

Holiday Inn

Weather Report

Temperatures for the 24-hour period ending at 8 a.m. today: Maximum, 69; minimum 52.

Monterey Bay Area — Overcast night and morning, but fair otherwise through tomorrow. Westerly wind 10 to 15 knots afternoons.

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SANTA CRUZ

Redevelopment Site Bid By Holiday Inn

By John Elliott
Sentinel Staff Writer

A \$2-million Holiday Inn motel-convention center complex for Santa Cruz is under study today by the redevelopment agency, following receipt of the offer yesterday.

Chatmar, Inc., of San Francisco, which holds the Holiday Inn franchise for northern California, submitted the bid for a redevelopment parcel opposite Villa Nueva and fronting on Ocean and Dakota streets. Price offered by Chatmar was \$1.55

per square foot, the agency's established minimum.

The proposal, the only one received, was tabled by the agency for two weeks with an implication that a decision will be reached on the offer August 25.

As proposed by Chatmar Inc., initial construction would include a 120-unit four-story motel, with an attached single-story convention - commercial building and an adjoining service station. Tentative first stage

cost would be \$1,459,551.

When feasible, second stage addition of another 120 motel units and other necessary facilities would be completed at a cost of \$682,000. Total for the two stages of development would be an estimated \$2,141,551.

Initial architectural drawings, prepared by Holiday Inn's architectural firm in Memphis, Tenn., show the motel unit in the center of the parcel, with the convention-commercial facility fronting on Ocean street at Dakota, and the service station cornered at Ocean and Dakota.

Among those appearing yesterday before the agency was Hugh B. Chatham, president of Chatham Blanket company. Chatmar Inc. is a subsidiary of the textile firm. Also present were Jere Hooper, assistant vice president of Holiday Inns, and W. E. Cartwright, a Burlingame real estate broker who explained the proposal.

First stage construction, in addition to the 120 motel units, would include a 150-seat restaurant, an 80-seat cocktail lounge, a coffee shop and convention facilities for 400. Hooper said convention facilities could easily be expanded to accommodate another 300 persons.

The prospective developers wouldn't commit themselves to a deadline for second stage construction, maintaining additions would be made when economically feasible.

The franchise holders listed the following first stage costs: land, \$249,551; building, \$786,000; parking, \$30,000; swimming pool, \$20,000; air conditioning, \$150,000; elevator, \$5,000; furniture, fixtures and equipment, \$180,000.

Tentative second stage costs would be: building, \$600,000; furniture, fixtures and equipment, \$72,000; and parking, \$10,000.

Chatham described the proposed complex as "an absolutely first class building," with costs being "excessive to what are considered normal for a Holiday Inn."

It was noted the franchise holders also are working to establish Holiday Inn units at Concord, Monterey and Carmel.

Neal Walton, city planning director, told Chatmar representatives at least five or six weeks would be required for the city's study of the proposal.

It was proposed by Chatmar that a contract be signed 30 days after agency approval and that 300 days be allowed for construction. Chatham said a construction start as soon as possible, perhaps this fall, is desired by developers.

No Withdrawals

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