone would build."

John Livingston, who owns Logos Books and Records next door to the site, said he loses customers because they don't want to walk through the throng of street people who congregate at the vacant lot.

Even more important, he said, is the fact that the site is "the most important piece" in the downtown rebuilding puzzle because it will draw shoppers down toward Cathcart Street.

This is the third project between Swenson and the Seaside Co. that has gotten off the ground. The partners also developed the old Toyota dealership site, which now features Kinko's Copies and Boston Market. In addition, the Seaside Co. plans to buy into the old Bank of America building project, a Swenson deal that now is in escrow.

"We're happy to be players ... in the reconstruction of downtown," said Canfield.