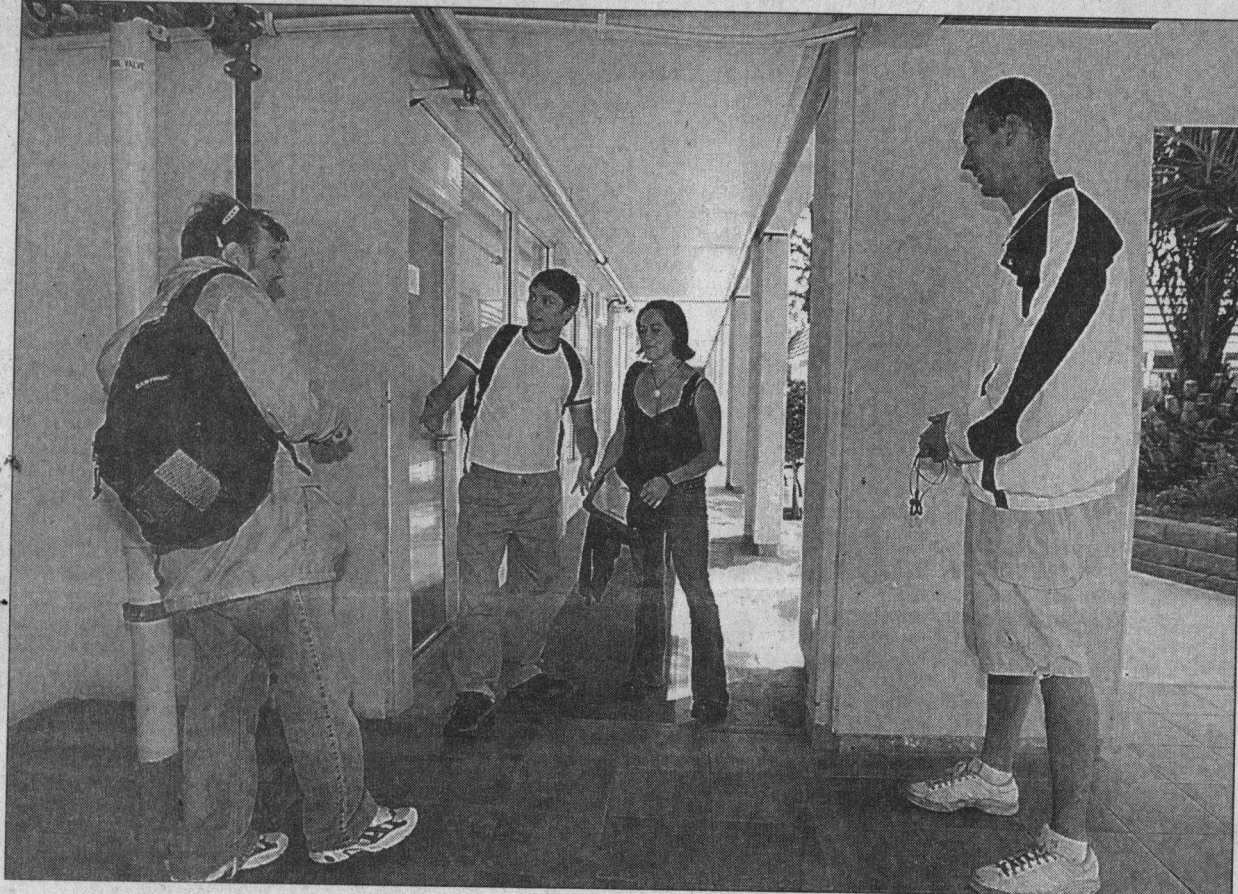


Several of the nearly 160 UC Santa Cruz students begin moving out from the UC Santa Cruz Inn and Conference Center. Students live at the hotel from mid-September to mid-June.

Dan Coyro/
Sentinel photos



Rooms at the Inn

UC Santa Cruz Inn welcomes guests, fights student-housing stereotype

By KAREN A. DAVIS
SENTINEL STAFF WRITER

SANTA CRUZ — At a time when the hotel industry is suffering from a drop in tourism nationwide, the UC Santa Cruz Inn and Conference Center has had to deal with a few problems of its own.

There's the name, which some hotel officials say is a bit confusing.

"Some people think we are just student housing," said Ramesh Bhojwani of Santa Cruz, who purchased the property in 1996 from Santa Cruz Beach Boardwalk owner Charles Canfield.

