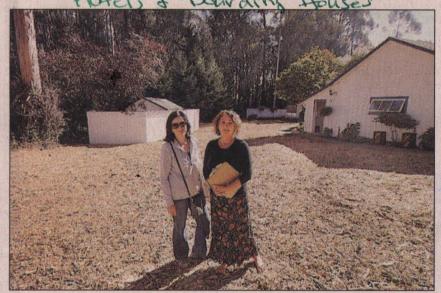
Residents unite against hotel expansion



DAN COYRO/SENTINEL

Claire Burnham and Cathlin Atchison are part of a large group of Depot Hill neighbors opposed to the expansion of Monarch Cove Inn. The two women are standing in what they say is former wildland that was razed for an unpermitted parking lot.

Monarch Cove Inn wants to expand from 11 to 41 rooms

By JONDI GUMZ

jgumz@santacruzsentinel.com

CAPITOLA — Walking on a sunny morning through Depot Hill, listening to the sound of cormorants, feeling the fresh breeze, seeing blue ocean glisten and catching a glimpse of monarch butterflies resting in the eucalyptus trees, you can see why residents are up in arms over a \$9 million proposal to expand the Monarch Cove Inn.

The inn sits on 1.4 acres at the end of El Salto Drive and is proposed to expand from 11 to 41 rooms.

More than 75 people turned out a week ago at Capitola City Hall for a "scoping meeting" to identify potential environmental issues, concerns about traffic, safety and the habitat of the delicate monarch.

"Kids are a biological resource we want to preserve," said Adam Samuels, who lives on El Salto Drive, noting everyone walks in the street because there are no sidewalks.

SEE HOTEL ON B3

HOTE

Continued from **B1**

He wonders if there is another way to raise the \$250,000 a year in city room tax revenue

projected from the expansion.

The upscale development, designed by local architect Thacher & Thompson, calls for putting in a new foundation for the nine-room inn, tearing down two cottages, building a two-story hotel with 22 rooms on top of a 56-space underground garage and erecting a two-story building with 10 rooms in place of the outdoor deck now used for wedding parties

Since the plans were unveiled in July, for-midable opposition has arisen, including for-mer mayor Bruce Arthur, applauded Mon-day when he said, "One of the alternatives

is no project.'

Cathlin Atchison, green program manager for the city of Santa Cruz, said residents collected 300 signatures objecting to the development going door-to-door and created a Fa book page, "Protect and Save Depot Hill."

One man produced yellow bumper stickers saying, "Save Depot Hill, Help Stop the Monarch Cove Development."

Melanie Freitas of Aptos, a consultant hired by the city to oversee the review, expects an environmental impact report, which identifies ways to mitigate impacts, to be ready in late fall.

She said the project has been sent to the California Coastal Commission, the Soquel Creek Water District and the county sanita-

tion district for feedback.

NEIGHBORHOOD FRICTION

The inn is circa 1900, built in the style of an English cottage but not listed as a California historic resource or on the National Register of Historic Places. It started out as a family retreat, then in 1946 became a summer resort, and since 1960 has been owned by the Blodgett family.

Old-timers know it as El Salto Resort.

There is friction between Robert Blodgett,

who has run the bed-and-breakfast on the coastal bluff since 1991, and his neighbors, many of whom are longtime residents in an area where homes now sell for more than \$1 million.

Charlie Eadie of land-use consultant Hamilton-Swift & Associates, hired by Blodgett to shepherd the development, said his client tried to get a residential designation for the

property but the Coastal Commission said no, retaining it as "visitor-serving." Atchison, who has lived for 20 years on Escalona Drive, contends the expansion conflicts with tenets in the city's general plan to ensure new development is compatible with neighboring land uses, provide a high quality of life for residents and protect environmentally sensitive areas such as the Escalona

Gulch monarch butterfly habitat.

Blodgett has been at odds with the city

In 1997, after he installed a concrete driveway and removed trees without permission, the City Council required he redo mission, the City Council required he redo the driveway with permeable pavement to reduce runoff. In 2001, after he had failed to pay \$96,000 in room tax owed to the city, he blamed the recession and asked for more time while seeking a buyer.

Neighbors are upset Blodgett recently was allowed to clear an area for parking, laying down wood chips, which they say are unsuitable for monarch butterfly habitat.

But Grunow, who checked city records

But Grunow, who checked city records, said the property has not been red-tagged nor have fines been levied on the owner dur-

ing the past 10 years.

Neighbors also say they have contended with inebriated guests, speeding cars and noise from events going beyond the 6 p.m. curfew but did not call police for fear of spoiling someone's wedding day.

Police Chief Rudy Escalante said there

have been 20 calls regarding Monarch Cove Inn since January 2011 but none for public intoxication. The complaints were: noise, 4, traffic, 3, trespassing, 2, wires down, 2, fire-

MONARCH COVE INN

WHO: The upscale development, designed by local architect Thacher & Thompson, calls for putting in a new foundation, tearing down two cottages, building a two-story hotel with 22 rooms on top of a 56-space underground garage and erecting a two-story building with 10 rooms in place of the outdoor deck HISTORY: The inn is circa 1900, built in the style of an English cottage but not listed as a California historic resource or on the National Register of Historic Places. It started out as a family retreat, then in 1946 became a

owned by the Blodgett family. Old-timers know it as El Salto Resort. WHERE: El Salto Drive, Capitola
COMMENTS: The project has been sent to the California Coastal Commission, the Soquel Creek Water District and the county sanitation district for feedback. All comments must be submitted by Sept. 26 to Richard Grunow, community development director, City Hall, 420 Capitola Ave., Capitola CA

summer resort, and since 1960 has been



DAN COYRO/SENTINEL

Depot Hill neighbors Claire Burnham and Cathlin Atchison are part of a large group of residents opposed to the proposed 41-room expansion of Monarch Cove Inn, at left.

works, 1, theft, 1, animal complaint, 1, follow up, 4, and duplicates, 2.

95010.

MITIGATION POSSIBLE? Meanwhile, demand for hotel rooms is ris-ing, according to Smith Travel Research. Countywide, hotels have rebounded to 63 percent occupancy so far this year from 49

percent during the recession.

Arthur, who has lived on Depot Hill for 45 years, said he doesn't blame Blodgett for trying to increase the number of rooms but he points out guests "have to drive the whole length of Depot Hill through residen-

tial neighborhoods to get to the property."

The expansion calls for creating a second entrance on Escalona Drive to split traffic impacts with El Salto Drive, a strategy Eadie called "a neat solution," but Escalona residents are unconvinced safety hazards can be mitigated for a project of this size.

Claire Burnham, a Depot Hill resident since 1976, said Capitola's three large hotels, with more than 50 rooms, are in areas zoned "community commercial" while Monarch Cove Inn and Inn at Depot Hill, the two in "visitor-serving" areas, have no more than

a dozen rooms. She worries about the impact of excava-tion on the cliff and how removal of 14 trees would affect the butterfly habitat. In the 1970s, Escalona Gulch attracted 1,000 butterflies but today is home to a couple hun-

dred, she said. On a walk with Atchison to Escalona Gulch, she explained how the eucalyptus blossoms and ivy nectar provide food for the wintering butterfly, the creek a water source and the

grove canopy allows for filtered sunlight and shelter from the wind.

"Once you've destroyed the habitat, you can't recover it," said Atchison, spotting two butterflies overhead.

Follow Sentinel reporter Jondi Gumz at Twitter.com/ iondigumz