

Red tape entangles Mall hotel

By MARK BERGSTROM
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SANTA CRUZ — If the St. George Hotel had ears, they'd certainly be burning with all the hot debate over its future.

The latest talk dominated Tuesday's City Council meeting.

The council first discussed the future of the 93-year-old hotel in closed session. Mayor Mardi Wormhoudt then announced that the council will not hand over authority to the state to decide whether the badly damaged building should come down or be repaired.

Owner Barry Swenson of San Jose wants to take it down, and he almost got his wish in the wake of the Oct. 17 earthquake when the council ordered demolition.

But before the wrecking ball could crash into the bas-relief, the National Trust for Historic Preservation

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ation stepped in and threatened to sue.

The city then agreed to further studies of the building, and even said it would submit the building to the state Office of Historic Preservation for an "advisory" opinion. In the meantime, the city rescinded the demolition order.

The state surveyed the building and late last week said it was ready to announce its decision — as soon as the city agreed to abide by that decision.

The state claims that authority, based on legislation passed right after the earthquake ordering that the state office pass on all historic buildings scheduled for demolition.

The city claims the St. George falls under an exemption extended to buildings that present an imminent threat to public safety.

As evidence, Wormhoudt points out that Pacific Avenue remains closed in the vicinity of the shaky old hotel.

The council also is not willing to hand over jurisdiction over its

streets.

"We feel that we absolutely cannot give away the decision of whether we can open our streets and sidewalks to a state agency with no accountability to the people of Santa Cruz," Wormhoudt said after the closed-door meeting.

She said the city would reiterate that position to the state Office of Historic Preservation.

She said she could not predict how the state agency might respond.

She said she believes the message is clear that the agency wants the building saved. "I can't imagine they'd go to so much trouble to try to take jurisdiction if they didn't care whether it stayed up or not," she said.

"I'd like to see it repaired, too, but there are competing public interests," Wormhoudt said.

She said the council also will reiterate its order to Swenson to shore up the building in the meantime, so the street can be reopened.

Then, she said, Swenson could

apply for a demolition permit, if he still desires, and go through the normal city hearing processes.

Later in its Tuesday meeting, the council gave Swenson some incentive to act quickly if he wants that permit.

The council voted to amend zoning ordinances to require that owners wishing to demolish buildings containing low-income housing units replace 100 percent of those units.

Currently that standard only applies to low-income units in the beach area. On a 6-1 vote, with Katherine Beiers dissenting, the council extended that rule to other commercial areas, including the Pacific Garden Mall. Those buildings currently fall under a 50-percent replacement category.

In a letter of protest to the council, Swenson said he would need a large government subsidy to rebuild housing for the 120 people who called his hotel home. He asked that the council postpone action until a feasible project could be demonstrated.

Ron Swenson complained that the council was putting his brother's feet in concrete.

Wormhoudt disagreed.

"This does not just apply to the St. George. If anyone wants to convert (from low-income housing) to a more profitable use, something must be done for the people who are displaced. You just can't shove those people aside," said Wormhoudt.

Councilwoman Jane Yokoyama said rebuilding low-income units is essential in the city, which she said is in a housing crisis since the earthquake, with more than 500 single-room units lost.

But because the ordinance will require a second reading at the May 8 council meeting, and then will not become effective for 30 days after that, Swenson has somewhat of an out.

If he applies for a demolition permit prior to June 7, his building will fall under the old 50-percent standard, said City Attorney John Barisone.

REFERENCE

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