Then there's the drop in hotel-occupancy tax dollars, caused in part by university students moving in. Only 50 of the inn's 171 rooms are available for rent during nine months of the year. That 10 percent room tax, which goes to the city, is not levied on the undergraduates.

The loss has made the hotel look like "bad guys because the (city's) tax revenue has been reduced," according to Joan Colonna, hotel sales manager.

Nearly 160 UCSC students live at the hotel from mid-September to mid-June.

"The university needed more space for students, and it was going to be a while before more housing on campus would be complete," Colonna said.

A 10-year, \$19.5 million leasing agreement was reached in late 2000 and students began calling the hotel home in early 2001. The name change coincided with the student migration, since the hotel could not remain a Holiday Inn franchise under the agreement.

While students are gone and all the hotel's rooms are available from mid-June through mid-September, the hotel's name may be "misleading or confusing" to some would-be guests, said Colonna.

"I think the name makes people think this is a university-only facility," she said. "We're doing what we can to let people know we're still here and still doing business, but we need to tone down that concept."

The university is satisfied with the name, according to Alma Sifuentes, director of residential and dining services. The university's administration wanted a name that would give the school some visibility downtown while linking students who lived there to a university identity.

Though the university "took a lot of heat for lowering the tax (revenue)," Sifuentes said the



UC Santa Cruz Inn and Conference Center sales manager Joan Colonna is looking for tourists this summer.

UC Santa Cruz Inn & Conference Center

WHAT: Former Holiday Inn fights university housing-only misconception.

WHERE: 611 Ocean St., Santa Cruz.

AGREEMENT: 10-year, \$19.5 million deal with university approved in early 2001.

STUDENTS: 160 from mid-September to mid-June.

ROOMS: 50 of 171 rooms available to guests during school year. All rooms available in summer.

GUEST RATES: \$89-\$99 mid-September to May; \$119-\$129 weekdays and \$129-\$139 weekends June to mid-September.

INFORMATION: 426-7100.

would generate \$2,670 per month and \$267 in hotel-occupancy tax.

The fact that the former Holiday Inn's name change came months before 9/11 and "travel going into the tank" didn't help matters, said Colonna.

The hotel contributed nearly \$500,000 to the city "at its height in 2000 when the economy was good," according to David Culver, city finance director. That made the hotel the city's second-largest hotel occupancy tax contributor, behind the Coast Santa Cruz Hotel.

In 2002, that amount dropped to about \$125,000. But outside of 2000, the hotel's tax contributions were never in the half-million range.

"The hotel tax has gone down in the city overall by a million in the past year," he said. "That's due to

less tourism, the economy being down everywhere and fewer rooms (to rent) during nine months of the year (at UCSC Inn)."

Hotel-occupancy rates for the county as a whole have declined in the past two years, according to Maggie Ivy, executive director of the Santa Cruz County Conference and Visitors Council.

In 2000, 67.2 percent of all available hotel rooms in the county were occupied, with occupancy as high as 83.9 percent that July. That figure dropped to 56.2 percent last year.

While rooms filled by students aren't generating tourist tax revenue for the city, the presence of the undergraduates has other economic benefits, Colonna agreed.

"These students and their visiting families ... spend money in our

city," she said.

Also, the city has experienced a lack of housing for students and the hotel has helped fill that need, she said.

Cindy Adams, a 21-year-old UCSC literature major, has lived at the hotel for two years. She says the downtown location, private bathrooms, maid service and great food make it a great place to live. Also, it's quieter than most expect student housing to be.

"There aren't many parties here, since everyone's a hermit and stays in their rooms," she said. "Besides, if you're going to party, you do it on campus."

Colonna and the university hope to boost the hotel's image as a destination for conferences, weddings and other major events by beefing up their Internet presence.

Built in 1959, the hotel is valued at \$20 million today and features 6,000 square feet of conference space that can accommodate 400 people.

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to a university identity.

Though the university "took a lot of heat for lowering the tax (revenue)," Sifuentes said the school has done its "share for the community so far as filling the coffers goes."

Students living at the inn are "not glutting the rental market ... by competing with community members," she said.

Also, the "rooms are being filled and the hotel is getting a lot of business from the campus."

Students pay \$709 a month for double and \$882 for single-occupancy rooms during the school year. Rooms rented to guests during the same period fetch \$89 and up per night. At that lowest rate, a room rented to a guest for 30 nights

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