

# Eatery's owner blames woes on city

*Contra Costa Times*

August 7, 2007

By Tom Lochner

PINOLE — Pear Street Bistro owner Gary Wong blames more than a half-decade of broken promises by city officials for his financial woes, which have culminated in an apparent sale of the bistro almost two years after Wong stopped making payments on city redevelopment loans.

"I was made numerous promises by the RDA that they would bring other businesses to Old Town," Wong told the Times recently in a telephone interview.

Wong owes the city more than \$450,000 in redevelopment loans and interest. Last month, he opened escrow on a sale of the bistro building to an unnamed buyer. The bistro will continue to operate, he said.

Wong opened the bistro in December 2001. Other business were supposed to come to Old Town Pinole "within a couple of years," he said.

"They promised additional foot traffic, a vibrant Old Town area" akin to downtown Walnut Creek, he said. "Unfortunately, the promises never came to fruition.

"I don't want to name names," Wong said, adding that "the leadership in place since 2001 didn't deliver on those promises."

Belinda Espinosa was city manager from June 2004 to May 2007, succeeding Marc Grisham. Grisham, who today is Pittsburg's city manager, did not return several calls to the Times over the past month. He was on vacation Monday until next week, said a member of his staff.

Wong's version of the history behind the loans is at odds with Espinosa's. In a timeline made public in the spring, Espinosa said Wong failed repeatedly to supply financial information that might have allowed the city to restructure his loans.

Wong said a lack of foot traffic forced him to close Swish Wine Room, a short-lived venture in a neighboring building, in February 2006.

"I couldn't continue to pay staff and fund it," Wong said. "Our employees need medical, dental (insurance)."

He conceded that Old Town is in the midst of redevelopment, but "it's happening six or seven years after they originally promised it."

Construction is imminent on Pinole Old Town Center, a 16,140-square-foot, mixed-use project at San Pablo and Tennent avenues by BH Development. A new restaurant, First Street cafe, is planned across San Pablo Avenue.

Wong said that contrary to assertions by his detractors that he stalled city officials, he approached the city to try to work out a solution, although he could not pinpoint the month. An official whom he described as "a city staff person, a real nice guy" told him "let's consolidate the loans," Wong said.

"Going parallel, there were some internal office politics in the city of Pinole," Wong said. "A rigid management style from the top down forced the individual to look for another job, which is sad. I hated to see that individual leave because he worked so diligently about it (the loan situation)."

## Eatery's owner blames woes on city . . . 2

Former assistant city manager Jim Schutz met several times with Wong in 2005 and 2006 to discuss bistro matters, according to Espinosa's timeline. Grisham attended at least one of those meetings, in January 2006, at the bistro. Schutz, who resigned in December to take the same post in San Rafael, did not return a call Monday.

After the official left the city, "certain individuals started making harsh demands," Wong said.

He also faulted the City Council's Redevelopment Subcommittee for the loan fiasco but did not provide names or details.

That subcommittee, for all or most of the years from 2002 to 2006, consisted of Betty Boyle and Pete Murray.

Boyle, who lost a bid for re-election in November, moved to Wyoming recently. Murray said Monday: "We (the subcommittee) review staff reports and see if anything has to be added and move it along to the agency board. We make no decisions."

Wong said he is eager to put the whole episode behind him but promised to tell the whole story from his perspective once the sale of the bistro is complete. He has until Aug. 21 to close escrow.

####

— Reach Tom Lochner at 510-262-2760 or [tlochner@cctimes.com](mailto:tlochner@cctimes.com).