In Support of the La Bahia Hotel

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by Bill Tysseling, CEO Executive Director Santa Cruz Area Chamber

There are so many reasons to support caused by changes in the Coastal a proposed La Bahia Hotel project in the Santa Cruz beach area. It is frustrating that a Coastal Commission vote has been delayed again.

The Coastal Commission has agreed to a delay on the vote – at the request of the City of Santa Cruz, which has been steadfast in its support of the project. The commission had been scheduled to hear the matter at its next meeting on March 10.

The City requested the delay. With the consent of the developer, Barry Swenson Builders, to address the uncertainties

Commission. Two of the politicallyappointed Commissions were recently removed; their replacements have not be seated. Four other commissions may be removed. The City was not willing to present the application without knowing to whom it was to be presenting.

The support for this environmentally conscious and economically beneficial project continues to build within the community. That support is well-deserved. The need for such a project has been recognized for years.

In fact, serious planning began in the early 1990s for a Beach Area Development Plan, which was developed painstakingly as part of a public-private plan to improve the economic vitality of the beach area.

While most of us in the business community realize the need for a revitalization effort, the rest of the Santa Cruz community has come to understand that there are also significant social and environmental payoffs as well. In short - the Beach Area is such a key area of Santa Cruz County that an upgrade has become necessary.

Why a hotel?

The proposed La Bahia project would be a 125-room hotel that would be large enough and appointed in a manner to attract a different sort of traveler than generally visits the Beach Area now. There are plenty of motels that cater to the overnight traveler, but there's a huge need locally for a facility that attracts the longer-term visitor, conferences, and meetings. Those visitors not provide badly need revenues to the local economy, but also generate both new vitality and increased investment in other Beach Area properties and attractions. These visitors will add little to the summertime crush of day tourists; they are expected to expand the season into the fall and spring, not only for the La Bahia property but other lodging in Santa Cruz.

Originally, the community considered the development of a 300-room hotel and conference center project. But changes in local politics, lodging economics, and planning requirements scaled down the project to 120 to 200 room level. The project as submitted meeting the requirements of the Beach Area vision: a catalyst that will stimulate other capital investment, provide the public funds necessary to make accompany infrastructure improvements, and encourage other investment,.

There are development coming to the waterfront area. A short distance away, the Monterey National Marine Sanctuary is building its Exploration Center. The Terrace Court motel property is being remodeled and re-branded. The impact of those projects can be best converted into local jobs, tax revenues, and income by

this high-quality hotel and meeting center now proposed as the La Bahia Hotel.

The economic impact of the project is clear. Studies show that construction of a hotel would bring in some \$10 million a year to the local community - and at least \$1 million in direct tax revenues to the city. Those are much-needed revenues for the local community.

What's difficult for some to understand is that the environmentally conscious City Council has already voted in favor of a new La Bahia - yet it's still being held up. The reason is that the La Bahia is located in the coastal zone - and requires Coastal Commission modification of a height limit, initially set by the City. The city has submitted this amendment to its Local Coastal Plan, in increase the maximum allowed height by 14 feet.

That requirement has opened the door for a small number of opponents some of whom are opposed for reasons other than environmental concerns. For example, some union leaders are involved in a disagreement with the developer even though other union workers are supportive of this project and the local tax revenues and jobs it will create. Such a labor dispute should not affect the Coastal Commission's decision.

The La Bahia project fits in with 20 years of planning that has been coordinated by the local government and the local community. Upgrading the Beach Area has long been envisioned by diverse community groups.

The economic impact is clear. The upgrade to the Beach Area is an obvious payoff as well.

The project may return to the commission's agenda at its next meeting here on the Central Coast in August. But the time is now to spread the word: an improved La Bahia Hotel is in the interest of the entire Santa Cruz County community.



