

Ford's building future still a mystery

By BOB SMITH
STAFF WRITER

The empty building that was once Ford's Department Store in downtown Watsonville remains a question mark for city and community leaders.

But the city has been successful in attracting other businesses to Watsonville since the 1989 Loma Prieta earthquake, reporters were told yesterday afternoon at a media luncheon hosted by the Pajaro Valley Chamber of Commerce and the city's Economic Development Department.

Watsonville's downtown was hit hard by the quake and, partly be-

cause of the continuing economic recession in California, has been slow to recover.

The bankruptcy and closure of Ford's department store has put a damper on many of the plans for rebuilding and revitalizing the city's business community.

City Manager Steve Salomon said that the city still has no idea what will become of the 50,000-square-foot building that was to have been the cornerstone for a downtown renaissance.

Nothing will happen to the building, Salomon implied yesterday, until the Small Business Administration gets possession of the

building from the federal bankruptcy courts.

"Then we will have to work very hard to get them (the SBA) to move expeditiously" in selling the building. "It gets down to how much money the SBA wants for the building."

The SBA guaranteed a \$23 million loan to rebuild the earthquake-destroyed store — the second-largest loan guarantee in the federal agency's history.

Local officials are continuing their efforts to find a new tenant for the building, but there are no firm leads at this time, Salomon said. Possibilities include a depart-

ment store offering a less-affluent line of merchandise than offered by Ford's after the earthquake; or perhaps subleasing it to several tenants.

Salomon said the city hasn't been ignoring the rest of the city's business and industrial areas while trying to get the downtown rebuilt.

A partial list:

Industrial/Commercial

Martinelli's is going ahead with plans to expand at the old National Ice and Cold Storage plant site on West Beach Street.

See FUTURE / back of section ▶

FUTURE

► From Page 1

Roadway Express and Silvan Incorporated located in Watsonville in 1991.

SCI purchased the Tandem Computer plant in 1992 and has expanded the workforce from 150 to 200.

In 1993, Marich Confectionery expanded its candy-making operations by operating a second plant; Papier-Mache Press is locating in Watsonville; Airborne Express and Crossing Press are expanding their operations here.

There are also plans to reuse the Miller Meats building, for the Red Cross to build a new regional center in Watsonville and for Monterey Mushrooms to build a new headquarters.

Commercial

Freedom/Green Valley area:

Kentucky Fried Chicken opened a new store in 1992; Pizza Hut opens this year; K mart ready to open new store and reuse of the old Freedom Foods store planned.

Green Valley/Main Street: Expansion of the Crossroads shopping center approved in 1991; two motels approved adjacent to Highway 1 in 1990 and a new California State Automobile Association (AAA) office approved.

Downtown private development: The Fox Theater reopened in 1992 with three screens; the Herrera building rebuilt in 1991; a discount mall opened in the old Dick Bruhn building; the Petroustas building almost completed in the 300 block of Main Street and the Romo building at Second and Main Street is under construction.

Downtown public projects: The city completed its parking structure on West Beach Street last year. The city's ready to break ground on a youth center at Union and Maple this year. A contract will probably be awarded by the City Council April 13; and the Santa Cruz Metropolitan Transit District is nearly ready to start construction on its new transit center on Rodriguez Street near West Lake Avenue.

And finally, Cabrillo College is still negotiating with the city on moving its Watsonville Education Center into the old Post Office building on Union Street across from the City Plaza.

Salomon said the move could be completed by December 1993 and a 40,000-square-foot center could be built in another five to 10 years.

The chamber and the city are putting together a multi-media slide show that can be shown to businesses interested in relocating to the area. It was supposed to have been previewed at the luncheon yesterday afternoon but a technical gliche canceled those plans.

The cooperative promotion campaign is just one aspect of the city-business community cooperation. The city has a full-time Economic Development director, Ned Medonia, and a corp of volunteers that regularly advocate a better business climate in the city.

"Business and the city work very closely together," said Chamber executive director Bob Dwyer.

That wasn't always the case, said John Martinelli of the S. Martinelli Co. The business-city hall relationship changed with the arrival of Salomon, he said yesterday.

"When Bob (Dwyer) says Watsonville is a business-friendly city, it wasn't always that way. It changed when Steve arrived."

Now, he said, City Hall thinks about the impact of its plans and decisions on individual businesses.

Martinelli also said Watsonville is still a good town for an apple-dependent company. He believes farmers here may follow the example of their Sonoma County competitors and learn that it is possible to grow apples without irrigating — something they have been doing in the North Bay county for more than 100 years.

But even if most of the Pajaro Valley's apple orchards are eventually ripped out, Martinelli said, his company will still operate here.

Current plans are to move the company's processing operations to the Beach Road facility when it's completed and install a third bottling line at its original location on East Beach Street.

A lot of the new equipment will be automated, he said, but that's not a bad move when an employee now making \$6 an hour can upgrade to a position paying \$10-\$11 an hour in the new plant.

Martinelli even had some kind words for Mayor Oscar Rios and the other liberal members of the City Council.

"Obviously, those of us who are Republicans were a little nervous about the people who were running the city," Martinelli told Rios yesterday.

"But we found that we agreed on almost everything — we didn't expect that," Martinelli added, grinning at Rios.