

SANTA CRUZ

# Council revises beach-area plan

Hotels and Boarding Houses

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## La Bahia to remain as apartments

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La Bahia Apartment tenants may get to keep their ocean views, and a nearby parking lot in the Beach Flats neighborhood could become a conference center and hotel.

At least that's what the City Council is hoping now that it has made its final revisions on the Beach Area Plan. The council didn't remove the controversial conference hotel from the plan, but it is trying to move it away from the apartment complex to a vacant lot.

The 73-year-old complex on Beach Street has long been scrutinized as a possible location for a conference center. But several council members, especially Christopher Krohn, Tim Fitzmaurice and Mayor Keith Sugar, opposed it in their election campaigns in 1998. Last week, while discussing the plan, they recommended a conference center might be better on the site of the former Casa Del Rey retirement home, now a parking lot.

"We've managed to keep La Bahia preserved in the same way it was before, and we're tending to look at more realistic sites like the Casa Del Rey land," Fitzmaurice said. "I don't think there's anything negative in this plan."

Local business leaders disagree. An official with the Santa Cruz Seaside Company, which owns the Santa Cruz Beach Boardwalk, La Bahia and Casa Del Rey properties and about 30 percent of the land in Beach Flats, said the company is not happy with the change. Not only does Ted Whiting, vice president of Seaside, say he doesn't think the new location, behind the Boardwalk's casino, is as appealing, he said he's not happy that the company won't be permitted to expand the Boardwalk.

"The old plan in its original form struck a great balance between preserving and improving the neighborhood and economic development," he said. "The guts of the economic development has been taken out of this."

Expansion of the Boardwalk was removed from

the plan in 1998. Before then, the city had proposed to buy La Bahia from Seaside and develop it as a conference center, with new apartments built to replace those lost in La Bahia. It also called for a realignment of Third Street.

Whiting said Seaside began buying up land when the plan was proposed and left many of the apartments and lots vacant until the final decision on the Beach Area Plan. Now that the new version blocks the Seaside Co.'s plans, the company has to decide what to do with those properties.

Whiting said some will be opened up for tenants again. None are for sale now, he said.

Michael Schmidt, CEO of the Santa Cruz Area Chamber of Commerce, called last week's action the final chapter in the conference center, which he now expects may never be built. He chalked it up to the council misunderstanding what the business community needs.

"With the new location, behind the casino, and with the height limitations, it will be three sto-



ries, max, and looking out at a roof," he said. "The beauty of La Bahia was that it looked right out at the beach. Much more appealing for year-round tourism."

But others think this could work out for the best. Yolanda Goda, executive director of the Familia Center, which provides social services for Beach Flats residents, said the hotel could provide the city with tax revenue and the residents of the neighborhood with entry-level jobs. And if the city is able to retain La Bahia and turn it into up-to-date affordable housing, all the better, she said.

"I don't see any reason we couldn't have both," she said. "If we can have affordable housing in a beautiful location and tax revenue coming in, what more could we want?"

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**Left:** La Bahia's tower rises above Beach Street.  
**Above:** The parking lot, which was the site of the Casa Del Rey retirement home until the Loma Prieta Earthquake, is one proposed location for the beach area convention center.

Shmuel Thaler/Sentinel

