

Hotel project OK'd

Planners advance conference center

By **SHANNA McCORD**
SENTINEL STAFF WRITER

Boarding Houses
Hotels
12-18-04

SANTA CRUZ — After four hours of testimony and deliberation Thursday night, the city Planning Commission decided tearing down the Coast Santa Cruz Hotel on West Cliff Drive and building a larger hotel, parking garage and conference center is a good idea.

The \$100 million project was recommended despite a range of reservations from commissioners about size, traffic, design and finances.

The 5-2 vote came at 11 p.m. after commissioners listened to details of the project and questioned key backers, including the hotel's architect, its owner, Ceil Cirillo of the city Redevelopment Agency and Chris Schneiter of the Planning Department.

Commissioners Diane Louie and Kaitlin Gaffney cast the dissenting votes.

"It's very hard to support this in its current design," Louie said Friday. "We didn't, at this point, have enough data. There were too many assumptions made and I'm not persuaded they serve Santa Cruz."

The commission's decision is a recommendation for the Redevelopment Agency to certify the

See **HOTEL** on **PAGE A11**

Hotel

Continued from Page A1

project's environmental impact report. It also tells the City Council the project is worth city investment.

The vote is the first step in the formal approval process for the Coast Santa Cruz Hotel project. If the City Council approves, the project will be presented to the Coastal Commission.

Commissioners identified seven areas of concern they advised the City Council to examine more closely before approving or denying the project — which, if approved, would be a private-public venture between the city and hotel owner Northwest Hospitality Group.

Issues include the city's \$30 million commitment, the parking garage's size, the height of a nine-story hotel wing, traffic patterns to the hotel, providing a shuttle to take hotel guests between the beach, downtown and San Jose Airport, the pedestrian bridge over West Cliff Drive and the overall contemporary design of the buildings.

With the bulk of hotel and conference center traffic predicted to use Mission and Bay streets, commissioners discussed the feasibility of alternate routes for visitors to reach the beach without overwhelming those two streets.

Commissioners also talked about eliminating one of the six proposed parking-garage levels, or building one underground to reduce its height and lessen the impact of shadows cast on nearby mobile homes.

"Going down one story makes a lot of sense," Commissioner Scott Daly said.

Commissioners said they would like the architect to consider a less contemporary design, something "more Spanish or Mediterranean style" — something postcard-worthy, they said.

City officials say the project would provide the biggest boost to the local economy since UC Santa Cruz arrived in the 1960s. It stands to bring new tax revenue and off-season business, supporters say.

City officials say the \$30 million debt would be paid with new taxes generated by the conference center, parking-garage fees and a bump in the transient occupancy tax from 10 to 14 percent — making it the highest overnight tax among city hotels.

None of the commission's concerns is a deal-breaker, Daly said, and the hotel and conference center could be a catalyst for other business ventures in the beach area.

"We need venues for people to stay for more than one day and in the off-season," Daly said. "This project accomplishes that. If we don't do it, it'll be a missed opportunity."

Contact Shanna McCord at
smccord@santacruzsentinel.com.